

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 000-29599

PATRIOT NATIONAL BANCORP, INC.
(Exact name of registrant as specified in its charter)

Connecticut

06-1559137

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

900 Bedford Street, Stamford, Connecticut

06901

(Address of principal executive offices)

(Zip Code)

(Registrant's telephone number, including area code) (203) 252-5900

Securities registered under Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	PNBK	NASDAQ Global Market

Securities registered under Section 12(g) of the Exchange Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act of 1933. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on an attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issues its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of June 30, 2025, the aggregate market value of the voting stock held by non-affiliates of the registrant based on the last sale price on June 30, 2025 as reported on the NASDAQ Global Market: \$71.2 million.

Number of shares of the registrant’s Common stock, \$0.01 par value per share, 117,085,713 shares outstanding as of March 31, 2026.

Document Incorporated by Reference

Portions of a Definitive Proxy Statement for the registrant's 2026 Annual Meeting of Shareholders, which will be filed with the Securities and Exchange Commission within 120 days after the close of the fiscal year covered by this Form 10-K, are incorporated into Part III of this Form 10-K.

PATRIOT NATIONAL BANCORP, INC.

ANNUAL REPORT ON FORM 10-K For the Year Ended December 31, 2025

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“Safe Harbor” Statement Under Private Securities Litigation Reform Act of 1995

This Annual Report on Form 10-K contains statements that relate to future events and expectations and, as such, constitute forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995. Certain statements, other than purely historical information, including estimates, projections, statements relating to our strategies, outlook, business and financial prospects, business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements.” These forward-looking statements generally are identified by the words “believes,” “project,” “expects,” “anticipates,” “estimates,” “intends,” “strategy,” “plan,” “may,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Forward-looking statements are not guarantees of future performance. Although Patriot believes that the expectations reflected in any forward-looking statements are based on reasonable assumptions, these expectations may not be attained and it is possible that actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks, uncertainties and changes in circumstances, many of which are beyond Patriot’s control.

For a discussion of some of the specific factors that could cause actual results to differ materially from the information contained in this report, see the following sections of this report: Part I, Item 1A. "Risk Factors," Part II, Item 7. "Management’s Discussion and Analysis of Financial Condition and Results of Operations," including the disclosures under "Critical Accounting Policies." Patriot disclaims any intention or obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as required by applicable law.

PART I

ITEM 1. Business

General

Patriot National Bancorp, Inc. (exclusive of its subsidiaries, “PNBK” or the “Holding Company”) is a Connecticut corporation and a registered bank holding company. The Holding Company’s principal asset is Patriot Bank, N.A., a national banking association headquartered in Stamford, Connecticut (the “Bank”) and its other wholly owned subsidiaries are Patriot National Statutory Trust I and PinPat Acquisition Corporation (collectively with PNBK and Bank, the “Company”, “we”, “us”, or “our”). The Bank, a member of the Federal Reserve System (the “Federal Reserve”), operates under a national bank charter issued by the Office of the Comptroller of the Currency (“OCC”), and its deposits are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to applicable limits.

The Company’s common stock is listed on the Nasdaq Global Market under the symbol “PNBK.” As of December 31, 2025, the Company’s only material operating business is the ownership and operation of the Bank.

The Bank commenced operations in 1994 and, as of December 31, 2025, operated eight branch offices, including seven branches in Connecticut and one branch in New York. In addition to its branch network, the Bank serves clients through relationship-based banking, treasury management, institutional banking, and digital banking channels.

2025 Transformation and Strategic Repositioning

During 2025, the Company undertook a substantial transformation of its capital structure, governance, management team, and business strategy. The Company completed significant capital raising transactions during 2025, restructured certain outstanding debt obligations, and reconstituted senior management and the Board of Directors. These actions were part of a broader repositioning of the Bank’s business model, operating infrastructure, and risk management framework.

In January 2025, the Bank entered into a Formal Agreement with the OCC (the “Formal Agreement”) that required the Bank to take specified actions to strengthen capital, strategic planning, governance, risk management, and other aspects of its risk, compliance and operations. The Formal Agreement has materially influenced the Bank’s activities during 2025 and is expected to continue to influence management priorities in 2026, including capital planning, remediation efforts, policy enhancements, management reporting, and the pacing and scope of business line development. The Bank’s strategic plan and capital plan were developed in part to address deficiencies identified through supervisory processes and to support the Bank’s operation in a safe and sound manner while the Formal Agreement remains in effect.

As part of this repositioning, the Bank reviewed its legacy products, exited or curtailed certain non-core activities, enhanced its enterprise risk management and reporting capabilities, and refocused its business on targeted customer segments and products that management believes are better aligned with the Bank’s risk appetite and long-term strategy.

Business Strategy

The Bank is repositioning its business model to focus on relationship-driven banking and specialized financial services for selected customer segments. As reflected in the Bank’s strategic plan, the Bank’s principal target client segments are:

- entrepreneurs, investors, business leaders, and the businesses and advisors who serve them;
- digital payments and related institutional banking clients, including program managers, financial technology companies, and payment processors; and
- underbanked but creditworthy individuals and businesses in the Bank’s market areas.

The Bank’s strategy is intended to align its products, service model, capital deployment, and risk management framework with these target segments. The Bank continues to retain certain deposit (e.g., retail) and lending relationships with legacy customers from prior to the March 2025 recapitalization (its “Legacy Business”). The Legacy Business is anticipated to reduce over time as a percentage of the Bank’s overall loans and deposits. Management’s strategic repositioning has included narrowing or eliminating certain Legacy Business, redesigning product offerings, enhancing relationship management capabilities, and investing in operational, compliance, and reporting infrastructure.

