Investor Presentation

Fourth Quarter and Year Ended 2022

Carter Bankshares, Inc.

Forward-Looking Statements

This information contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to our financial condition, market conditions, results of operations, plans, objectives, outlook for earnings, revenues, expenses, capital and liquidity levels and ratios, asset levels and asset quality. Forward looking statements are typically identified by words or phrases such as "will likely result," "expect," "anticipate," "estimate," "forecast," "project," "intend," " believe," "assume," "strategy," "trend," "plan," "outlook," "outcome," "continue," "remain," "potential," "opportunity," "comfortable," "current," "position," "maintain," "sustain," "seek," "achieve" and variations of such words and similar expressions, or future or conditional verbs such as will, would, should, could or may. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. The matters discussed in these forward-looking statements are subject to various risks, uncertainties and other factors that could cause actual results and trends to differ materially from those made, projected, or implied in or by the forward-looking statements including, but not limited to: the effects of: market interest rates and the impacts of market interest rates on economic conditions, customer behavior, and the Company's loan and securities portfolios; monetary and fiscal policies of the U.S. government, including policies of the Federal Reserve; changes in accounting policies, practices, or guidance, for example, our adoption of CECL, including potential volatility in the Company's operating results due to application of the CECL methodology; cyber-security threats, attacks or events; rapid technological developments and changes; changes in the Company's liquidity and capital positions; concentrations of loans secured by real estate, particularly commercial real estate, and the potential impacts of changes in market conditions on the value of real estate collateral; an insufficient ACL; the potential adverse effects of unusual and infrequently occurring events, such as weather-related disasters, terrorist acts, war and other military conflicts (such as the ongoing war between Russia and Ukraine) or public health events (such as the COVID-19 pandemic), and of any governmental and societal responses thereto; these potential adverse effects may include, without limitation, adverse effects on the ability of the Company's borrowers to satisfy their obligations to the Company, on the value of collateral securing loans, on the demand for the Company's loans or its other products and services, on incidents of cyberattack and fraud, on the Company's liquidity or capital positions, on risks posed by reliance on third-party service providers, on other aspects of the Company's business operations and on financial markets and economic growth; a change in spreads on interest-earning assets and interest-bearing liabilities; regulatory supervision and oversight; legislation affecting the financial services industry as a whole, and the Company and the Bank, in particular; the outcome of pending and future litigation and governmental proceedings; increasing price and product/service competition; the ability to continue to introduce competitive new products and services on a timely, cost-effective basis; managing our internal growth and acquisitions; the possibility that the anticipated benefits from acquisitions cannot be fully realized in a timely manner or at all, or that integrating the acquired operations will be more difficult, disruptive or more costly than anticipated; material increases in costs and expenses; reliance on significant customer relationships; general economic or business conditions, including unemployment levels, continuing supply chain disruptions and slowdowns in economic growth; expansions or consolidations in the Company's branch network, including that the anticipated benefits of the Company's branch network optimization project are not fully realized in a timely manner or at all; deterioration of the housing market and reduced demand for mortgages; and re-emergence of turbulence in significant portions of the global financial and real estate markets that could impact our performance, both directly, by affecting our revenues and the value of our assets and liabilities, and indirectly, by affecting the economy generally and access to capital in the amounts, at the times and on the terms required to support our future businesses. Many of these factors, as well as other factors, are described in our filings with the SEC including in the "Risk Factors" section of the Company's Annual Report on Form 10-K for the year ended December 31, 2021. All risk factors and uncertainties described herein and therein should be considered in evaluating the Company's forward-looking statements. Forward-looking statements are based on beliefs and assumptions using information available at the time the statements are prepared. We caution you not to unduly rely on forward-looking statements because the assumptions, beliefs, expectations and projections about future events may, and often do, differ materially from actual results. Any forward-looking statement speaks only as to the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect developments occurring after the statement is made.

Non-GAAP Statements

Statements in this exhibit include non-GAAP financial measures and should be read along with the accompanying tables in our definitions and reconciliations of GAAP to non-GAAP financial measures. Management uses, and this exhibit references, net interest income and net interest margin, each on a fully taxable equivalent, or FTE, basis, which are non-GAAP financial measures. Management believes net interest income and net interest margin on an FTE basis provide information useful to investors in understanding our underlying business, operational performance and performance trends as they facilitate comparisons with the performance of other companies in the financial services industry. Although management believes that these non-GAAP financial measures enhance investors' understanding of our business and performance, these non-GAAP financial measures should not be considered alternatives to GAAP or considered to be more important than financial results determined in accordance with GAAP, nor are they necessarily comparable with non-GAAP measures which may be presented by other companies.

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NASDAQ
WELCOMES
CARTER BANK & TRUST
APRIL 5, 2019
Carter Bank & Trust
CARE NasdaqListed
Nasdaq

01

Overview

Our Purpose

Enrich lives and enhance communities today, to build a better tomorrow.

Our Mission

At Carter Bank & Trust,
we strive to be the preferred lifetime financial partner
for our customers and shareholders, and
the employer of choice in the communities
we are privileged to serve.

Our Values

Loyalty
We serve to build lifetime relationships

Care
We care, it's our tradition and what we do best

Optimism
We work collaboratively, as one team

Trustworthiness
We act with integrity and speak with respect

Innovation
We make bold decisions to continuously improve

Our Company History

1974

Bank established denovo in 1974 as First National Bank of Rocky Mount, VA

2006

Carter Bank & Trust charter established in 2006 with the merger of ten banks

2020

Carter Bankshares, Inc. holding company established in Q4 2020 with the assets of Carter Bank & Trust

Focused on the Future, a Well-Capitalized Franchise with Momentum

Headquartered in Martinsville, VA

66 Branches

7 Corporate Centers

3 Corporate Offices in VA

Corporate Highlights

- Record year for Earnings and Commercial Loan Production.
- Completed Market Segmentation Study to identify key growth and retention target audiences.
- Completed a Brand Study resulting in a new Brand Strategy to be implemented in 2023.
- Continuing full-service flagship model in select markets with most recent in Charlottesville, VA.
- Focus on talent management and acquisition with the launch of several new incentive plans including Retail and Credit Administration.

The Numbers

$4.2B Assets

$3.1B Loans

$3.6B Deposits

As of December 31, 2022

Our Leadership Team

Litz Van Dyke
Chief Executive Officer

Bradford Langs
President
Chief Strategy Officer

Wendy Bell
Senior Executive Vice President
Chief Financial Officer

'We are intentional and work with purpose to create a **culture of leadership excellence** - attracting, developing and retaining the best leaders - to **achieve mission objectives** and to **experience break-out performances** across the organization.'

Litz Van Dyke, CEO

Loran Adams
Executive Vice President
Director of Regulatory Risk Management

Tami Buttrey
Executive Vice President
Chief Retail Banking Officer Channel Optimization Director

Paul Carney
Executive Vice President
Chief Human Resources Officer

Jane Ann Davis
Executive Vice President
Chief Administration Officer

Tony Kallsen
Senior Executive Vice President Chief Credit Risk Officer

Phyllis Karavatakis
Senior Executive Vice President Special Projects

Richard Owen
Executive Vice President
Mortgage Banking & Corporate Sales Director

Chrystal Parnell
Senior Vice President
Chief Marketing and Communications Officer

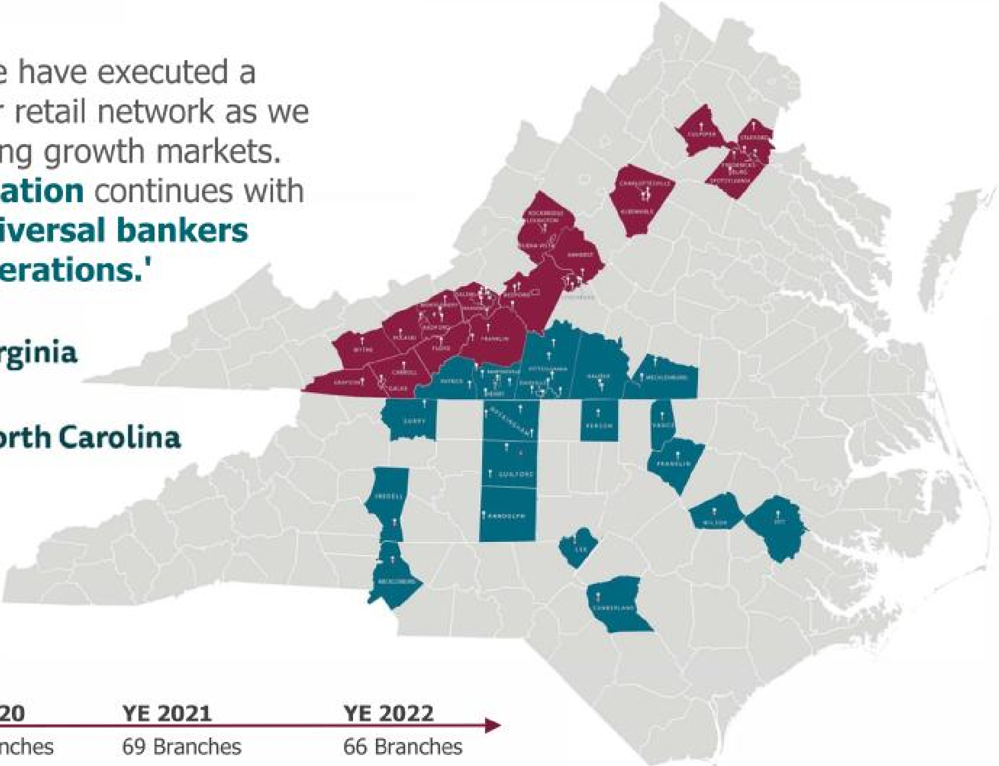
Matt Speare
Senior Executive Vice President Chief Operations Officer

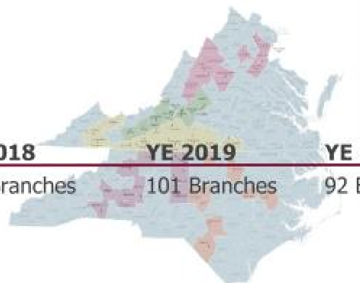
Rich Spiker
Senior Executive Vice President Chief Lending Officer

Our Footprint

'Over the past three years, we have executed a strategic plan to right-size our retail network as we focus on expanding in emerging growth markets. **Branch banking transformation** continues with the implementation of the **universal bankers model and streamlined operations.'**

Wendy Bell, CFO





YE 2018	YE 2019	YE 2020	YE 2021	YE 2022
105 Branches	101 Branches	92 Branches	69 Branches	66 Branches

Branches in VA and NC Metropolitan Statistical Areas
December 31, 2022

Virginia | Total Deposits: $3.2M

6	Washington DC
11	Roanoke
7	Lynchburg
2	Charlottesville
5	Blacksburg-Christiansburg
22	Non MSA
53	**TOTAL**

North Carolina | Total Deposits: $0.4M

1	Charlotte
5	Greensboro
2	Raleigh Durham
1	Fayetteville
4	Non MSA
13	**TOTAL**

The following counties are also included in our CRA Assessment area:
Randolph, NC: Greensboro MSA
Niagra, NY: Varsity Bank

Environmental
Social
Governance

Our Commitment

'Our influence for **positive change** is in alignment with our purpose and mission. Our commitment to ESG actions benefit our **communities**, our **organization**, our **environment**, and our **economy**.'

