

Commercial Bancgroup, Inc. Announces Results for Third Quarter 2025

HARROGATE, TN – October 27, 2025 – Commercial Bancgroup, Inc. (“Commercial” or the “Company”) (Nasdaq: CBK), the parent company of Commercial Bank (the “Bank”), today announced net income less non-controlling interest of \$9.5 million, or \$0.77 per diluted common share, for the third quarter of 2025, compared to net income less non-controlling interest of \$9.2 million, or \$0.74 per diluted common share, for the third quarter of 2024.

On October 1, 2025, the Company priced its initial public offering (the “IPO”) of 7,173,092 shares of its common stock 1,458,334 of which were sold by Commercial and 5,714,758 of which were sold by certain selling shareholders, at a public offering price of \$24.00 per share.

Prior to September 18, 2025, Commercial had three classes of common stock outstanding: common stock, Class B common stock, and Class C common stock. On September 18, 2025, Commercial’s charter was amended and restated. The Company’s amended and restated charter provided for, among other things:

- effective upon the filing of the amended and restated charter, the reclassification and conversion of (i) each outstanding share of Class B common stock into 1.15 shares of common stock and (ii) each outstanding share of Class C common stock into 1.05 shares of common stock (collectively, the “Stock Reclassification”); and
- effective immediately following the Stock Reclassification, a 250-for-1 forward stock split in respect of the outstanding shares of our common stock (the “Stock Split”).

The Company’s common stock began trading on The Nasdaq Stock Market LLC on October 2, 2025, under the ticker symbol “CBK.” On October 3, 2025, the Company completed its IPO, from which it received net proceeds of approximately \$30.6 million. Commercial used certain of its proceeds from the IPO to repay certain Commercial indebtedness and intends to use other of its proceeds from the IPO to redeem its outstanding subordinated debentures and related trust preferred securities.

Our financial statements, including earnings per share and book value per share, reflect the stock Reclassification and Stock Split retroactively. Because the IPO occurred after September 30, 2025, the financial impacts of the IPO are not included in the financial statements presented in this press release.

Third quarter 2025 highlights:

- Net income less non-controlling interest of \$9.5 million or \$0.77 per share and \$0.77 per diluted share for the three months ended September 30, 2025, compared to \$9.2 million or \$0.75 per share and \$0.74 per diluted share for the three months ended September 30, 2024.
- Return on average assets of 1.69% for the three months ended September 30, 2025, compared to 1.65% for the three months ended September 30, 2024.
- Return on average shareholders’ equity of 15.76% for the three months ended September 30, 2025, compared to 17.32% for the three months ended September 30, 2024.
- Total operating revenue of \$22.9 million for the three months ended September 30, 2025, compared to \$21.9 million for the three months ended September 30, 2024.
- Non-interest expense of \$10.6 million for the three months ended September 30, 2025, compared to \$10.5 million for the three months ended September 30, 2024.
- Tangible book value per share of \$19.05 per share as of September 30, 2025, compared to \$16.64 per share as of September 30, 2024 (see non-GAAP reconciliation).
- Efficiency ratio of 46.2% for the three months ended September 30, 2025, compared to 48.1% for the three months ended September 30, 2024.

Year to date highlights:

- Net income less non-controlling interest of \$27.1 million or \$2.22 per share and \$2.22 per diluted share for the nine months ended September 30, 2025, compared to \$25.8 million or \$2.12 per share and \$2.09 per diluted share for the nine months ended September 30, 2024.
- Return on average assets of 1.60% for the nine months ended September 30, 2025, compared to 1.57% for the nine months ended September 30, 2024.
- Return on average shareholders' equity of 15.50% for the nine months ended September 30, 2025, compared to 16.94% for the nine months ended September 30, 2024.
- Total operating revenue of \$66.9 million for the nine months ended September 30, 2025, compared to \$65.7 million for the nine months ended September 30, 2024.
- Non-interest expense of \$31.9 million for the nine months ended September 30, 2025, compared to \$32.1 million for the nine months ended September 30, 2024.
- Tangible book value per share of \$19.05 per share as of September 30, 2025, compared to \$16.64 per share as of September 30, 2024 (see non-GAAP reconciliation).
- Efficiency ratio of 47.6% for the nine months ended September 30, 2025, compared to 48.9% for the nine months ended September 30, 2024.