Lending Activities

The Bank's lending activities have been refocused on products that management believes are consistent with the Bank's strategic direction and risk appetite. During 2025, the Bank reduced or exited certain legacy or non-core lending activities and began emphasizing a more focused set of lending programs. The strategic plan identifies commercial real estate lending, high-net-worth and business lines of credit, and rediscount or other asset-secured lending facilities among the lending activities the Bank expects to emphasize.

Commercial real estate lending is generally now focused on relationship-based originations for borrowers with established or expected deposit relationships. The Bank also seeks to offer secured and unsecured credit facilities to high-net-worth individuals, entrepreneurs, and businesses, including lines of credit that may be supported by marketable securities, real estate, business assets, or other collateral. In addition, the Bank is developing rediscount and related asset-backed financing capabilities for certain institutional and high net worth client relationships.

The Bank has also historically purchased certain loans and investment assets as part of balance sheet management and liquidity deployment. Management's current strategy contemplates more selective use of purchased assets and investments, including residential mortgage-related assets and government, agency, and investment-grade securities, subject to capital, liquidity, concentration, and risk management considerations.

Deposit Products and Treasury Management

The Bank offers traditional deposit products for consumer and commercial customers, including demand deposits, noninterest-bearing and interest-bearing checking accounts, money market accounts, savings accounts, certificates of deposit, individual retirement accounts, and health savings accounts. The Bank also offers treasury management and transaction services, including online and mobile banking, ACH services, wire transfers, debit card services, remote deposit capture, and other cash management tools.

As part of its repositioning, the Bank is seeking to increase relationship-based deposits from target clients, including high-net-worth households, family offices, private businesses, fiduciaries, nonprofit organizations, non-depository financial institutions, and institutional clients. Management has also emphasized deposit pricing, service enhancements, and treasury management capabilities intended to support more durable and relationship-oriented funding sources.

Institutional Banking and Digital Payments

The Bank's institutional banking activities include services provided to financial technology companies, program managers, non-depository financial institutions, lenders, and other businesses that seek a banking partner for deposits, loans, payments, transaction accounts, card-related services, treasury management, and other banking solutions. The Bank views this line of business as an important source of deposits and fee income.

Through its digital payments activities, the Bank provides or supports services such as ACH and money movement, debit and credit card program sponsorship, settlement-related services, and FDIC-insured deposit account functionality for program relationships. Because these activities can involve elevated operational, compliance, fraud, liquidity, and Bank Secrecy Act / anti-money laundering (BSA/AML) risk, the Bank is enhancing associated controls, policies, staffing, and reporting as part of its broader remediation and risk management initiatives.

Investment Securities

In the normal course of business, the Bank invests a portion of its assets in investment securities to manage liquidity, interest rate risk, and earnings. The investment portfolio may include U.S. Treasury securities, government agency securities, mortgage-backed securities, and certain investment-grade private-label securities or other permissible investments. Management's stated strategy emphasizes liquidity, diversification, and capital preservation, while aligning investment activity with the Bank's capital, liquidity, and interest rate risk management objectives.

Market Area and Offices

The Bank's branch office locations are summarized as follows:

Branch No.	City	County	State
1	Darien	Fairfield	Connecticut
2	Fairfield	Fairfield	Connecticut
3	Greenwich	Fairfield	Connecticut
4	Milford	New Haven	Connecticut
5	Norwalk	Fairfield	Connecticut
6	Stamford	Fairfield	Connecticut
7	Westport	Fairfield	Connecticut
8	Scarsdale	Westchester	New York

In addition to its branch network, the Bank has its headquarters in Stamford, CT (separate from the Stamford branch location). The Bank also maintains a banking office in Beverly Hills, California that supports relationship development and client coverage in the Los Angeles market. This office opened in the first quarter of 2026.

The Bank's primary historical markets are the Tri-State area of Connecticut, New York and New Jersey. The Bank also serves clients beyond its branch footprint through its relationship banking, institutional banking, and digital payments activities.

Employees

As of December 31, 2025, the Company had 107 full-time employees. None of the Company's employees are represented by a collective bargaining agreement.

During 2025, the Company substantially reconstituted its senior management team and added personnel in key functions, including executive management, risk management, operations, finance, accounting, treasury management, technology, legal, compliance, and relationship management. Management believes these personnel changes are an important part of the Bank's remediation and strategic repositioning efforts.

Competition

The Bank operates in a highly competitive environment and competes with national, regional, and community banks, as well as non-bank financial institutions, financial technology firms, private lenders, and other providers of financial services. Many of these competitors have substantially greater financial, technological, operational, and marketing resources than the Bank.

The Bank seeks to compete through relationship-based service, specialized deposit and lending solutions, treasury management capabilities, institutional banking services, and an operating model designed to serve targeted customer segments that management believes have banking needs that the Bank can offer with attractive risk-adjusted returns that remain unmet by their traditional banking partners.

Supervision and Regulation

The Company and the Bank are subject to extensive federal regulation, supervision and examination.

Patriot National Bancorp, Inc., as a bank holding company, is subject to regulation and supervision by the Board of Governors of the Federal Reserve under the Bank Holding Company Act of 1956, as amended (the "BHC Act"). Patriot Bank, N.A., as a national banking association, is subject primarily to regulation, supervision and examination by the OCC. The Bank's deposits are insured by the FDIC up to applicable limits, and the Bank is also subject to certain applicable regulations of the FDIC and the Federal Reserve.

Federal banking laws and regulations affect, among other things, the scope of the Company's and the Bank's business, capital requirements, liquidity management, lending limits, branching, dividend payments, transactions with affiliates, consumer compliance, community reinvestment, and BSA/AML compliance. These laws and regulations are intended primarily for the

protection of depositors, the Deposit Insurance Fund, and the banking system as a whole, rather than for the protection of shareholders.