Brad Langs, President & CSO

Through community shred days, collected 10,121lbs of paper, which equates to:
- 27 Trees saved
- 256 gallons of oil saved
- 2,704 hours of electricity saved
- 8,103 gallons of water saved

Carter Bank associate Bea Ethridge elected to Chair the ABA's bi-monthly Black Banker Employee Resource Group (BBERG), which focuses on networking, professional development, and mentorship, and supports Black bankers in their careers. The associate also led the formation of the BBERG.

The Bank's Green Team spearheaded an initiative to bring drinking water to all associates. The first phase included water cooler installations at 32 locations. Estimated to eliminate 1.649 metric tons of plastic waste annually.

Our Culture of Care in the Community

To support small business development, sponsored a short-form social media and website series called Hu$tle Tips. It aims to help entrepreneurs build successful businesses. The series is a new addition to the Hometown Hu$tle platform created by Martinsville, VA based Rudy's Girl Media.

Associates in Greensboro, NC volunteered at a Habitat for Humanity homebuilding site as part of the Bank's monetary donation and participation in the Hearts of Home kickoff celebration.

Within days of Hurricane Ian's destruction, the Bank donated $18,000 to support 10 American Red Cross Disaster Relief Agents for 12 days, by helping cover the costs of travel, lodging, food, and supplies.

3,210
Volunteer Community Service Hours in 2022

$240,000
Charitable Donations and Sponsorships to Non-Profits in 2022

10 Blood Drives
Supported Through Volunteerism

67 Financial Literacy
Taught in 2022

Environmental
Social
Governance

Our Talent Lifecycle

*BLS data from 2021

Attract & Recruit

- Successfully recruited highly-qualified professionals in IT, Credit, and Retail and Commercial Banking

Develop & Grow

- Carter Bank Emerging Leaders
  - Graduated 8 in the Class of 2022
  - Introduced 13 for the Class of 2023

Retain

- Maintained Attrition to less than 2% each month compared to the National Average of 3.9%*

Strategic Initiatives Update

Financial Performance

- Maintain top performance metrics vs. peers.
- Focus on deposit retention and growth strategies, while managing cost of funds.
- Maintain solid liquidity and capital management platforms.
- Actively managing and reducing legacy loan issues.

Channel Optimization

- Increase treasury management marketing and sales to grow and retain deposits.
- Greater virtual presence with online banking, the Carter On the Go mobile app, and our Mortgage2Go mobile app (streamlines the mortgage application process).
- Centralized retail consumer loan underwriting and implementation of automated risk-based decision platform.

Network Optimization

- Leverage Market Segmentation Study findings to expand and deepen existing relationships and acquire new relationships across the footprint.
- Identify strategic growth areas in existing markets for future relocation, consolidation or expansion.
- Continue with a full-service flagship center model for technology and design innovation to drive efficiency and high performance in growth markets.
- Revitalizing brand strategy to strengthen awareness and competitive positioning.

02

Financial Highlights

Balance Sheet and Income Statement

$ in thousands

	4Q2022	3Q2022	4Q2021	YE 2022	YE 2021
Operational Results					
Net Interest Income	$ 41,522	$ 37,725	$ 28,050	$ 139,928	$ 111,183
Provision (Recovery) for Credit Losses	52	(77)	939	2,419	3,350
Provision (Recovery) for Unfunded Commitments	319	157	(324)	509	(1,269)
Noninterest Income	5,544	5,235	5,776	21,718	28,881
Noninterest Expense	27,617	23,463	26,236	97,001	102,285
Income Tax Expense	3,469	5,009	1,365	11,599	4,108
Net Income	$ 15,609	$ 14,408	$ 5,610	$ 50,118	$ 31,590
Balance Sheet Condition					
Assets	$4,204,519	$4,114,310	$4,133,746	$4,204,519	$4,133,746
Portfolio Loans, net	3,055,061	2,937,185	2,716,190	3,055,061	2,716,190
Securities	836,273	851,211	922,400	836,273	922,400
Deposits	3,630,333	3,725,929	3,698,476	3,630,333	3,698,476
Shareholders' Equity	$ 328,627	$ 314,816	$ 407,596	$ 328,627	$ 407,596

- Net interest income increased $3.8M QoQ, $13.5M year ago quarter and $28.7M YoY primarily due to increased yields on earning assets as a result of the rising interest rate environment and the reduction in funding costs YoY.
- The provision (recovery) for credit losses increased $0.2M QoQ. The increase QoQ was primarily driven by increased loan volume, slowing prepayment and curtailment fees, net charge-offs of $0.4 million, offset by the reduction of $2.3 million in the other segment due to principal pay-downs.
- Noninterest expenses increased $4.2 million QoQ primarily due to the reversal of the tax credit amortization in the third quarter of 2022 and seasonal costs.

Financial / Shareholder Ratios

	Q4/YTD 2022	Q3/YTD 2022	Q4/YTD 2021
Shareholder Ratios			
Diluted Earnings Per Share (QTD)	$ 0.65	$ 0.59	$ 0.21
Diluted Earnings Per Share (YTD)	$ 2.03	$ 1.38	$ 1.19
Financial Ratios			
Return on Assets (YTD)	1.21 %	1.12 %	0.76 %
Return on Equity (YTD)	14.30 %	12.80 %	7.92 %
Total Capital Ratio	13.86 %	14.06 %	15.46 %
Tier I Capital	12.61 %	12.80 %	14.21 %
Leverage Ratio	10.29 %	10.11 %	10.62 %
Core Efficiency (QTD)	59.49 %	57.07 %	76.58 %
Core Efficiency (YTD)	60.69 %	61.18 %	73.51 %
Net Interest Margin (FTE)(QTD)	4.07 %	3.75 %	2.82 %
Net Interest Margin (FTE)(YTD)	3.51 %	3.31 %	2.84 %

- Financial metrics have improved YoY primarily due to:
  - net interest income expansion;
  - lower provision for credit losses;
  - controlled expenses and;
  - the success of our share repurchase program
- Net interest margin (FTE) has improved QoQ and YoY primarily due to:
  - an increase in the yield on earning assets QoQ;
  - the shift in the deposit mix to lower cost funding and;
  - the stable cost of funds through the 3rd quarter

Capital Management

- Focus on maintaining a "well capitalized" capital position.
- Establishment of bank holding company provides flexibility and efficiency for potential sub-debt issuance and stock buybacks.
- During 2022, a total of 2,587,361 shares were purchased at a weighted average price of 16.59 under the Company's previously authorized share repurchase programs.

	Regulatory Well Capitalized	Carter Bankshares 12/31/2022	Excess ($) (In Thousands) 12/31/2022
Common Equity Tier 1 Ratio ("CET1")	6.5 %	12.61 %	$212,921
Tier 1 Risk-based Ratio	8.0 %	12.61 %	160,609
Total Risk-based Capital Ratio	10.0 %	13.86 %	134,703
Leverage Ratio	5.0 %	10.29 %	225,974
Critically Undercapitalized Category	Tangible equity to total assets ≤2%		
Capital Conservation Buffer	≥2.5%; composed of CET1		

As of December 31, 2022

We adopted CECL effective January 1, 2021 and elected to implement the capital transition relief over the permissible three-year period.

Liquidity

- Continue to maintain a strong liquidity position:
  - Majority of bond portfolio is unpledged
  - Ongoing FHLB collateral pledging [(1)]
  - Maintain six unsecured lines of credit

	December 31, 2022	December 31, 2021	Favorable / (Unfavorable)
Cash and Due From Banks	$ 46,869	$ 277,799	$ (230,930)
Unpledged Investment Securities	611,845	743,836	(131,991)
Excess Pledged Securities	46,305	28,417	17,888
FHLB Borrowing Availability[(1)]	676,746	667,307	9,439
Unsecured Lines of Credit	127,130	145,000	(17,870)
Total Liquidity Sources	**$ 1,508,895**	**$1,862,359**	**$ (353,464)**

[(1)] For the periods presented above, the Company maintained a secured FHLB Borrowing Facility with FHLB of Atlanta equal to 25% of the Bank's assets approximating $1.0 billion, with available borrowing capacity subject to the amount of eligible collateral pledged at any given time.

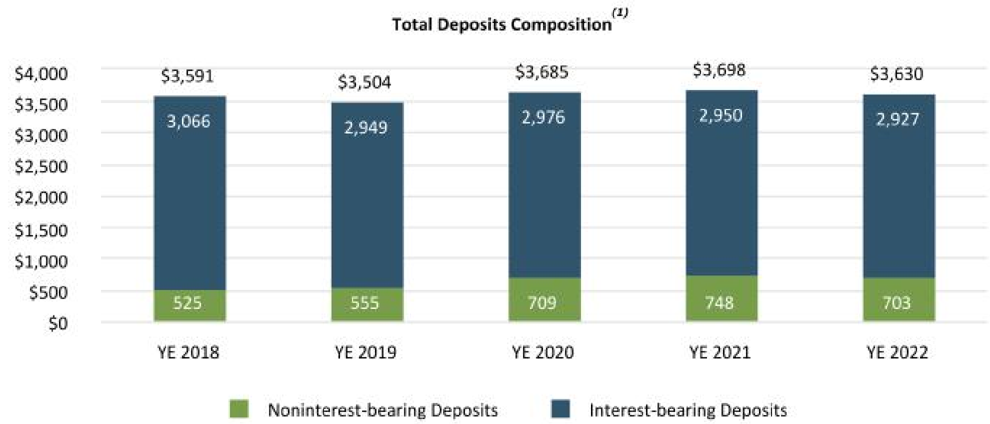
Deposit Composition

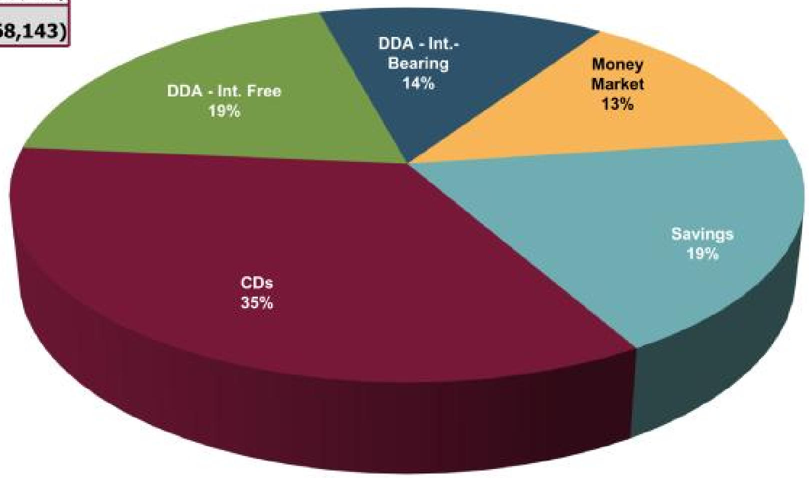
$ in thousands

	For the Period Ending			Variance	
	12/31/22	09/30/22	12/31/21	Quarter	Year
Lifetime Free Checking	$ 703,334	$ 718,549	$ 747,909	$ (15,215)	$ (44,575)
Interest-Bearing Demand	496,948	509,949	452,644	(13,001)	44,304
Money Market	484,238	517,031	463,056	(32,793)	21,182
Savings	684,287	731,747	690,549	(47,460)	(6,262)
Certificates of Deposits	1,261,526	1,248,653	1,344,318	12,873	(82,792)
Total Deposits	**$ 3,630,333**	**$ 3,725,929**	**$ 3,698,476**	**$ (95,596)**	**$ (68,143)**

IMPROVED DEPOSIT MIX

- **Reliance on Certificates of Deposit declined with a net decrease of $82.8M or 6.2% YoY**
- **Non-maturing deposit categories showed an increase YoY**





(1) Period end balances.