Balance Sheet Trends

Total assets were \$2.2 billion as of September 30, 2025, a decrease of \$86.8 million, or 3.8%, from December 31, 2024. This decrease was primarily due to a decrease in our loan portfolio and our investment portfolio.

Total net loans were \$1.7 billion as of September 30, 2025, a decrease of \$39.5 million, or 2.2%, from December 31, 2024. While we experienced moderate loan growth during the nine months ended September 30, 2025, we had some large loan payoffs from long-term borrowers selling their businesses.

As of September 30, 2025, the Bank exceeded the minimum requirements to be well-capitalized for bank regulatory purposes, with a total risk-based capital ratio of 15.2%, a Tier 1 risk-based capital ratio of 14.2%, a common equity Tier 1 capital ratio of 14.2%, and a Tier 1 leverage ratio of 12.0%.

Total deposits were \$1.8 billion as of September 30, 2025, a decrease of \$158.0 million, or 8.1%, from December 31, 2024. This decrease was primarily driven by a \$106.8 million reduction in time deposits to \$469.7 million at September 30, 2025, from \$576.5 million at December 31, 2024. The decrease in time deposits was a result of brokered deposits decreasing by \$126.9 million to \$48.0 million at September 30, 2025, from \$174.9 million at December 31, 2024.

Noninterest bearing demand deposits increased \$2.2 million, or 0.5%, to \$398.8 million as of September 30, 2025, from \$396.6 million as of December 31, 2024.

Non-brokered deposits were \$1.7 billion as of September 30, 2025, a decrease of \$31.0 million, or 1.8%, from December 31, 2024. This decrease was primarily driven by normal customer business cycles.

Asset quality declined slightly with nonperforming assets to total assets of 0.26% as of September 30, 2025, an increase of 0.01% from December 31, 2024. The allowance for credit losses to total loans remained flat at 1.01% for the same periods of time.

Net Income Before Income Taxes

Net income before income taxes was \$35.1 million for the nine months ended September 30, 2025, an increase of \$3.3 million, or 10.5%, from the nine months ended September 30, 2024. The increase was primarily the result of an increase in net interest income after provision for credit losses.

Non-Interest Income

Non-interest income was \$7.3 million for the nine months ended September 30, 2025, a decrease of \$0.6 million, or 7.4%, from the nine months ended September 30, 2024. This decrease was primarily due to one-time gains on the sale of bank property during 2024 of \$0.4 million.

Conference Call Information

Commercial will host a conference call to discuss its third quarter 2025 results on Tuesday, October 28, 2025, at 10:00 a.m. Eastern Time. The call will be available via <https://events.q4inc.com/attendee/913670081>, and you can access the interactive teleconference by dialing (800) 715-9871 or (646) 307-1963 and using the Call ID 8389212. A replay of the conference call will be available through November 4, 2025, by dialing (800) 770-2030 and inputting Playback ID 8389212 followed by the “#” key. An online replay will be available by selecting “Events and Presentations” under “News and Events” within the Investor Relations section of Commercial’s website (<https://ir.cbtn.com/overview/default.aspx>) approximately two hours after the conclusion of the call and will remain available through November 24, 2025.

About Commercial Bancgroup, Inc.

Commercial Bancgroup, Inc. is a bank holding company headquartered in Harrogate, Tennessee. Through our wholly owned subsidiary, Commercial Bank, a Tennessee state-chartered commercial bank, we offer a suite of traditional consumer and commercial banking products and services to businesses and individuals in select markets in Kentucky, North Carolina, and Tennessee. More information about Commercial can be found on its website at www.cbtn.com.