Bank Holding Company Regulation

As a bank holding company, the Company is subject to the BHC Act and to supervision, regulation and examination by the Federal Reserve. The BHC Act limits the activities of bank holding companies and their subsidiaries and generally requires Federal Reserve approval before a bank holding company may acquire ownership or control of more than 5% of the voting shares of another bank or bank holding company, acquire substantially all of the assets of such an institution, or merge with another bank holding company, subject to certain exceptions.

The Company is also subject to Federal Reserve capital requirements and policy guidance, including policies requiring bank holding companies to serve as a source of financial and managerial strength to their subsidiary banks. In addition, the Federal Reserve has authority to restrict or prohibit certain actions of a bank holding company, including the payment of dividends, if such actions would constitute an unsafe or unsound practice or would violate law, regulation, regulatory order, or supervisory condition.

Bank Regulation

The Bank is a national bank and is subject to the supervision, regulation and examination of the OCC. The OCC has broad enforcement authority over national banks, including the power to impose restrictions, conditions, civil money penalties, and other corrective measures where warranted. The Bank is also subject to certain provisions of the Federal Reserve Act and applicable FDIC regulations and requirements.

The Bank's operations are subject to numerous laws and regulations, including requirements relating to permissible activities, loans to one borrower, insider transactions, real estate lending standards, reserves, liquidity, fiduciary activities where applicable, information security, vendor management, and other operational and compliance matters. The Bank is also subject to laws and regulations designed to protect consumers and prohibit unfair, deceptive or abusive acts or practices, unlawful discrimination, and other improper conduct in the offering of financial products and services.

Formal Agreement

On January 17, 2025, the Bank entered into a Formal Agreement with the OCC. The Formal Agreement requires the Bank to take specified actions to strengthen capital, governance, strategic planning, risk management, internal controls, management reporting, and other aspects of its operations.

The Formal Agreement materially influenced the Bank's activities during 2025 and is expected to continue to influence management priorities in 2026. Among other things, the Formal Agreement has affected the Bank's remediation efforts, policy development, internal reporting, capital planning, risk management framework, and the pacing and scope of certain business initiatives. The Bank's strategic plan, capital plan, and various governance and risk management enhancements were developed or implemented in part in response to supervisory requirements and related remediation efforts.

Failure to satisfy the requirements of the Formal Agreement, or to otherwise address supervisory concerns in a timely and satisfactory manner, could result in additional supervisory or enforcement actions, restrictions on the Bank's activities, or other adverse consequences. For additional information regarding risks relating to the Formal Agreement and related supervisory matters, see "Item 1A. Risk Factors."

Capital Requirements

The Company and the Bank are each subject to regulatory capital requirements administered by their respective banking regulators. The Company is subject to capital requirements and supervision by the Federal Reserve, and the Bank is subject to capital requirements and supervision by the OCC and, as applicable, the FDIC. These capital rules establish minimum requirements for leverage and risk-based capital ratios and, for banking organizations subject to the risk-based capital framework, include a capital conservation buffer. Failure to meet applicable capital requirements can result in restrictions on capital distributions, discretionary bonus payments, growth, and other activities.

Federal regulations require insured depository institutions, including national banks, to satisfy minimum capital standards in order to be deemed adequately capitalized under the prompt corrective action framework. These standards include minimum ratios for

common equity Tier 1 capital, Tier 1 capital, total capital, and Tier 1 leverage capital. Institutions that do not satisfy applicable standards may become subject to increasingly stringent supervisory restrictions.

The Bank currently reports its regulatory capital under the risk-based capital framework. For regulatory capital purposes, common equity Tier 1 capital generally consists of common shareholders' equity and retained earnings, subject to specified deductions and adjustments. Tier 1 capital generally consists of common equity Tier 1 capital plus qualifying additional Tier 1 capital instruments. Total capital generally consists of Tier 1 capital plus qualifying Tier 2 capital instruments, which may include qualifying subordinated debt and a limited portion of the allowance for credit losses, and certain other qualifying capital elements, in each case subject to applicable regulatory limitations. Tier 1 leverage capital generally consists of Tier 1 capital as a percentage of average total consolidated assets, subject to applicable adjustments. The Bank has elected to opt out of including most components of accumulated other comprehensive income in common equity Tier 1 capital.

In addition to minimum capital requirements, banking organizations subject to the risk-based capital rules must maintain a capital conservation buffer composed of common equity Tier 1 capital in excess of minimum risk-based capital requirements. Limitations on capital distributions and certain discretionary bonus payments may apply if the required buffer is not maintained.

In January 2025, the Bank entered into the Formal Agreement which, among other things, established specified capital-related requirements and has influenced the Bank's capital planning and related business activities. The Company's capital actions during 2025 were undertaken in part to strengthen capital and support the Bank's compliance with regulatory and supervisory expectations. The strategic plan also reflects that strengthening capital and liquidity was a central objective of management's 2025-2027 planning process.

For additional information regarding regulatory capital, including the Company's and the Bank's actual capital ratios, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Dividends and Source of Strength

The principal source of funds available to the Holding Company to pay dividends to shareholders and service obligations is dividends from the Bank. The ability of the Bank to pay dividends is subject to applicable law, regulatory guidance, and supervisory considerations, including capital levels, earnings, financial condition, and approval or non-objection requirements in certain circumstances.

As a bank holding company, the Holding Company is expected to act as a source of financial and managerial strength to the Bank. Accordingly, the Holding Company may be expected to commit capital and other resources to support the Bank, including at times when the Holding Company may not otherwise be inclined to do so.

Federal Reserve policy generally provides that a bank holding company should pay dividends only out of earnings and only if the prospective rate of earnings retention is consistent with the organization's capital needs, asset quality, and overall financial condition. The Federal Reserve may restrict the ability of the Company to pay dividends or repurchase stock if doing so would be inconsistent with safety and soundness or applicable law, regulation, supervisory guidance, or regulatory orders.