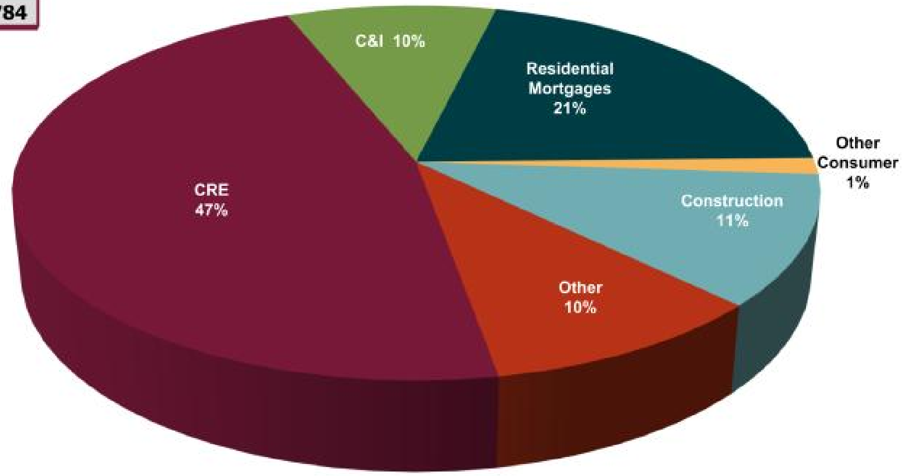
Loan Composition

$ in thousands

	For the Period Ending			Variance	
	12/31/22	09/30/22	12/31/21	Quarter	Year
Commercial Real Estate	$ 1,470,562	$ 1,365,348	$ 1,323,252	$ 105,214	$ 147,310
Commercial and Industrial	309,792	325,973	345,376	(16,181)	(35,584)
Residential Mortgages	657,948	617,681	457,988	40,267	199,960
Other Consumer	44,562	47,006	44,666	(2,444)	(104)
Construction	353,553	350,037	282,947	3,516	70,606
Other[(1)]	312,496	325,304	357,900	(12,808)	(45,404)
Total Portfolio Loans[(2)]	**$ 3,148,913**	**$ 3,031,349**	**$ 2,812,129**	**$ 117,564**	**$ 336,784**

LOAN PORTFOLIO

- **Total loans increased $336.8M, or 12.0% YoY due to solid loan growth during 2022.**



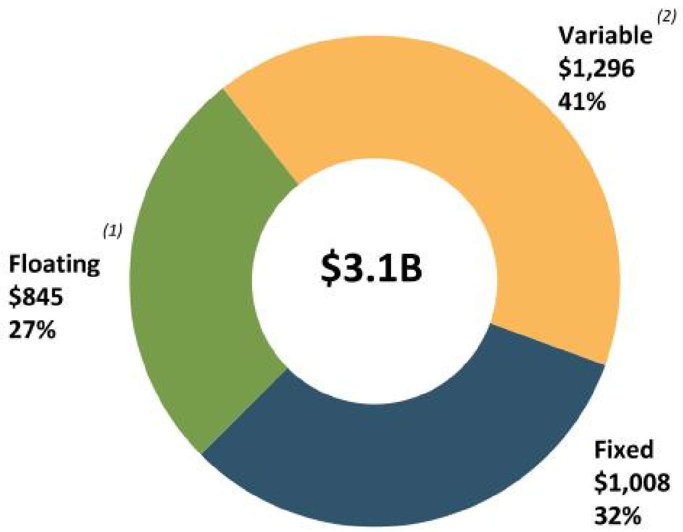
[(1)] At January 1, 2021 we adopted Topic 326, establishing a new loan segment, "Other" loans. At March 31, 2021, Other loans totaled $373.4 million consisting of loans that would otherwise have been included in the following loan segments: $136.3 million of CRE, $77.8 million of C&I, $49.6 million of Residential Mortgages and $109.7 million of Construction.

[(2)] Total Portfolio Loans is net of loans held-for-sale and Loan Portfolio Segments are sourced from Fed. Call Codes (RC-C).

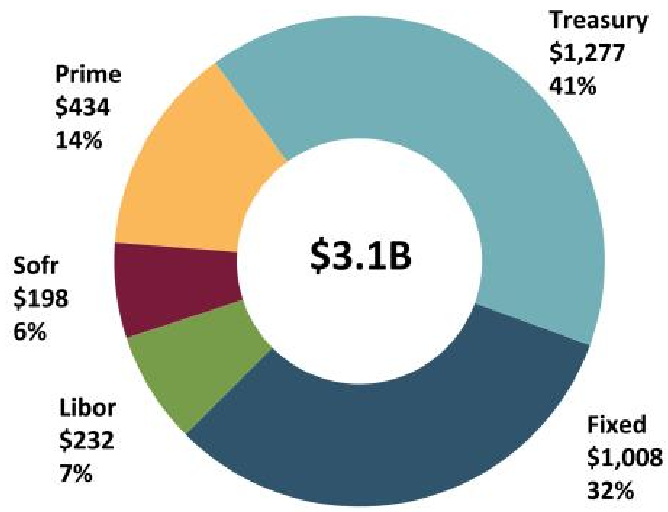
LOAN PORTFOLIO REPRICING & INDEX YE 2022

$ in millions

Loan Portfolio by Rate Type



Loan Portfolio by Rate Index Type



[1] Floating Rate Loans are defined as loans with contractual interest rate terms that allow the loan to reprice at lease once each month.

[2] Variable Rate Loans are defined as loans with contractual interest rate terms that allow the loan to reprice at least once during the life of the loan agreement, but not more frequently than once per quarter.

Top Ten (10) Relationships *(Total Commitment)*

$ in thousands

Segment	For the Periods Ending 12/31/22	12/31/21	Variance 12/31/22 to 12/31/21	12/31/2022 % of Gross Loans	12/31/2022 % of RBC
1. Hospitality, agriculture & energy	$ 309,107	$ 350,010	$ (40,903)	9.82%	63.94%
2. Retail real estate & food services	55,625	56,073	(448)	1.77%	11.51%
3. Industrial & retail real estate	41,725	45,653	(3,928)	1.33%	8.63%
4. Multifamily development	40,000	36,720	3,280	1.27%	8.27%
5. Retail real estate	37,679	38,250	(571)	1.20%	7.79%
6. Hospitality	35,255	35,664	(409)	1.12%	7.29%
7. Multifamily & student housing	33,998	35,405	(1,407)	1.08%	7.03%
8. Special / limited use	33,736	33,736	—	1.07%	6.98%
9. Hosptality	33,587	34,463	(876)	1.07%	6.95%
10. Multifamily development	31,790	29,389	2,401	1.01%	6.58%
Top Ten (10) Relationships	**$ 652,502**	**$ 695,363**	**$ (42,861)**	**20.72%**	**134.97%**
Total Gross Loans	**$ 3,148,913**	**$ 2,812,357**	**$ 336,556**		
% of Total Gross Loans	**20.72%**	**24.73%**	**(4.01)%**		
Concentration (25% of RBC)	$ 120,863	$ 120,781			

As of December 31, 2022

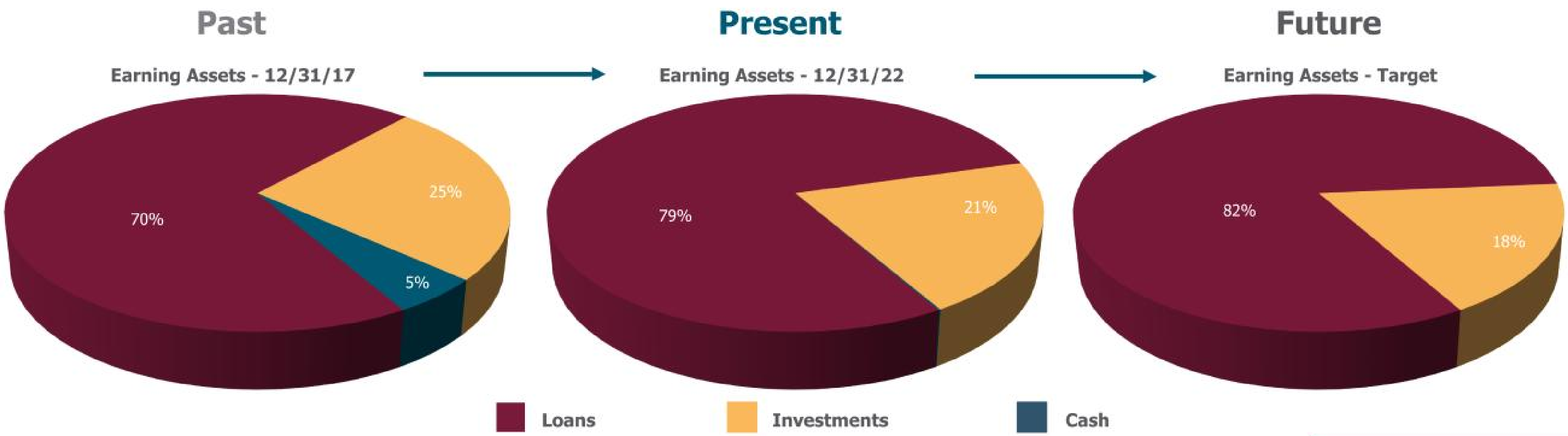
03

Balance Sheet Transformation

Earning Assets

Goal is to deploy cash into higher yielding loans and investments while foregoing undue concentration risk.