Contacts

Philip J. Metheny
Executive Vice President, Chief Financial Officer
Commercial Bancgroup, Inc.
ir@cbtn.com
423-869-5151 Ext. 3307

Roger Mobley
Executive Vice President, Assistant Chief Financial Officer
Commercial Bancgroup, Inc.
ir@cbtn.com
704-648-0185 Ext. 4118

Source

Commercial Bancgroup, Inc.

Forward-Looking Statements

This press release contains statements that constitute “forward-looking statements” within the meaning of the U.S. federal securities laws. The statements in this press release that are not purely historical facts are forward-looking statements. These forward-looking statements are generally identified by the use of forward-looking terminology, including the terms “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” “would” and, in each case, their negative or other variations or comparable terminology and expressions. This press release specifically contains forward-looking statements regarding our intended use of proceeds from the IPO. You should not place undue reliance on these forward-looking statements as actual future results may differ materially from those expressed or implied by any forward-looking statement. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause the actual results to differ materially from those expressed in any forward-looking statements, including but not limited to: (1) business and economic conditions nationally, regionally and in our target markets, particularly in Kentucky, North Carolina and Tennessee and the particular geographic areas in which we operate; (2) the level of, or changes in the level of, interest rates and inflation, including the effects thereof on our earnings and financial condition and the market value of our investment securities and loan portfolios; (3) the concentration of our loan portfolio in real estate loans and changes in the prices, values and sales volumes of commercial and residential real estate; (4) the concentration of our business within our geographic areas of operation in Kentucky, North Carolina and Tennessee and neighboring markets; (5) credit and lending risks associated with our commercial real estate, commercial, and construction and land development loan portfolios; (6) risks associated with our focus on lending to small and medium-sized businesses; (7) our ability to maintain

important deposit customer relationships, maintain our reputation or otherwise avoid liquidity risks; (8) changes in demand for our products and services; (9) the failure of assumptions and estimates underlying the establishment of allowances for possible credit losses and other asset impairments, losses, valuations of assets and liabilities and other estimates; (10) the sufficiency of our capital, including sources of such capital and the extent to which capital may be used or required; (11) our inability to secure a “satisfactory” rating under the Community Reinvestment Act; (12) the risk that our cost of funding could increase in the event we are unable to continue to attract stable, low-cost deposits and reduce our cost of deposits; (13) our inability to raise necessary capital to fund our growth strategy and operations or to meet increased required minimum regulatory capital levels; (14) our ability to execute and prudently manage our growth and execute our business strategy, including expansionary activities; (15) the composition of and changes in our management team and our ability to attract, incentivize and retain key personnel; (16) the effects of competition from a wide variety of local, regional, national and other providers of financial, investment, trust and other wealth management services and insurance services, including the disruptive effects of financial technology and other competitors who are not subject to the same regulations as the Company and the Bank; (17) the deterioration of our asset quality or the value of collateral securing loans; (18) changes in accounting standards; (19) the effectiveness of our risk management framework, including internal controls; (20) severe weather, natural disasters, pandemics, epidemics, acts of war, terrorism, or other external events, such as the transition risk associated with climate change, and other matters beyond our control; (21) changes in technology or products that may be more difficult, costly, or less effective than anticipated; (22) the risks of acquisitions and other expansionary activities, including without limitation our ability to identify and consummate transactions with potential future acquisition candidates, the time and costs associated with pursuing such transactions, our ability to successfully integrate operations as part of such transactions and our ability, and possible failures, to achieve expected gains, revenue growth, expense savings and/or other synergies from such transactions; (23) our ability to maintain our historical rate of growth; (24) failure to keep pace with technological change or difficulties when implementing new technologies; (25) systems failures or interruptions involving our risk management framework, our information technology and telecommunications systems or third-party service providers; (26) our ability to identify and address unauthorized data access, cyber-crime and other threats to data security and customer privacy; (27) our compliance with governmental and regulatory requirements, including the Bank Holding Company Act of 1956, as amended, and other laws relating to banking, consumer protection, securities and tax matters, and our ability to maintain licenses required in connection with mortgage origination, sale and servicing operations; (28) compliance with the Bank Secrecy Act of 1970, Office of Foreign Assets Control rules and anti-money laundering laws and regulations; (29) governmental monetary and fiscal policies; (30) changes in laws, rules, or regulations, or interpretations thereof, or policies relating to financial institutions or accounting, tax, trade, monetary or fiscal matters; (31) our ability to receive dividends from the Bank and satisfy our obligations as they become due; (32) the institution and outcome of litigation and other legal proceedings against us or to which we become subject; (33) the limited experience of our management team in managing and operating a public company; (34) the incremental costs of operating as a public company; (35) our ability to meet our obligations as a public company, including our obligations under Section 404 of the Sarbanes-Oxley Act of 2002; and (36) other risks and factors described under the sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Registration Statement on Form S-1/A (Registration No. 333-289862) filed with the U.S. Securities and Exchange Commission on September 22, 2025. Commercial undertakes no obligation to update these forward-looking statements, as a result of changes in assumptions, new information, or otherwise, after the date of this press release, except as required by law.