Community Reinvestment Act

The Bank is subject to the Community Reinvestment Act ("CRA"), which requires federal banking regulators to evaluate the Bank's record of helping to meet the credit needs of the communities it serves, including low- and moderate-income neighborhoods, consistent with safe and sound operations. A bank's CRA performance is considered in connection with certain applications to engage in expansionary or other activities requiring regulatory approval. In 2025, the Bank received a Satisfactory CRA rating from the OCC.

Bank Secrecy Act and Anti-Money Laundering Compliance

The Bank is subject to the Bank Secrecy Act, the USA PATRIOT Act, and other anti-money laundering laws and regulations. These laws and regulations require the Bank to maintain a risk-based program reasonably designed to prevent the Bank from being used for money laundering, terrorist financing, and other illicit activity. Such requirements include customer identification

and due diligence, suspicious activity monitoring and reporting, sanctions compliance, and other internal controls and reporting obligations.

Because certain of the Bank's institutional banking and digital payments activities may involve heightened operational, compliance, fraud, and anti-money laundering risk, these areas have been a focus of control enhancements, staffing, reporting, and supervisory attention. The Bank has been enhancing associated controls, policies, and oversight as part of its broader remediation and risk management initiatives. Management specifically identifies BSA/AML risk management and enterprise risk management enhancements among the Bank's remediation priorities.

Other Regulatory Matters

The Company and the Bank are also subject to other laws and regulations relating to consumer financial protection, privacy, data security, electronic banking, incentive compensation practices, transactions with affiliates, insider lending, and safety and soundness standards, among other matters. Changes in laws, regulations, supervisory expectations, or agency interpretations could affect the Company's and the Bank's business, financial condition, results of operations, and growth prospects.

For additional information regarding the effect of government regulation on the Company and the Bank, see "Item 1A. Risk Factors," "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations," and the notes to the consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Available Information

The Company's website address is <https://www.bankpatriot.com>; however, information found on, or that can be accessed through, the website is not incorporated by reference into this Form 10-K. The Company makes available free of charge on its website (under the links entitled "For Investors", then "SEC filings", then "Documents"), its annual report on Form 10-K, its quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) of the Exchange Act, as soon as reasonably practicable after such reports are electronically filed with or furnished to the SEC.

ITEM 1A. Risk Factors

An investment in our securities involves risks. You should carefully consider the risks and uncertainties described below, together with the other information in this Annual Report on Form 10-K, including our consolidated financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations." The occurrence of any of the following risks, alone or in combination with other events or circumstances, could materially adversely affect our business, financial condition, results of operations, liquidity, capital, reputation, and the trading price of our common stock.

Risks Relating to Regulatory Oversight, Remediation and Strategic Repositioning

The Bank is subject to the Formal Agreement, and failure to satisfy its requirements could result in additional supervisory or enforcement actions, restrictions on our business, and other material adverse consequences.

On January 17, 2025, the Bank entered into the Formal Agreement. The OCC found unsafe or unsound practices and violations of law, rule, or regulation relating to, among other things, strategic planning, capital planning, BSA/AML risk management, payment activities oversight, credit administration, and concentration risk management. The Formal Agreement requires the Bank to implement extensive corrective actions relating to capital, liquidity, governance, strategic planning, BSA/AML, payments oversight, credit administration, concentration risk, and related reporting and controls.

Compliance with the Formal Agreement requires substantial management attention, Board oversight, personnel, systems, and expense. There can be no assurance that our remediation efforts will be completed on the timelines we expect, that they will be viewed by the OCC as satisfactory, or that the OCC will terminate the Formal Agreement within any particular period. If we fail to satisfy the requirements of the Formal Agreement, or if the OCC determines that our corrective actions are not sufficiently effective or sustainable, we could be subject to additional supervisory or enforcement actions, restrictions on growth or activities, limitations on dividends or other capital actions, objections to new products, services, or personnel changes, civil money penalties, receivership, or other adverse consequences. Any of these outcomes could materially adversely affect our business, financial condition, results of operations, reputation, and strategic flexibility.

The Bank is in "troubled condition" for regulatory purposes, which may subject us to heightened scrutiny, limit our flexibility, and adversely affect our business and growth prospects.

The Formal Agreement provides that, as a result of the Agreement, the Bank is in “troubled condition,” a regulatory designation that applies, among other circumstances, when a national bank is subject to a formal written agreement requiring action to improve its financial condition, unless otherwise informed in writing by the OCC. The Formal Agreement also provides that the Bank is not an “eligible bank” for certain purposes unless otherwise informed in writing by the OCC. This status may increase supervisory scrutiny and may affect our ability to pursue acquisitions, branches, new business activities, new offices, product launches, strategic deviations, or other corporate actions on the timeline or in the manner we would otherwise prefer. It may also adversely affect counterparties’, customers’, investors’, and employees’ perceptions of the Bank and could make it more difficult or more expensive for us to attract deposits, retain or recruit key personnel, raise capital, obtain regulatory approvals, or pursue aspects of our strategic plan.

Our business is undergoing a substantial strategic repositioning and we may not successfully execute the transition to our revised business model.

During 2025, we substantially reconstituted our management team and Board, recapitalized the Company, and began repositioning the Bank around targeted client segments, including high net worth individuals, family offices, entrepreneurs, investors, business leaders and the businesses that serve them, digital payments and related institutional banking clients, and certain underbanked but creditworthy customers. The strategic plan contemplates narrowing certain legacy activities, reducing or eliminating certain non-core products, replacing portions of the legacy portfolio, and building enhanced risk management, reporting, and operating capabilities.