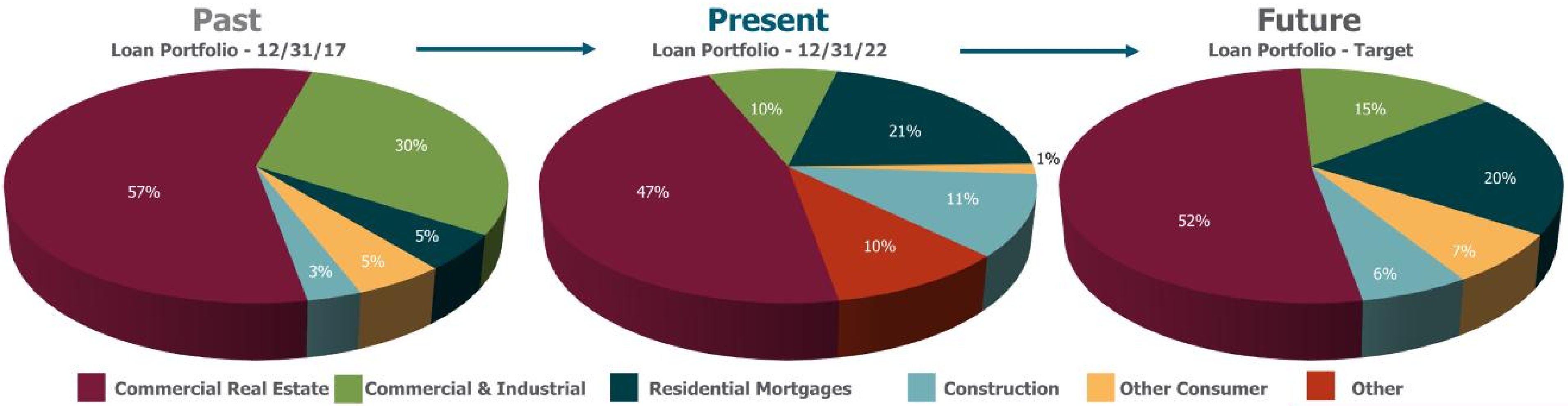
- Earning Assets stand at $4.0B
- Our primary mandate is to use cash to grow the loan book with well diversified, higher yielding loan products to increase the NIM and mitigate concentration risks
- Our secondary mandate is to utilize the investment portfolio to hedge the loan portfolio while providing a steady stream of income to supplement earnings. The investment book can be liquidated, or pledged, on an as needed basis to fund loan growth, when appropriate



Loans

Goal is to further diversify and de-risk the loan portfolio by reducing dependency on CRE loans and increasing C&I loans, consumer loans and single-family mortgages. Increased granularity is also a focus.

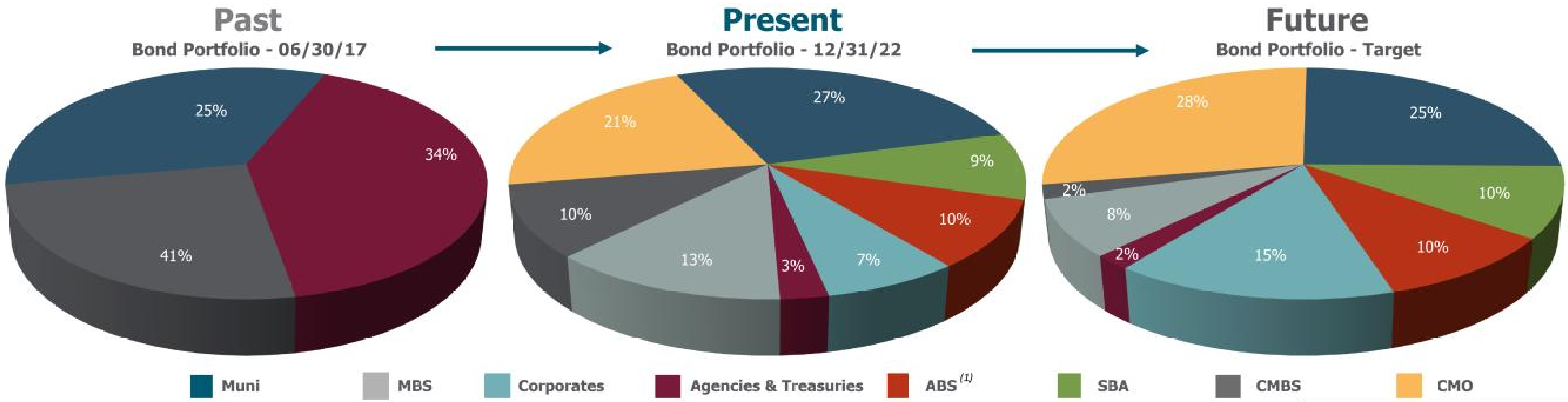
- Portfolio loans currently stand at $3.1B
- Our primary mandate is to always provide solutions to our customers in our footprint. CRE loans will continue to be a foundation of the portfolio, while we continue to build out our C&I, residential mortgage and consumer portfolios
- We are layering in additional loan products, tapping previously underutilized markets within the footprint and partnering with new borrowers to help with diversification, utilizing excess liquidity and maximizing the NIM



Bond Portfolio

Goal is to maintain diversification and strong credit quality, while delivering above peer performance.

- Portfolio stands at $836.3M, or about 19.9% of total assets, target is 15-25% of total assets
- Per the charts, diversification has improved significantly over the past several years
- The portfolio is now about 50% floating rate (versus 0% floating rate several years ago)
- All bonds are "available-for-sale", and can be used for liquidity and pledging purposes as needed

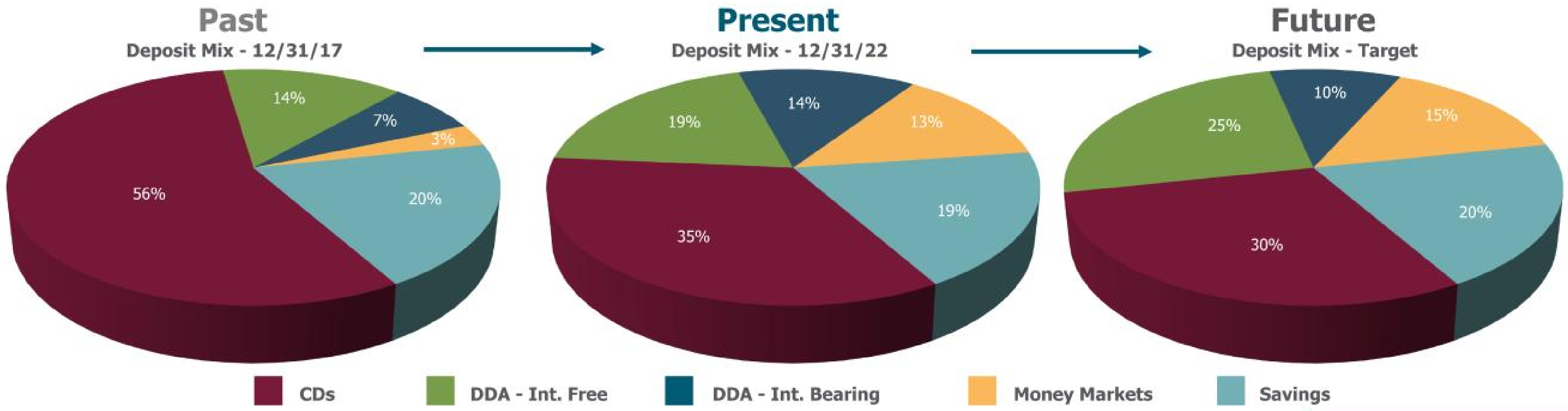


(1) At December 31, 2022, Asset Backed Securities (ABS) represented approximately 10% of the entire Bond Portfolio and were further diversified into the following sub-segments (presented as a percentage of the entire Bond Portfolio): 1) ABS - CLO 6.7%, 2) ABS- Student Loans 2.6%, 3) ABS - SBA < 0.2%.

Deposits

Goal is to restructure and diversify funding sources with a focus on lower cost/core relationships (both retail and commercial):

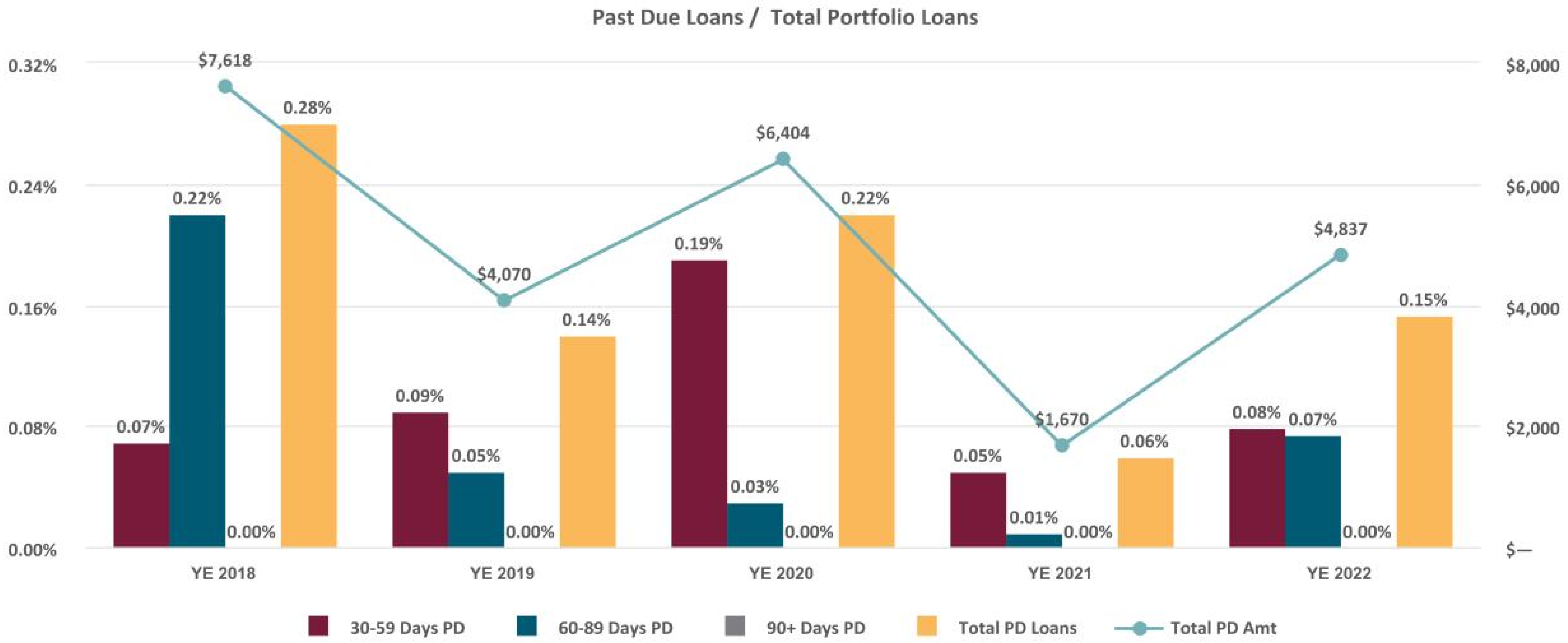
- Deposits currently stand at $3.6B
- Dependence on CDs has significantly declined, and maturities and pricing are proactively managed on a weekly basis
- Multiple strategies are in place to grow all non maturity deposit accounts with a focus on lower cost of funds
- New product launches include mobile/online banking, Treasury Management, Instant Open, Card Valet, Click Switch, ATM Network, etc.