Non-GAAP Financial Measures

This press release contains certain financial measure(s) that are not financial measure(s) recognized under generally accepted accounting principles in the U.S. (“GAAP”) and, therefore, are considered non-GAAP financial measure(s) and should be read along with the accompanying reconciliation of non-GAAP financial measure(s) to GAAP financial measure(s). We use non-GAAP financial measures, certain of which are included in this press release, both to explain our operating results to shareholders and the investment community and to evaluate, analyze, and manage our business. We believe that these non-GAAP financial measures provide a better understanding of ongoing operations, enhance the comparability of results across periods, and enable investors to better understand our performance. However, non-GAAP financial measures should not be considered in isolation and should be considered supplemental in nature and not as a substitute for or superior to the most directly comparable or other financial measures calculated in accordance with GAAP. Additionally, the manner in which the non-GAAP financial measure(s) contained in this press release are calculated may differ from the manner in which measures with similar names are calculated by other companies. You should understand how other companies calculate their financial measures similar to, or with names similar to, the non-GAAP financial measure(s) contained in this press release when comparing such financial measures.

The non-GAAP financial measures in this press release include “tangible book value per common share.”

Commercial Bancgroup, Inc.
Consolidated Balance Sheets

| | For the nine Months Ended September 30, 2025 (unaudited) | December 31, 2024 (audited) |
|---|---|--|
| Assets | | |
| Cash and due from banks | 44,242,184 | 18,991,800 |
| Federal funds sold | 31,841,525 | 43,742,762 |
| Interest-bearing demand deposits in banks | 78,703,235 | 115,463,354 |
| Cash and cash equivalents | 154,786,944 | 178,197,916 |
| Available-for-sale securities | 29,555,603 | 47,937,616 |
| Held-to-maturity securities | 131,915,382 | 128,216,954 |
| Loans, net of allowance for credit losses of \$17,942,293 \$18,205,421 at September 30, 2025 and December 31, 2024, respectively | 1,749,250,647 | 1,788,791,583 |
| Premises and equipment, net | 50,268,024 | 50,288,378 |
| Federal Reserve Bank and Federal Home Loan Bank stock | 8,163,700 | 8,264,150 |
| Foreclosed assets held for sale, net | 532,953 | 831,662 |
| Interest receivable | 7,096,937 | 7,187,304 |
| Bank owned life insurance | 46,482,172 | 45,883,124 |
| Core deposits and other intangibles | 4,638,230 | 5,824,968 |
| Goodwill | 8,510,852 | 8,514,092 |
| Deferred tax asset | 1,426,948 | 1,078,881 |
| Other | 21,779,863 | 30,194,510 |
| Total assets | 2,214,408,255 | 2,301,211,138 |
| Liabilities and Stockholders' Equity | | |
| Liabilities | | |
| Deposits | | |
| Demand | 928,957,598 | 976,481,028 |
| Savings, NOW and money market | 382,002,346 | 385,614,692 |
| Time | 469,673,638 | 576,501,235 |
| Total deposits | 1,780,633,582 | 1,938,596,955 |
| Short-term borrowings | 62,662,527 | 3,391,566 |
| Long-term debt | 100,097,343 | 105,772,642 |
| Interest payable | 3,410,094 | 4,224,695 |
| Other liabilities | 22,451,383 | 28,969,497 |
| Total liabilities | 1,969,254,929 | 2,080,955,355 |
| Stockholders' Equity | | |
| Common stock | | |
| Common stock | 122,396 | 121,131 |
| Additional paid-in capital | 8,406,116 | 9,388,181 |
| Retained earnings | 237,366,245 | 212,310,977 |
| Accumulated other comprehensive income (loss) | (741,431) | (1,564,506) |
| Total stockholders' equity | 245,153,326 | 220,255,783 |
| Total liabilities and stockholders' equity | 2,214,408,255 | 2,301,211,138 |