Our repositioning may not succeed, may take longer than expected, or may expose us to execution risk, operational disruption, client attrition, elevated expenses, and financial underperformance. We may not achieve the revenue mix, deposit mix, credit performance, operating efficiency, or risk-adjusted returns contemplated by management. If the repositioning is unsuccessful, our business, financial condition, and results of operations could be materially adversely affected.

Our remediation efforts are extensive and ongoing and they may not be effective, timely, or sustainable.

The Formal Agreement requires corrective action across a broad range of areas, including strategic planning, capital planning, BSA/AML, customer identification, program manager due diligence and monitoring, suspicious activity monitoring and look-back reviews, BSA/AML risk assessment, BSA staffing and training, payment activities oversight, credit administration, concentration risk management, and liquidity risk management.

These remediation efforts are complex and interdependent. They require timely design, implementation, documentation, testing, governance, and sustained effectiveness. Even if corrective actions are adopted, they may not operate as intended, may reveal additional gaps, may require costly redesign, or may be challenged by staffing turnover, data quality issues, vendor limitations, or business growth. If our remediation efforts are delayed, ineffective, or not sustained over time, we could remain subject to heightened supervisory concerns and additional restrictions or enforcement action.

We are subject to numerous laws and governmental regulations and to regular examinations by regulators of our business and compliance with laws and regulations, and our failure to comply with such laws and regulations or to adequately address any matters identified during our examinations could materially and adversely affect us.

Federal banking agencies regularly conduct comprehensive examinations of our business, including our compliance with applicable laws, regulations and policies. Examination reports and ratings (which often are not publicly available) and other aspects of this supervisory framework can materially impact the conduct, organic and acquisition growth and profitability of our business. Our regulators have extensive discretion in their supervisory and enforcement activities and have imposed and may in the future impose a variety of remedial actions if, as a result of an examination, they determined that our financial condition, capital resources, asset quality, earnings prospects, management, liquidity or other aspects of any of our operations had become unsatisfactory, or that we or our management were in violation of any law, regulation or policy. Examples of those actions could include requiring affirmative actions to correct any conditions resulting from any asserted violation of law, issuing administrative orders that can be judicially enforced, enjoining unsafe or unsound practices, directing increases in our capital, assessing civil monetary penalties against our officers or directors, removing officers and directors and, if a conclusion was reached that the offending conditions cannot be corrected, or there is an imminent risk of loss to depositors, terminating our deposit insurance. Other actions, formal or informal, that may be imposed could restrict our growth, including regulatory denials to expand branches, relocate, add or restructure subsidiaries and affiliates, expand into new financial activities or merge with or purchase other financial institutions. The timing of these examinations, including the timing of the resolution of any issues identified by our

regulators in the examinations and the final determination by them with respect to the imposition of any remedial actions, conditions or limitations on our business operations, is generally not within our control. We also could suffer reputational harm in the event of any perceived or actual noncompliance with certain laws and regulations. If we become subject to such regulatory actions, we could be materially and adversely affected.

Regulations addressing consumer privacy and data use and security could increase our costs and impact our reputation.

We are subject to federal, state and local laws related to consumer privacy and data use and security, including information safeguard rules under the Gramm-Leach-Bliley Act. These rules require financial institutions to develop, implement, and maintain a written, comprehensive information security program containing safeguards that are appropriate to the financial institution's size and complexity, the nature and scope of the financial institution's activities, and the sensitivity of any customer information at issue. The United States has experienced a heightened legislative and regulatory focus on privacy and data security, including requirements as to consumer notification in the event of data breaches and certain types of security breaches. Additional regulations in these areas may increase compliance costs, which could negatively impact earnings. In addition, failure to comply with the privacy, data use and security laws and regulations to which we are subject, including by reason of inadvertent disclosure of confidential information, could result in fines, sanctions, penalties, reputational harm, loss of consumer confidence, and other adverse consequences, any of which could have a material adverse effect on our results of operations and business.

The Bank may be required to pay significantly higher FDIC premiums, special assessments, or taxes that could adversely affect its earnings.

Market developments have significantly impacted the insurance fund of the FDIC. As a result, the Bank may be required to pay higher premiums, or special assessments, that could adversely affect earnings. Our designation as a troubled institution operating under the Formal Agreement may also subject us to elevated FDIC and other regulatory fees. The amount of premiums the FDIC requires for the insurance coverage it provides is outside the Bank's control. If there are additional banks or financial institution failures, the Bank may be required to pay higher FDIC premiums than are currently assessed. Increases in FDIC insurance premiums, including any future increases or required prepayments, may materially adversely affect the Bank's results of operations.

Changing regulation of corporate governance and public disclosure.

Patriot is subject to laws, regulations, and standards relating to corporate governance and public disclosure, SEC rules and regulations, and NASDAQ rules. These laws, regulations, and standards are subject to varying interpretations, and as a result, their practical application may evolve over time as new guidance is provided by regulatory and governing bodies. Due to the evolving legal and regulatory environment, compliance may become more difficult and result in higher costs. The Company is committed to maintaining high standards of corporate governance and public disclosure. As a result, the Company's efforts to comply with evolving laws, regulations and standards have resulted in, and are likely to continue to result in, increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. The Company's reputation may be harmed, if it does not continue to comply with these laws, regulations and standards.

Litigation and regulatory actions, including enforcement actions, could subject us to significant fines, penalties, judgments or other requirements resulting in increased expenses or restrictions on our business activities.

Our business is subject to litigation and regulatory risks as a result of a number of factors, including the highly regulated nature of the financial services industry and the focus of state and federal prosecutors on banks and the financial services industry generally. Legal or regulatory actions may subject us to substantial compensatory or punitive damages, significant fines, penalties, obligations to change our business practices or other requirements resulting in increased expenses, operational burdens, diminished income and damage to our reputation. Our involvement in any such matters, even if the matters are ultimately determined in our favor, could also cause significant harm to our reputation and divert management attention from the operation of our business. Further, any settlement, consent order or adverse judgment in connection with any formal or informal proceeding or investigation by government agencies may result in litigation, investigations or proceedings as other litigants and government agencies begin independent reviews of the same activities. As a result, the outcome of legal and regulatory actions could be material to our business, results of operations, financial condition and cash flows, depending on, among other factors, the level of our earnings for that period and could have a material adverse effect on our business, financial condition or results of operations.