04

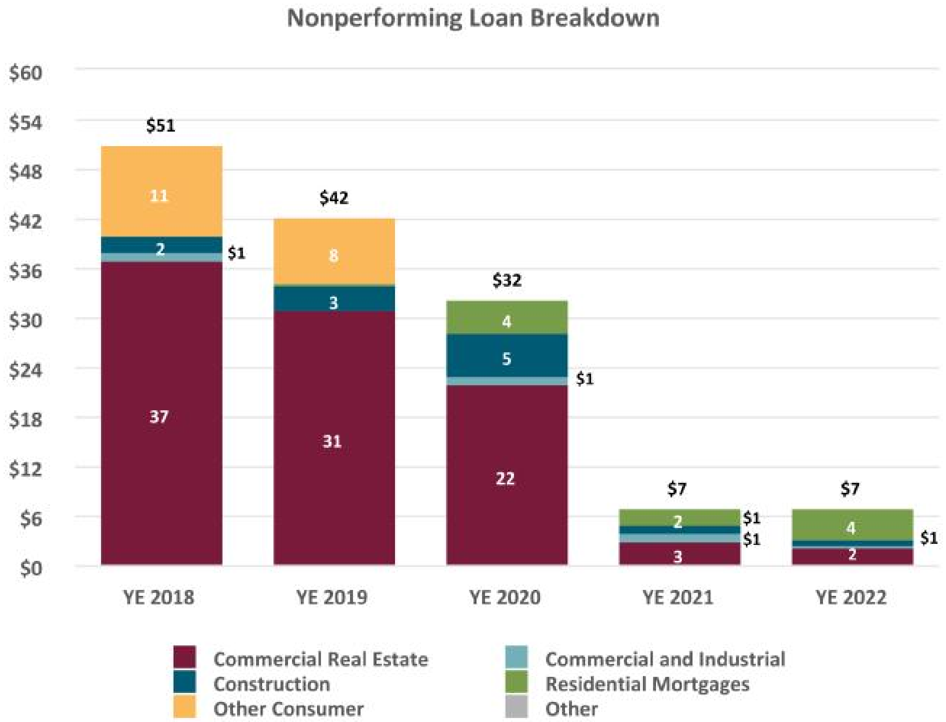
Asset Quality

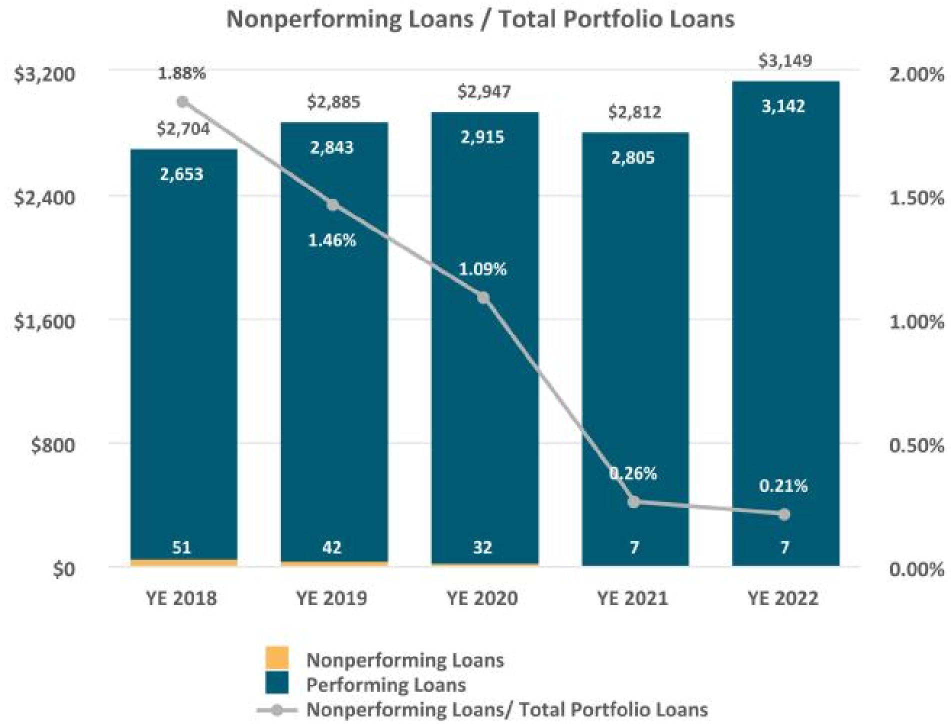
Delinquency Trends



Nonperforming Loans

$ in millions





As of December 31, 2022

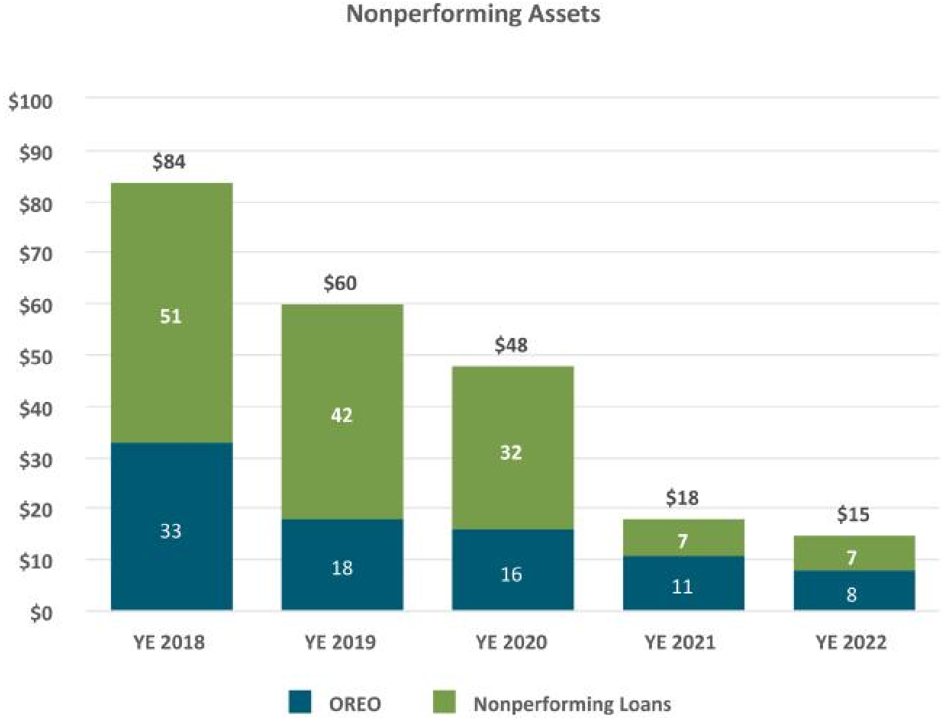
Nonperforming Relationships

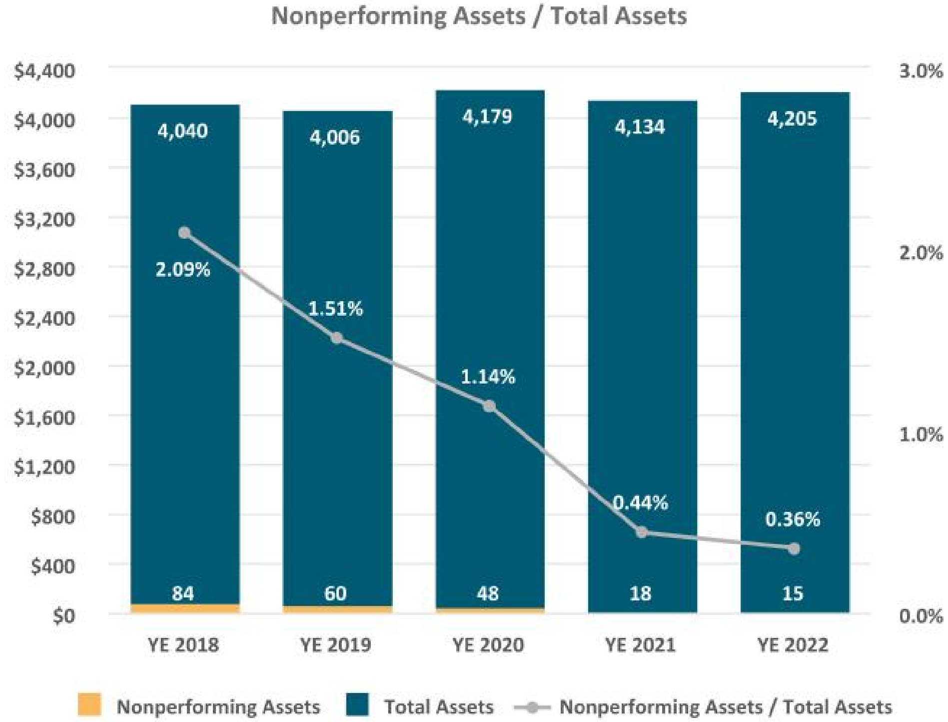
$ in thousands

Type	Nonaccrual Balance 12/31/22	Nonaccrual Balance 12/31/21	Variance 12/31/22 to 12/31/21	Comments
1. CRE	$2,106	$2,742	($636)	Commercial Property
2. Residential	1,212	—	1,212	Residential Mortgage Loan
3. Residential	825	825	—	Residential Mortgage Loan
4. Construction	808	808	—	Residential Lot Developer
5. CRE	126	—	126	CRE Owner Occupied
6. CRE	—	314	(314)	CRE Non-Owner Occupied
7. C&I	—	254	(254)	UCC
Subtotal: Top 5 Nonaccrual Loans	**$5,077**	**$4,943**	**$134**	
Total Nonaccrual Loans	$6,645	$7,397	($752)	
Top 5 Nonaccrual Loans / Total Nonaccrual Loans	76.40 %	66.82 %	9.58 %	
Total Portfolio Loans	$3,148,913	$2,812,129	$336,784	
Total Nonaccrual Loans / Total Portfolio Loans	0.21 %	0.26 %	(0.05)%	