Commercial Bancgroup, Inc.
Consolidated Statements of Income
(Unaudited)

| | <u>Three Months Ended September 30,</u> | | <u>Nine Months Ended September 30,</u> | |
|--|---|-------------------|--|-------------------|
| | <u>2025</u> | <u>2024</u> | <u>2025</u> | <u>2024</u> |
| Interest and Dividend Income | | | | |
| Loans, including fees | 28,073,755 | 28,718,458 | 84,435,068 | 84,968,617 |
| Debt securities - Taxable | 929,519 | 607,232 | 2,974,335 | 1,915,455 |
| Debt securities - Tax-Exempt | 102,154 | 64,595 | 328,309 | 276,505 |
| Dividends on Federal Home Loan and Federal Reserve Bank stock | 155,591 | 158,486 | 464,028 | 515,747 |
| Interest-bearing time deposits | <u>759,917</u> | <u>1,072,326</u> | <u>3,443,784</u> | <u>4,203,304</u> |
| Total Interest and Dividend Income | <u>30,020,936</u> | <u>30,621,097</u> | <u>91,645,524</u> | <u>91,879,628</u> |
| Interest Expense | | | | |
| Interest Expense Deposits | 8,653,819 | 10,276,321 | 28,665,194 | 29,975,273 |
| Short-term borrowings | 55,431 | 76,284 | 130,043 | 164,649 |
| Long-term debt | <u>1,090,087</u> | <u>1,212,795</u> | <u>3,229,909</u> | <u>3,923,504</u> |
| Total Interest Expense | <u>9,799,337</u> | <u>11,565,400</u> | <u>32,025,146</u> | <u>34,063,426</u> |
| Net Interest Income | 20,221,599 | 19,055,697 | 59,620,378 | 57,816,202 |
| Provision for Credit Losses | <u>-</u> | <u>323,000</u> | <u>-</u> | <u>1,823,644</u> |
| Net Interest Income After Provision for Credit Losses | <u>20,221,599</u> | <u>18,732,697</u> | <u>59,620,378</u> | <u>55,992,558</u> |
| Noninterest Income | | | | |
| Customer service fees | 735,353 | 654,268 | 2,064,670 | 2,158,524 |
| Net gains (losses) on sales of premises and equipment | 20,500 | 388,448 | 24,959 | 411,542 |
| Net gains (losses) on sales of foreclosed assets | 109,720 | 31,818 | 113,270 | 150,913 |
| Net gains on sales of loans | 1,579 | - | 1,579 | - |
| ATM Fees | 845,782 | 883,331 | 2,536,231 | 2,432,517 |
| Increase in BOLI | 306,026 | 313,393 | 949,557 | 876,093 |
| Other | <u>606,985</u> | <u>536,667</u> | <u>1,601,376</u> | <u>1,848,463</u> |
| Total Noninterest Income | <u>2,625,945</u> | <u>2,807,925</u> | <u>7,291,642</u> | <u>7,878,052</u> |