We depend on a new management team and Board, and our failure to have prudent change management including to retain, integrate, and effectively align new leadership could impair execution of our strategy and remediation efforts.

In 2025, the Company replaced or added leadership in numerous key roles, including Chief Executive Officer, President, Chief Credit Officer, Chief Financial Officer, Chief Risk Officer, and leadership in operations, treasury management, BSA, legal, relationship management, accounting, finance, technology, and reporting. Our strategic and remediation efforts depend heavily on these leaders' ability to work effectively together, establish sound controls, implement new policies and reporting, attract additional talent, and maintain constructive regulatory relationships.

Competition for experienced banking, risk, BSA/AML, payments, and technology personnel is significant. If we lose key executives or fail to recruit, integrate, incentivize, and retain qualified personnel, our remediation, growth, and risk management efforts could be delayed or impaired, and our financial condition and results of operations could be materially adversely affected.

Risks Relating to Institutional Banking, Digital Payments and BSA/AML

Our institutional banking and digital payments activities involve heightened operational, compliance, fraud, and BSA/AML risks.

A significant part of our revised strategy and non-interest income profile depends on institutional banking and digital payments activities, including sponsor-bank services, ACH and money movement, debit and credit card-related services, and products and services provided to and through program managers and other non-depository financial institutions. Institutional Banking is currently the largest driver of non-interest income and the Bank has increased annualized digital payments revenue since recapitalization.

These activities present elevated risks relative to traditional community banking, including fraud, sanctions, money laundering, transaction monitoring, third-party oversight, operational processing failures, consumer complaints, settlement and reconciliation issues, and reputational risk. The Formal Agreement specifically requires enhanced oversight of prepaid cards, ACH and wire activity, suspicious activity review, program manager due diligence, and BSA staffing and training. If we fail to identify, measure, monitor, and control these risks, we could face losses, customer attrition, litigation, regulatory criticism, enforcement action, and restrictions on our ability to grow or continue these activities.

Deficiencies in our BSA/AML, sanctions, customer identification, or suspicious activity monitoring programs could result in enforcement action, penalties, losses, and reputational damage.

Banking regulations require compliance with BSA/AML laws and regulations. The Bank was not in compliance with these regulations and therefore entered into the Formal Agreement with the OCC which requires a detailed BSA/AML action plan and corrective action relating to customer identification for reloadable prepaid cards, program manager due diligence and monitoring, suspicious activity monitoring and reporting, suspicious activity look-back, BSA/AML risk assessment, and BSA staffing and training. These requirements reflect supervisory findings that our BSA/AML framework required significant enhancement.

If our BSA/AML, sanctions, or fraud-monitoring controls are inadequate, if third-party program managers fail to perform as expected, if transaction monitoring rules or case management processes are ineffective, or if we fail to identify and report suspicious activity on a timely basis, we may be subject to additional enforcement actions, penalties, remediation costs, activity restrictions, customer losses, and significant reputational harm. The review or amendment of prior suspicious activity determinations could also create operational burden, increased expense, and heightened supervisory attention.

Our reliance on third-party program managers, fintech relationships, vendors, and other counterparties exposes us to significant third-party risk.

Our institutional banking, digital payments, treasury, and technology activities depend on third-party relationships, including program managers, processors, technology providers, monitoring vendors, and other counterparties. The Formal Agreement requires risk-based due diligence, ongoing monitoring, periodic reviews, and in some cases on-site visits and review of independent audit reports for program managers.

Third parties may fail to comply with law, contract, or our policies; may have inadequate controls; may experience financial distress, fraud, cyber incidents, operational failures, or business interruption; or may not provide us with timely and accurate data. Because regulators increasingly expect banks to manage third-party risk as if the activity were conducted internally, failures by our vendors or partners could expose us to losses, remediation costs, litigation, regulatory criticism, and reputational damage even where the immediate failure occurred outside the Bank.

Digital Payments and Institutional Banking Deposits can be highly concentrated and have significant volatility which could result in heightened Liquidity Risks to the Bank.

Digital Payments and Digital Payments deposits can be highly concentrated with individual decision makers in control of large deposits. Additionally, many of these deposits are short term, unpredictable, or volatile by their nature and can be withdrawn on demand. These factors contribute to the Bank's liquidity risk and if not managed appropriately can result in the liquidation of assets, the inability to hold long-term assets, and other adverse impacts up to and including insolvency.

Our reliance on Program Managers increases our exposure to risks from third party negligence or misconduct.

Our digital payments business relies on third party program managers to provide certain marketing, banking and treasury management services to our clients on behalf of the Bank. The Bank oversees the activities of its Program Managers, however errors, negligence, or malfeasance by the program managers can pose significant risks to the Bank and can subject the Bank to material liabilities, losses, and other risks such as violations of regulations and law.

Risks Relating to Credit, Concentrations and Legacy Assets

Our legacy portfolio, including criticized, classified, nonperforming, or non-core assets, may continue to adversely affect our results of operations, capital, and management attention.

The Bank historically held certain loan categories and purchased assets that were not strategic, including unsecured consumer loans, HELOCs, single-family residential loans, and securities, and the Bank is seeking to reduce, run off, sell, and replace certain legacy portfolios and concentration exposures. Legacy assets may continue to generate elevated credit costs, valuation adjustments, workout expenses, and management distraction, and their runoff or sale may occur on less favorable terms than we expect. We may also incur losses, lower yields, or liquidity constraints in connection with repositioning the portfolio.