Nonperforming Assets

$ in millions

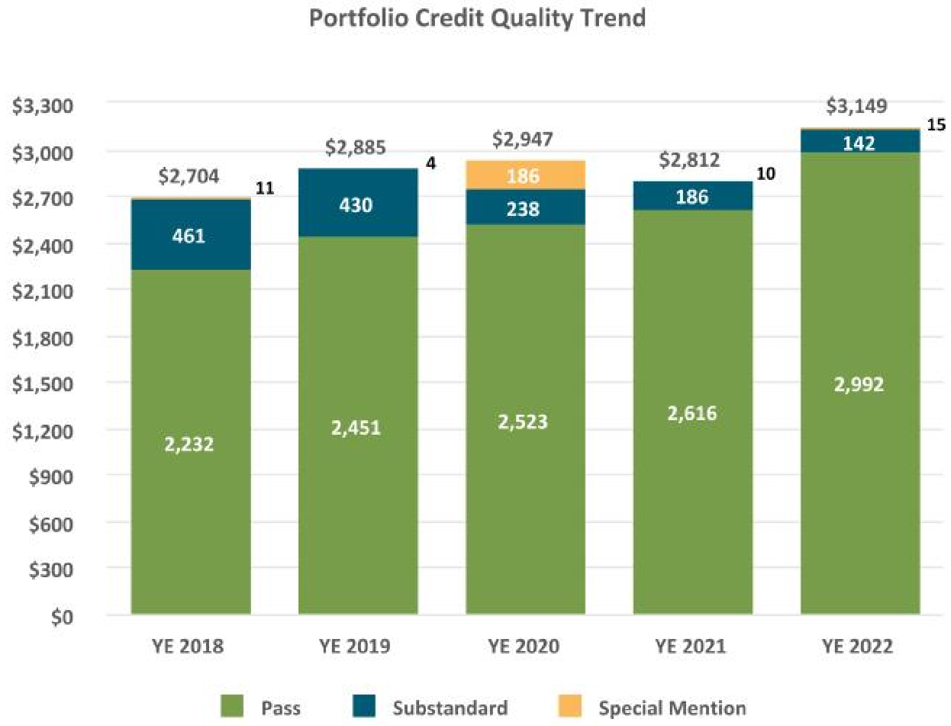


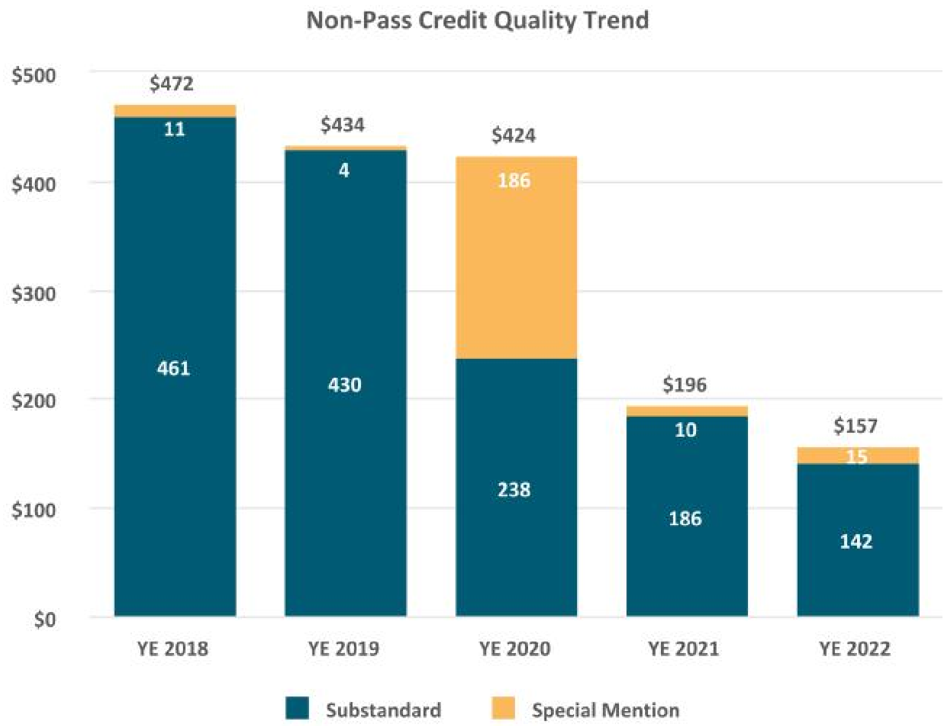


As of December 31, 2022

Loan Portfolio – Risk Ratings

$ in millions

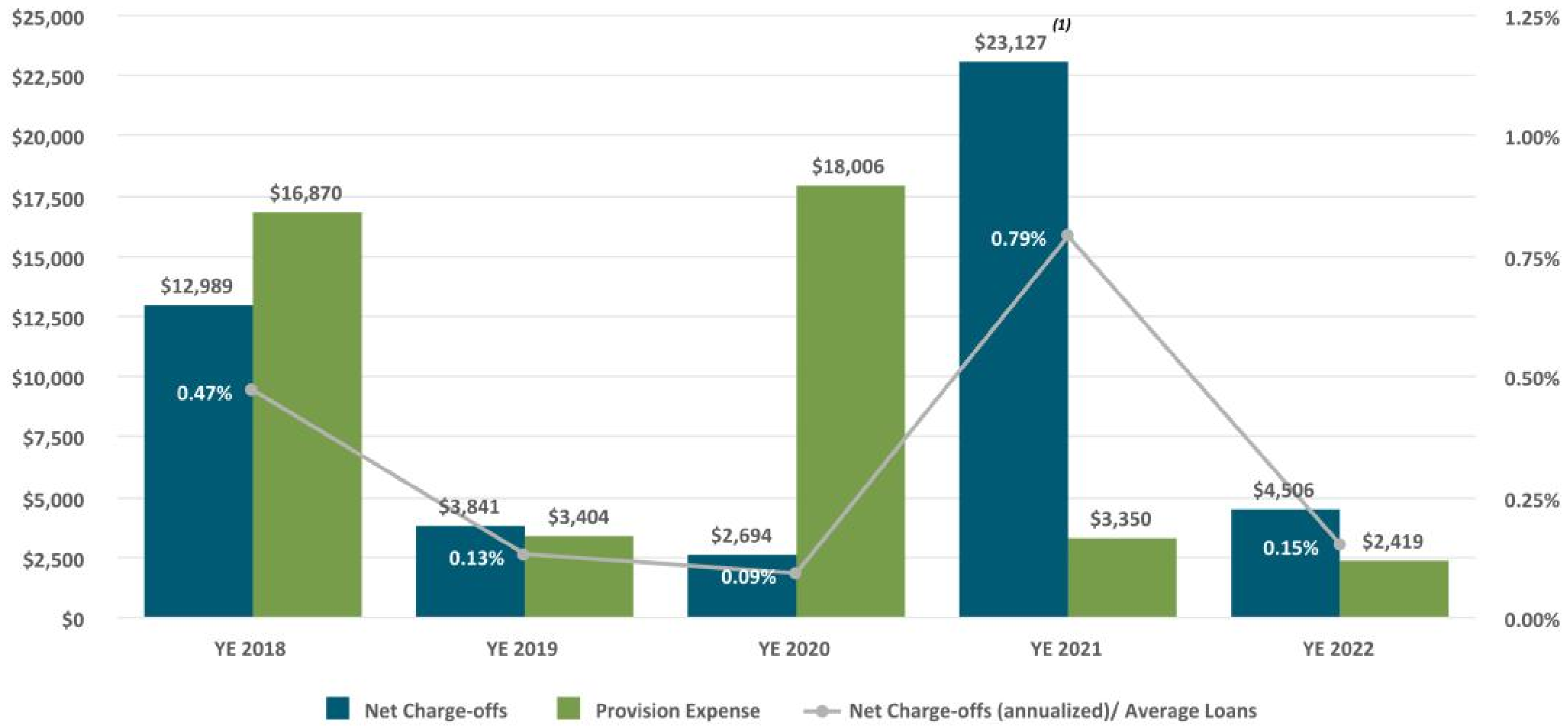




As of December 31, 2022

Net Charge-off & Provision Expense Trends

$ in thousands

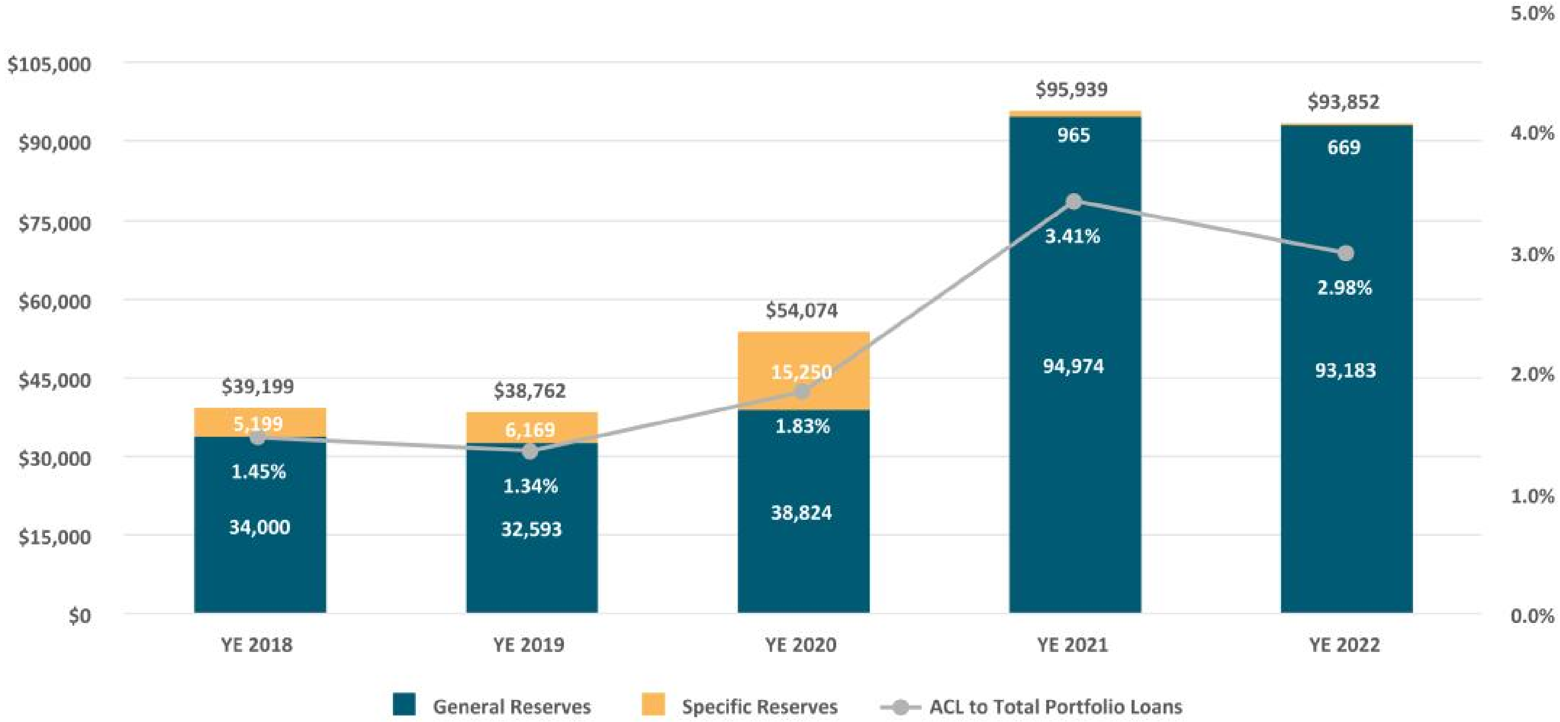


As of December 31, 2022

(1) YTD Net charge-offs for 2021 consist of $9.2 million for nine sold loans that were a part of two relationships in 3Q21 and $6.3 million and $1.9 million in 2Q21 for the resolution of our two largest nonperforming credits, which were previously reserved.