Noninterest Expense

| | | | | |
|--------------------------------|------------------|------------------|------------------|------------------|
| Salaries and employee benefits | 5,728,660 | 5,604,733 | 17,011,656 | 16,851,817 |
| Occupancy | 738,481 | 935,675 | 2,529,370 | 2,650,555 |
| Data processing | 1,103,542 | 1,067,417 | 3,461,901 | 3,393,223 |
| Deposit insurance premiums | 267,221 | 350,326 | 738,209 | 875,138 |
| Professional fees | 135,786 | 328,773 | 616,727 | 979,447 |
| Depreciation and amortization | 954,748 | 1,061,939 | 2,705,755 | 3,117,152 |
| Other | <u>1,624,003</u> | <u>1,174,235</u> | <u>4,795,031</u> | <u>4,277,314</u> |

Total Noninterest Expense 10,552,441 10,523,098 31,858,649 32,144,646

Income Before Income Taxes 12,295,103 11,017,524 35,053,371 31,725,964

Provision for Income Taxes 2,828,954 1,810,311 7,997,024 5,650,639

Net Income 9,466,149 9,207,213 27,056,347 26,075,325

Less: Net Income Attributable to Noncontrolling Interest - - - 275,857

Net Income attributable to Commercial Bancgroup, Inc. 9,466,149 9,207,213 27,056,347 \$ 25,799,468

Commercial Bancgroup, Inc.
Consolidated Statements of Stockholders' Equity
(Unaudited)

| | Common Stock | Additional Paid-In Capital | Retained Earnings | Other Comprehensive Income (Loss) | Non-Controlling Interest | TOTAL |
|---|-------------------|----------------------------------|-----------------------|---|-----------------------------|-----------------------|
| BALANCE - JANUARY 1, 2024 | \$ 122,118 | \$ 9,073,467 | \$ 182,903,720 | \$ (1,724,275) | \$ 5,402,293 | \$ 195,777,323 |
| Net income | | | 25,799,468 | | 275,857 | 26,075,325 |
| Other comprehensive income | | | | 657,331 | - | 657,331 |
| Dividends paid to shareholders | | | (2,002,669) | | | (2,002,669) |
| Issuance of stock (125 Class B shares) | | | | | | - |
| Repurchase of stock (11 Class A shares) | (28) | (45,213) | | | | (45,241) |
| Acquisition of minority interest | | | | | (5,678,150) | (5,678,150) |
| | - | - | - | - | - | - |
| BALANCE - SEPTEMBER 30, 2024 | <u>\$ 122,090</u> | <u>\$ 9,028,254</u> | <u>\$ 206,700,519</u> | <u>\$ (1,066,944)</u> | <u>\$ -</u> | <u>\$ 214,783,919</u> |
| BALANCE - JANUARY 1, 2025 | \$ 121,131 | \$ 9,388,181 | \$ 212,310,977 | \$ (1,564,506) | \$ - | \$ 220,255,783 |
| Net income | | | 27,056,347 | | | 27,056,347 |
| Other comprehensive income | - | - | | 823,075 | - | 823,075 |
| Dividends paid to shareholders | | | (2,002,079) | | | (2,002,079) |
| Non-controlling interest | - | - | - | | - | - |
| Stock Compensation | | | | | | - |
| Issuance of stock related to stock grant (625 Class B shares) | 1,797 | (1,797) | - | - | - | - |
| Repurchase of stock (185 Class B shares) | (532) | (980,268) | - | - | - | (980,800) |
| BALANCE - SEPTEMBER 30, 2025 | <u>\$ 122,396</u> | <u>8,406,116</u> | <u>\$ 237,365,245</u> | <u>\$ (741,431)</u> | <u>\$ -</u> | <u>\$ 245,152,326</u> |
| BALANCE - June 30, 2024 | \$ 122,090 | \$ 9,028,254 | \$ 197,493,306 | \$ (1,737,966) | \$ 5,678,150 | \$ 210,583,834 |
| Net income | | | 9,207,213 | | - | 9,207,213 |
| Other comprehensive income | | | | 671,022 | - | 671,022 |
| Dividends paid to shareholders | | | - | | | - |
| Acquisition of minority interest | | | | | (5,678,150) | (5,678,150) |
| Repurchase of stock (11 Class A shares) | - | - | | | | - |
| Repurchase of stock (436 Class B shares) | - | - | | | | - |
| | - | - | - | - | - | - |
| BALANCE - September 30, 2024 | <u>\$ 122,090</u> | <u>\$ 9,028,254</u> | <u>\$ 206,700,519</u> | <u>\$ (1,066,944)</u> | <u>\$ -</u> | <u>\$ 214,783,919</u> |
| BALANCE - June 30, 2025 | \$ 122,396 | \$ 8,406,116 | \$ 227,900,096 | \$ (1,160,886) | \$ - | \$ 235,267,722 |
| Net income | | | 9,466,149 | | | 9,466,149 |
| Other comprehensive income | - | - | | 419,455 | - | 419,455 |
| Dividends paid to shareholders | | | - | | | - |
| Non-controlling interest | - | - | - | | - | - |
| Stock Compensation | | | | | | - |
| Issuance of stock related to stock grant (625 Class B shares) | - | - | - | - | - | - |
| Repurchase of stock (30 Class A shares) | - | - | | | | - |
| Repurchase of stock (185 Class B shares) | - | - | - | - | - | - |
| BALANCE - September 30, 2025 | <u>\$ 122,396</u> | <u>8,406,116</u> | <u>\$ 237,366,245</u> | <u>\$ (741,431)</u> | <u>\$ -</u> | <u>\$ 245,153,326</u> |