Our commercial real estate and other secured lending activities expose us to concentration risk, collateral risk, and credit losses.

Commercial real estate has historically represented a significant portion of the Bank's loan portfolio, and both management and the OCC have identified concentration risk management as an area requiring enhancement. Commercial real estate and relationship-based secured lending can involve larger balances, more complex underwriting, and repayment that depends on business cash flow, tenant performance, market values, and refinancing conditions. Deterioration in real estate values, occupancy, rents, debt-service coverage, sponsor liquidity, or capital market conditions could materially increase defaults and losses.

Our allowance for credit losses may prove insufficient, and changes in estimates, portfolio performance, or supervisory expectations could require additional provisions.

The determination of the allowance for credit losses requires management to make significant judgment regarding current conditions, reasonable and supportable forecasts, borrower performance, collateral values, and portfolio risk characteristics. Actual losses may differ materially from our estimates. During 2025, the Bank increased its reserve for loan losses relative to loan balances and continued resolving special assets. If economic conditions worsen, if credit migration exceeds our expectations, if collateral values decline, or if regulators require different classifications, methodologies, or assumptions, we may need to increase our provision for credit losses, which could materially adversely affect our earnings and capital.

Risks Relating to Capital, Liquidity and Balance Sheet Management

If we fail to maintain sufficient capital, we may be subject to restrictions, may be unable to execute our strategy, and may need to raise additional capital on unfavorable terms or at all.

The Formal Agreement requires the Bank to maintain minimum capital ratios of 10.0% common equity Tier 1, 10.0% Tier 1 capital, 11.5% total capital, and 9.0% leverage, and requires an internal capital planning process and OCC non-objection to the Bank's capital plan. The Bank's ability to maintain these levels depends on earnings, credit performance, balance sheet mix, asset growth, market values, and access to capital.

Although the Company raised substantial capital in 2025, there can be no assurance that our capital levels will remain sufficient under stress, that our business plan will generate the expected earnings, or that we would be able to raise additional capital on acceptable terms if needed. Capital raises could be dilutive to existing shareholders, could involve burdensome terms, or could be unavailable during periods of market stress or heightened regulatory scrutiny.

Our liquidity could be adversely affected by deposit volatility, funding concentration, market disruption, deterioration in our regulatory or financial condition, or the characteristics of our deposit base.

Liquidity risk is a central risk for us, particularly as we reposition our business and manage deposit mix. We believe that prior liquidity planning did not adequately reflect the impact of rising rates on the liquidity of loans and securities, deposit concentrations including digital payments deposits, reduced Federal Home Loan Bank (“FHLB”) and Federal Reserve financing capacity from capital impairment, and risks to uninsured and other deposits. The Formal Agreement requires a revised liquidity risk management program emphasizing cash flow projections, diversified funding sources, a cushion of highly liquid assets, liquidity stress testing, and a contingency funding plan.

Our deposits may be more rate-sensitive, concentrated, or operationally volatile than traditional retail core deposits, particularly in institutional, digital payments, or large-balance relationship accounts. If depositors withdraw funds unexpectedly, if counterparties reduce funding availability, if collateral values decline, or if our access to brokered, reciprocal, FHLB, Federal Reserve, or other funding is constrained, our liquidity could be materially adversely affected.

Our deposit strategy may not produce the funding mix, stability, cost, or scale we expect.

Our revised strategy depends in part on growing relationship-based deposits from high-net-worth and business clients while also utilizing institutional and digital payments deposits. The Bank reduced deposit costs in 2025 and restructured its digital payments activities to improve pricing and depository services. There can be no assurance that these trends will continue. Competition for deposits remains intense, and our target clients may be highly rate-sensitive, operationally mobile, or able to move funds quickly. If we cannot attract or retain deposits at acceptable cost and stability, our net interest margin, liquidity, profitability, and growth could be adversely affected.

Changes in interest rates, asset-liability mismatches, and market values may adversely affect our net interest income, liquidity, capital, and financial condition.

Our earnings depend significantly on net interest income, which is affected by the level, slope, and volatility of interest rates, the timing of repricing, deposit betas, customer behavior, prepayments, and funding mix. The Bank previously failed to adequately evaluate and manage interest rate risk and certain fixed-rate securities and loans resulted in unrealized losses, extended durations, and liability sensitivity in a rising-rate environment.

Changes in rates may compress margins, reduce loan demand, increase deposit costs, impair borrowers’ repayment capacity, increase the market value sensitivity of securities and loans, reduce collateral values, and limit liquidity if assets must be sold at a loss. We may not be able to manage these risks successfully through balance sheet positioning, pricing, hedging, or other strategies.

Risks Relating to Operations, Technology and Competition

Our operating model depends on enhancements to infrastructure, data, reporting, and controls, and failures in those areas could impair decision-making, financial reporting, and risk management.

Our strategic plan emphasizes operational excellence and superior analytics and acknowledges prior deficiencies in change management, internal reporting, key performance indicators and key risk indicators (“KPIs/KRIs”), and risk measurement. The Bank is building or enhancing data, reporting, and governance capabilities, including those needed to support enterprise risk management, regulatory reporting, BSA/AML, payments monitoring, concentration management, and business line profitability.

These initiatives may be costly, delayed, or ineffective. Data quality problems, reporting gaps, model weaknesses, system integration failures, or control deficiencies could impair management’s ability to identify and manage risk, support accurate financial and regulatory reporting, or satisfy supervisory expectations.

Management concluded that our disclosure controls and procedures and internal control over financial reporting were not effective as of December 31, 2025, and if we fail to remediate the underlying control deficiencies in a timely manner, our business, financial condition, results of operations, and access to capital could be adversely affected.