ACL Composition & ACL Coverage Ratio Trends

$ in thousands



As of December 31, 2022

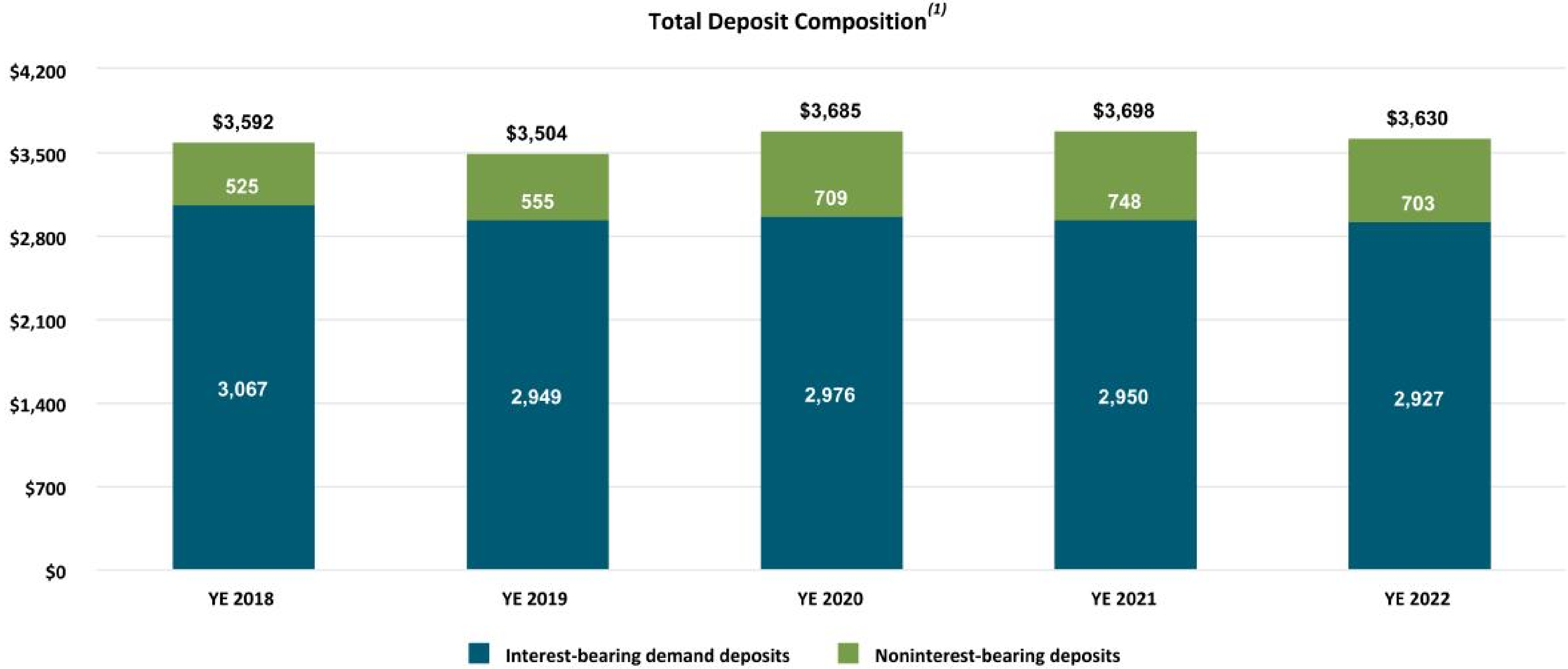
(1) Included in the three months ended March 31, 2021 is the $61.6 million Day 1 adjustment related to the adoption ASU No. 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments". Refer to the Company's Form 10-Q filed with the Securities and Exchange Commission ("SEC") for more details.

05

Deposit Mix and Cost of Funds

Deposits

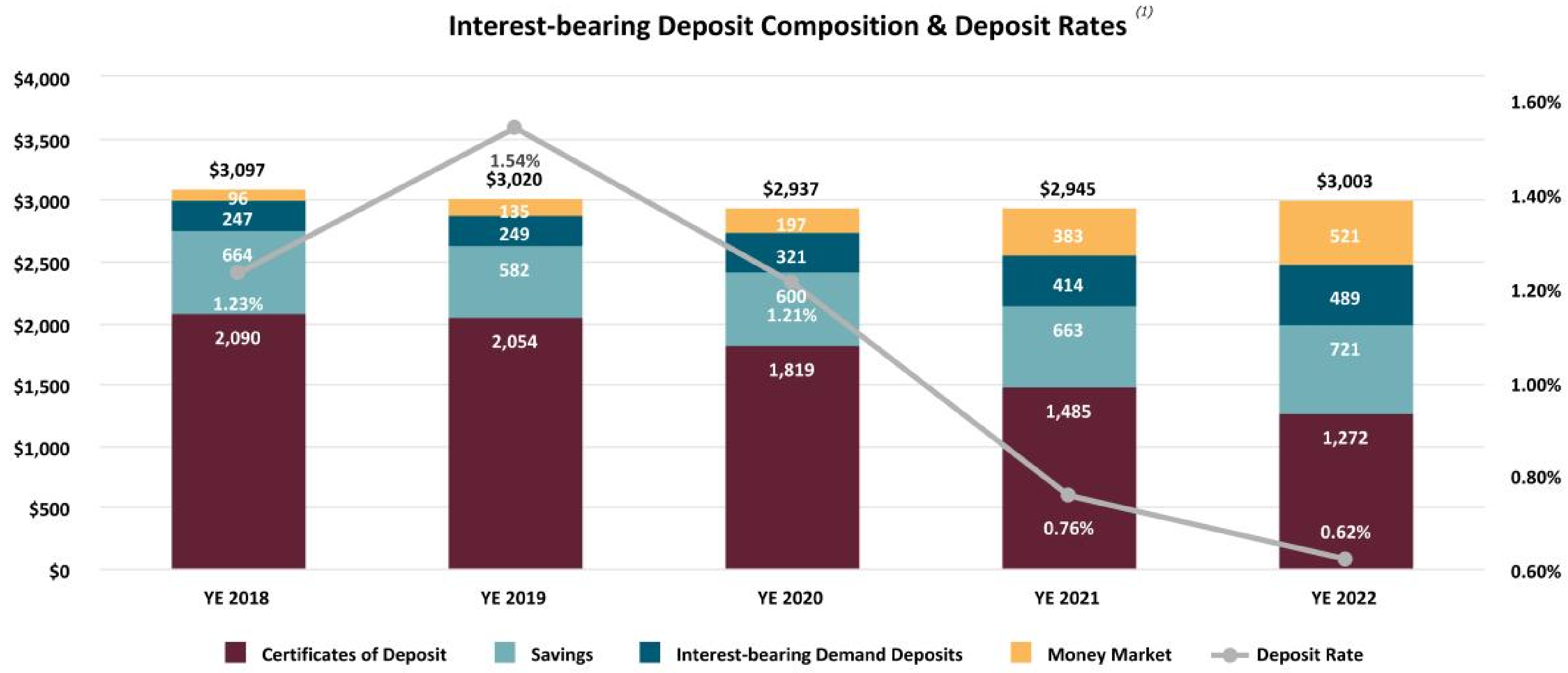
$ in millions



[1] Period end balances.

Deposits

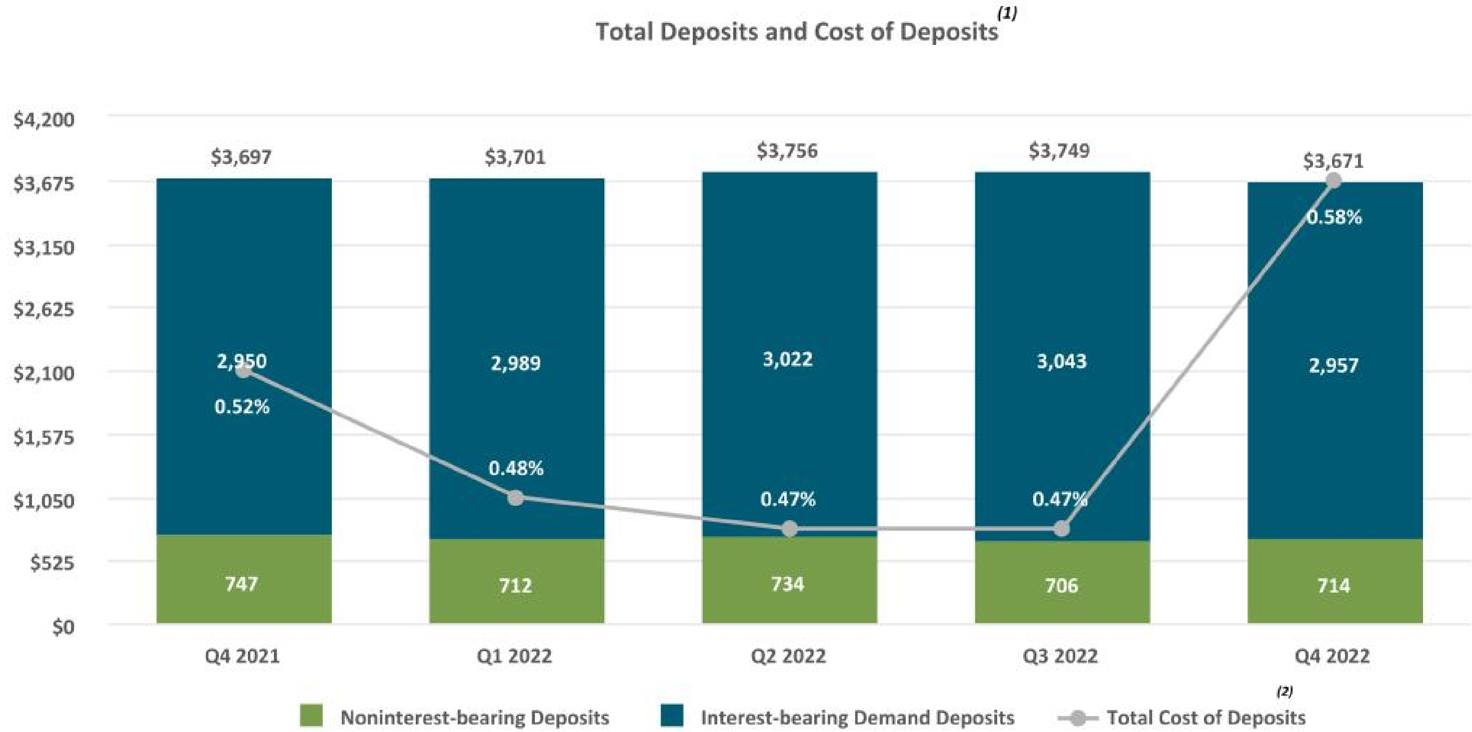
$ in millions



(1) Deposit rates and interest-bearing deposit balances presented above are year-to-date averages for periods ending YE 2018 – YE 2022.