Commercial Bancgroup, Inc.
Consolidated Statements of Comprehensive Income
Unaudited

| | Three months Ended September 30, | | Nine months Ended September 30, | |
|--|---|---------------------|--|----------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Net income attributable to | | | | |
| Commerical Bancgroup, Inc. | \$ 9,465,149 | \$ 9,207,213 | \$ 27,056,347 | \$ 25,799,468 |
| Other comprehensive income (loss): | | | | |
| Unrealized holding gains (losses) | | | | |
| on securities available for sale | | | | |
| arising during the period | 535,864 | 769,789 | 917,176 | 491,720 |
| Tax benefit (expense) | (159,558) | (188,616) | (232,227) | (107,968) |
| Reclassification adjustment for accretion | | | | |
| of unrealized holding gains included in | | | | |
| accumulated other comprehensive income | | | | |
| from the transfer of securities from | | | | |
| available-for-sale to held-to-maturity | 58,417 | 120,324 | 186,997 | 369,061 |
| Tax expense | (15,268) | (30,475) | (48,871) | (95,482) |
| Other comprehensive income (loss), net of tax | 419,455 | 671,022 | 823,075 | 657,331 |
| Comprehensive income | \$ 9,884,604 | \$ 9,878,235 | \$ 27,879,422 | \$ 26,456,799 |

Non-GAAP Reconciliation

| | At or for the Nine Months Ended September 30, | | At or for the Year Ended December 31, |
|--|--|--------------|--|
| | 2025 | 2024 | 2024 |
| (Dollars in thousands except per share data) | | | |
| Pre-Tax Pre-Provision Net Income | | | |
| Pre-tax income | \$ 35,053 | \$ 31,726 | \$ 40,572 |
| Add: provision for loan and lease losses | - | 1,824 | 1,829 |
| Pre-tax pre-provision net income | \$ 35,053 | \$ 33,550 | \$ 42,401 |
| Tangible Equity: | | | |
| Shareholders' equity | 245,153 | 214,784 | \$ 220,256 |
| Less: non controlling interest | - | - | - |
| Less: goodwill | 8,511 | 8,511 | 8,514 |
| Less: core deposit intangible (net of tax benefit) | 3,449 | 4,663 | 4,331 |
| Tangible common equity | \$ 233,194 | \$ 201,610 | \$ 207,411 |
| Pre-Tax Pre-Provision Return on Average Assets: | | | |
| Total average assets | \$ 2,257,810 | \$ 2,220,709 | \$ 2,217,423 |
| Pre-tax pre-provision net income | 35,053 | 33,550 | 42,401 |
| Pre-tax pre-provision return on average assets | 2.07% | 2.01% | 1.91% |
| Return on Average Tangible Equity: | | | |
| Total average shareholders' equity | \$ 232,705 | \$ 205,281 | \$ 206,622 |
| Less: average intangible assets (net of tax benefit) | 12,325 | 13,573 | 13,497 |
| Less: average non controlling interest | - | 2,701 | 2,701 |
| Average tangible equity | 220,380 | 189,006 | 190,424 |
| Net income to shareholders | 27,056 | 25,799 | 31,410 |
| Return on average tangible equity | 16.37% | 18.20% | 16.49% |
| Tangible Book Value per Share, Reported: | | | |
| Tangible common equity | \$ 233,194 | \$ 201,610 | \$ 207,411 |
| Shares of common stock outstanding | 12,239,644 | 12,113,144 | 12,113,144 |
| Tangible book value per share, reported | \$ 19.05 | \$ 16.64 | \$ 17.12 |
| Tangible Equity to Tangible Assets: | | | |
| Tangible common equity | \$ 233,194 | \$ 201,610 | \$ 207,411 |
| Total assets | 2,214,408 | 2,244,809 | 2,301,211 |
| Less: intangible assets | 13,149 | 14,782 | 14,339 |
| Tangible assets | 2,201,259 | 2,230,027 | 2,286,872 |
| Tangible equity to tangible assets | 10.59% | 9.04% | 9.07% |
| Core Deposits: | | | |
| Total Deposits | \$ 1,780,634 | \$ 1,893,152 | \$ 1,938,597 |
| Less: Time deposits greater than \$250,000 | 101,767 | 91,974 | 94,566 |
| Less: Brokered deposits | 47,979 | 174,918 | 174,918 |
| Core deposits | \$ 1,630,888 | \$ 1,626,260 | \$ 1,669,112 |

Core Earnings per Share:

| | | | |
|--|-----------|-----------|-----------|
| Net income | \$ 27,056 | \$ 25,799 | \$ 31,410 |
| Add: merger expenses from AB&T acquisition | 309 | 697 | 2,788 |
| Less: tax effect | (77) | (174) | (697) |
| Core net income | 27,288 | 26,322 | 33,501 |

Core Earnings per Share:

| | | | |
|----------------------------|------------|------------|------------|
| Core net income | 27,288 | 26,322 | 33,501 |
| Average shares outstanding | 12,205,817 | 12,304,019 | 12,187,788 |
| Core earnings per share | \$ 2.24 | \$ 2.14 | \$ 2.75 |

Core Return on Average Assets:

| | | | |
|-------------------------------|-----------|-----------|-----------|
| Core net income | \$ 27,288 | \$ 26,322 | \$ 33,501 |
| Average assets | 2,257,810 | 2,220,709 | 2,217,423 |
| Core return on average assets | 1.61% | 1.58% | 1.51% |

Core Return on Average Tangible Equity:

| | | | |
|---|---------|---------|---------|
| Average tangible common equity | 220,380 | 189,006 | 190,424 |
| Core net income | 27,288 | 26,322 | 33,501 |
| Core return on average tangible common equity | 16.51% | 18.57% | 17.59% |

Core Efficiency Ratio:

| | | | |
|---|-----------|-----------|-----------|
| Add: net interest income | \$ 59,620 | \$ 57,816 | \$ 77,584 |
| Add: non interest income | 7,292 | 7,878 | 10,878 |
| Operating revenue | 66,912 | 65,694 | 88,462 |
| Total noninterest expenses | 31,859 | 32,145 | 46,061 |
| Less: merger expenses from AB&T acquisition | 309 | 697 | 2,788 |
| Core noninterest expenses | 31,550 | 31,448 | 43,273 |
| Core efficiency ratio | 47.15% | 47.87% | 48.92% |