Total Deposits & Total Cost Of Deposits

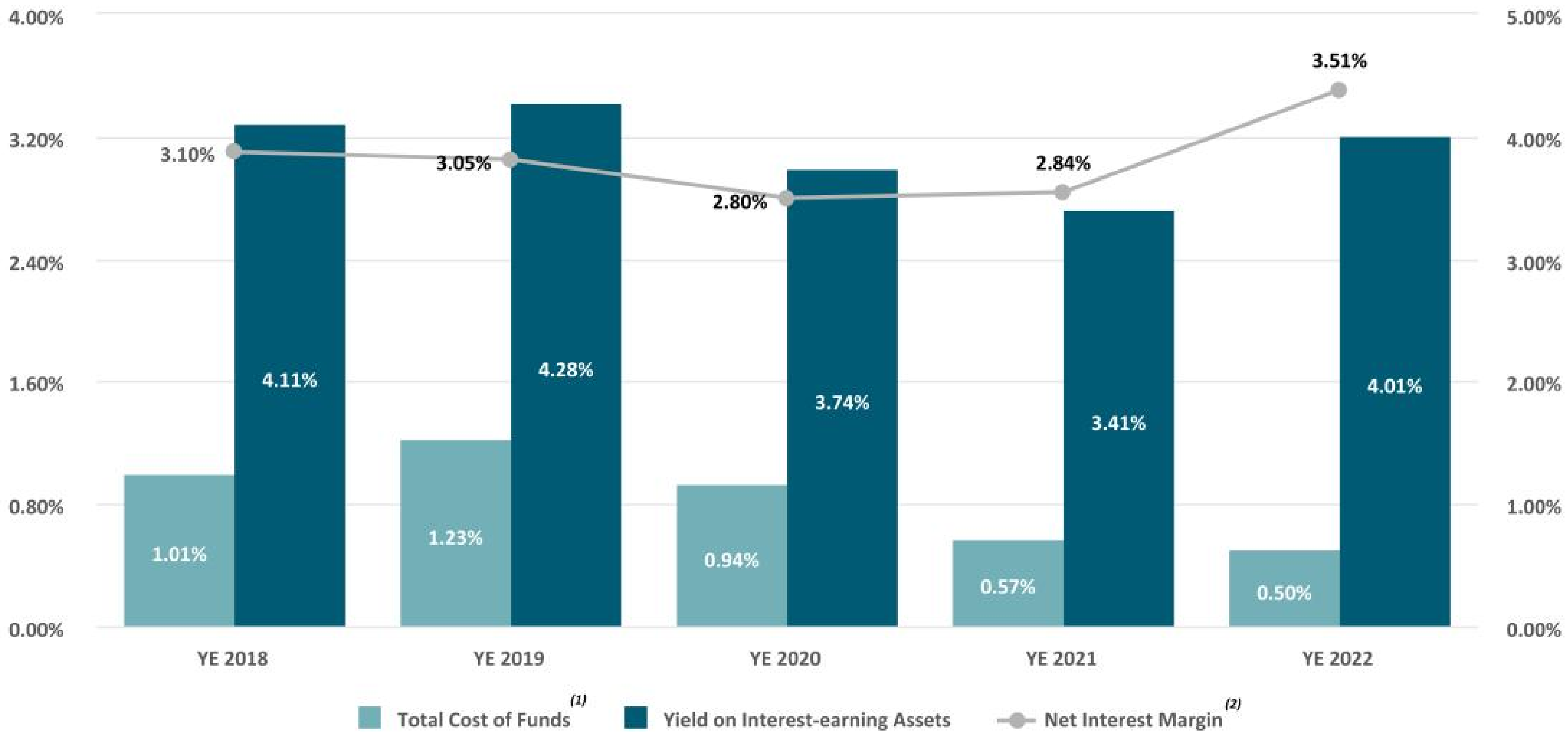
$ in millions



(1) Quarterly Average Balances

(2) Total Cost of Deposits incorporates the noninterest-bearing demand deposits with the rate on total interest-bearing demand deposits to illustrate the impact of those free funds on the overall cost of deposits.

Net Interest Margin



(1) Cost of Funds incorporates the free funds contribution with the rate on total interest-bearing liabilities to illustrate the impact of noninterest-bearing liabilities on the overall cost of funds

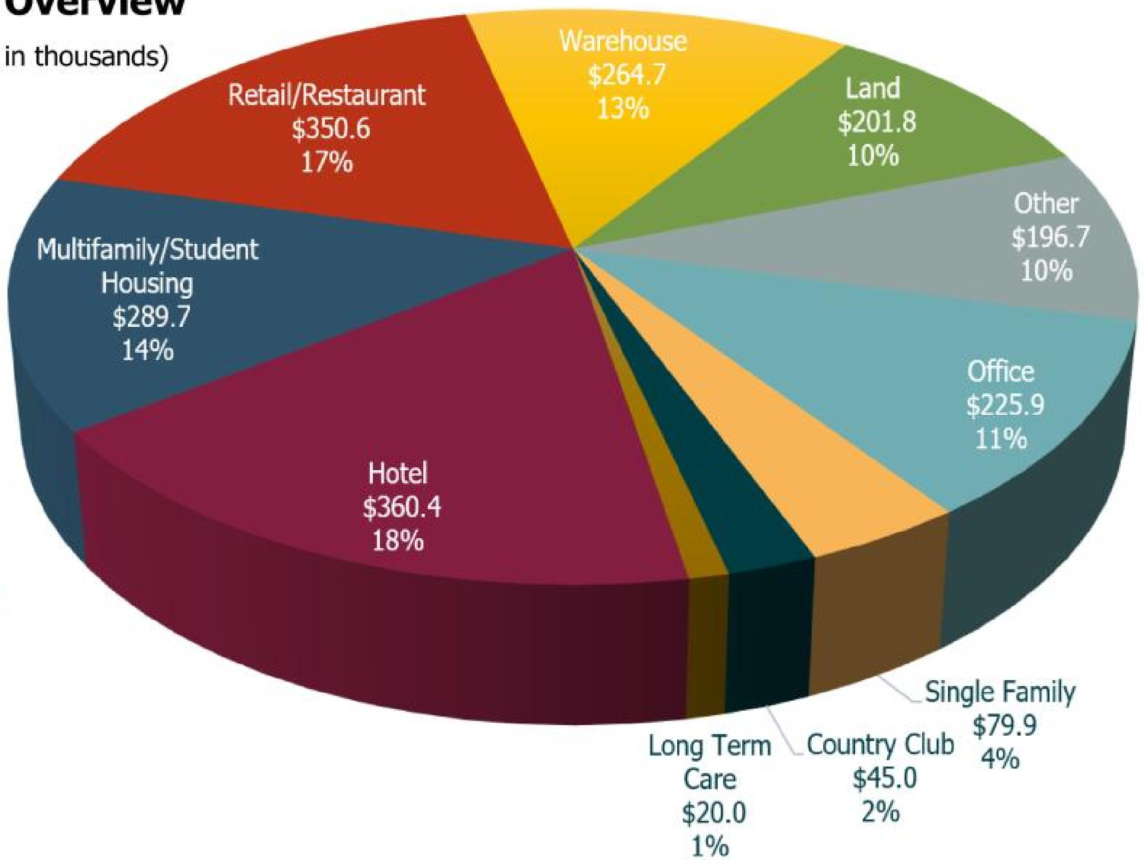
(2) Net Interest Margin has been computed on a fully taxable equivalent basis (FTE) using 21% federal income tax statutory rate for 2018 through 2022.

06

Commercial Loan Portfolio Metrics

CRE Segment Overview

By Collateral Code ($ in thousands)



Grand Total of Segments

$2,034.7

As of December 31, 2022

[(1)] Other CRE & Other Commercial Construction Segments include, but are not limited to, Special / Limited Use, Church, Mobile Home Park, Gas Station, Self-Storage Facilities, Auto Shops

Hospitality Metrics By State

$ in thousands

State	Hospitality Portfolio Balance	Percentage of Total Balance	Avg. LTV	Avg. GL Balance Size	Avg. of Debt per Key - Total Commitment
North Carolina	$152,392	42%	53.7%	$4,354	$86
South Carolina	92,416	26%	62.2%	8,401	104
West Virginia	58,807	16%	24.5%	14,702	67
Virginia	42,213	12%	56.9%	3,015	93
Georgia	11,191	3%	59.1%	5,595	65
Florida	3,388	1%	52.1%	3,388	242
Total	**$360,407**	**100%**	**51.8%**	**$6,576**	**$110**

As of December 31, 2022

Hospitality Metrics By Brand

$ in thousands

Brand	Hospitality Portfolio Balance	Percentage of Total Balance	Avg. LTV	Avg. GL Balance Size	Avg. of Debt per Key - Total Commitment
Hilton	$108,479	30%	65.3%	$9,862	$114
IHG	76,574	21%	57.1%	4,786	70
Upscale Independent/Boutique	57,485	16%	28.3%	28,742	75
Marriott	43,744	12%	41.9%	5,468	102
Wyndham	26,813	8%	60.8%	2,438	41
Independent	18,487	5%	53.4%	2,641	172
Radisson	11,556	3%	54.8%	2,889	39
Best Western	8,813	3%	42.5%	2,203	20
Choice	8,456	2%	53.5%	2,114	32
Total	**$360,407**	**100%**	**51.8%**	**$6,794**	**$74**

As of December 31, 2022

Multifamily/Student Housing Metrics By State

$ in thousands

State		Retail Portfolio Balance	Percentage of Total Balance	Avg. LTV		Avg. GL Balance Size		Avg. of Debt per Unit - Total Commitment
MULTIFAMILY								
Virginia	$	68,303	23%	87.7%	$	1,394	$	80
South Carolina		38,475	13%	57.7%		2,263		62
North Carolina		136,900	47%	55.3%		2,535		68
STUDENT HOUSING								
Virginia		42,194	15%	64.4%		8,439		46
North Carolina		1,995	1%	55.4%		1,995		9
UNALLOCATED BY STATE		1,800	1%	—%		72		—
Total	**$**	**289,667**	**100%**	**63.4%**	**$**	**2,783**	**$**	**44**

As of December 31, 2022

Multifamily Metrics by Property Type

$ in thousands

Type	Retail Portfolio Balance	Percentage of Total Balance	Avg. LTV	Avg. GL Balance Size	Avg. of Debt per Square Foot
Multifamily	$ 235,075	81%	63.5%	$ 2,671	$ 136
Student	44,189	15%	64.0%	7,365	56
Other[(1)]	1,800	1%	—%	67	—
Participations in Affordable Housing	8,603	3%	70.1%	287	21
Total	**$ 289,667**	**100%**	**63.4%**	**$ 2,597**	**$ 53**

As of December 31, 2022

(1) The Other category consists of multifamily properties for which we do not have the data.

Retail Metrics by State

$ in thousands

State		Retail Portfolio Balance[1]	Percentage of Total Balance	Avg. LTV		Avg. GL Balance Size		Avg. of Debt per Square Foot
North Carolina	$	187,884	59%	41.9%	$	2,505	$	169
Virginia		82,461	26%	57.5%		1,586		218
Georgia		27,070	9%	48.5%		6,767		76
Florida		10,203	3%	48.3%		10,203		104
South Carolina		7,764	2%	19.2%		1,941		103
Maryland		3,754	1%	41.1%		3,754		83
West Virginia		421	—%	3.1%		421		22
Total	**$**	**319,557**	**100%**	**45.7%**	**$**	**3,397**	**$**	**97**

As of December 31, 2022

[1] Excludes restaurant loans of $31.0 million.

Retail Metrics by Brand

$ in thousands

Type		Retail Portfolio Balance[1]	Percentage of Total Balance	Avg. LTV		Avg. GL Balance Size		Avg. of Debt per Square Foot
Anchored Strip Centers	$	155,241	49%	48.2%	$	4,312	$	161
Unanchored Strip Centers		67,943	21%	26.4%		1,307		131
Outparcels/Single Tenant		64,501	20%	46.0%		1,500		268
Power Centers[2]		29,501	9%	82.2%		7,375		107
Big Box		2,371	1%	8.3%		790		46
Other		—	—%	—%		—		—
Total	**$**	**319,557**	**100%**	**45.7%**	**$**	**2,547**	**$**	**119**

As of December 31, 2022
[1] Excludes restaurant loans of $31.0 million.
[2] A Power Center is a large outdoor shopping mall that usually includes three or more "Big Box" stores.