As described in Item 9A of this Annual Report on Form 10-K, management concluded that the Company's disclosure controls and procedures and internal control over financial reporting were not effective as of December 31, 2025. In connection with its evaluation, management identified deficiencies concentrated in documentation, evidential support, and consistent execution of controls, including information-technology general controls, financial-close and reconciliation controls, and controls over certain third-party and digital-payments activities.

Although the Company's independent registered public accounting firm expressed an opinion that the Company's consolidated financial statements as of and for the year ended December 31, 2025 are fairly presented in all material respects and in conformity with U.S. GAAP, management concluded that the control deficiencies it identified, when considered together, constituted a material weakness in the Company's internal control over financial reporting as of December 31, 2025.

The existence of these control deficiencies and the related material weakness could adversely affect the Company's ability to record, process, summarize, and report financial information accurately and on a timely basis, and could impair its ability to comply with applicable financial reporting and disclosure obligations. Remediation requires substantial management attention, cost, and resources, including enhancement of documentation, evidencing, monitoring, information-technology general controls, financial-close and reconciliation controls, and controls over certain third-party and digital-payments activities. There can be no assurance that these remediation efforts will be completed in a timely manner or that they will be effective. If the material weakness is not remediated, or if additional material weaknesses or significant deficiencies are identified, the Company could experience delays in financial reporting, increased costs, loss of investor confidence, regulatory scrutiny, and other adverse effects on its business, financial condition, results of operations, and access to capital.

The Company is subject to certain general affirmative debt covenants, which if it cannot comply, may result in default and actions taken against it by its debt holders.

On June 29, 2018, the Company entered into certain subordinated note purchase agreements with two institutional accredited investors and completed a private placement of \$10 million of fixed-to-floating rate subordinated notes with the maturity date of September 30, 2028. Proceeds of \$7.8 million were directly contributed to the Bank. The subordinated debt qualifies for Tier 2 Capital of the Company and the funds contributed to the Bank qualify as Tier 1 capital at the Bank.

The affirmative covenants contained in the subordinated notes agreements are of a general nature and not uncommon in such debt agreements. Management does not anticipate an inability to maintain its compliance with the affirmative covenants contained in the subordinated notes agreements as such compliance is inherent in the Bank's continued operation and Patriot's public company status, as well as management's overall strategic plan.

The Bank is subject to environmental liability risk associated with its lending activities.

A significant portion of the Bank's loan portfolio is secured by real property. During the ordinary course of business, the Bank may foreclose on, and take title to, properties securing certain loans. In doing so, there is a risk that hazardous or toxic substances could be found on these properties, which may make Patriot liable for remediation costs, as well as for personal injury and property damage. In addition, Patriot owns and operates certain properties that may be subject to similar environmental liability risks.

Environmental laws may require the Bank to incur substantial expense and may materially reduce the affected property's value, or limit the Bank's ability to use or sell the affected property. In addition, future laws or more stringent interpretations or enforcement policies with respect to existing laws may increase the Bank's exposure to environmental liability. Although the Bank has policies and procedures requiring the performance of an environmental site assessment before loan approval or initiating any foreclosure action on real property, these assessments may not be sufficient to detect all potential environmental hazards. The remediation costs and any other financial liabilities associated with an environmental hazard could have a material adverse effect on Patriot's financial condition and results of operations.

Negative public opinion regarding us could adversely affect our stock price, business, results of operations, and financial condition.

Reputational harm, including as a result of our actual or alleged conduct or public opinion of the financial services industry generally, could adversely affect our stock price, business, results of operations, and financial condition. Reputation risk, or the risk to our business, earnings, liquidity, capital, stability or viability from negative public opinion, is inherent in our business and

is expected to increase as our size, profile and product offerings in the financial services industry grows. Negative publicity or reputational harm can result from actual or alleged conduct in a number of areas, including legal and regulatory compliance, lending practices, corporate governance, litigation, inadequate protection of customer data, illegal or unauthorized acts taken by third parties that supply products or services to us, the behavior of our team members, the customers with whom we have chosen to do business, the industries in which we operate, corporate initiatives and negative publicity for other financial institutions. Damage to our reputation could adversely impact our ability to attract new, or maintain existing, loan and deposit customers, team members and business relationships, and could result in the imposition of new regulatory requirements, operational restrictions, enhanced supervision and/or civil money penalties. Further, negative public opinion can expose us to litigation and regulatory action and delay and impede our efforts to raise capital or implement our growth strategy. The proliferation and increasing influence of social media websites and the use thereof by investors who may sell our public stock short, also may increase the risk that negative, inappropriate or unauthorized information may be posted or released publicly that could harm our reputation, adversely affect our stock price or the public's perception of our stability or viability, or have other negative consequences. Any damage to our reputation could have a material adverse effect on our stock price, business, results of operations, and financial condition.

A cyberattack, fraud event, information security breach, payments disruption, or technology failure could affect us materially and adversely.

We rely extensively on information systems, online and mobile channels, payments systems, vendors, data processors, and communications networks. Our institutional banking and digital payments activities increase our exposure to cyber, fraud, payments, and operational threats. Like other financial institutions, we face risks from phishing, ransomware, credential compromise, vendor compromise, insider threats, account takeover, business email compromise, data theft, fraud rings, and service outages. Public company and bank peer filings continue to identify cybersecurity, employee misconduct, and operational breakdown as material risks.

A successful attack or system failure could disrupt operations, compromise customer data, result in financial losses, trigger remediation costs, regulatory scrutiny, litigation, and reputational damage, and materially adversely affect our business and financial condition.

The development and use of artificial intelligence presents risks and challenges that may adversely impact our business.

We or our third-party vendors, customers or counterparties may develop or incorporate artificial intelligence ("AI") technology in certain business processes, services or products. The development and use of AI presents a number of risks and challenges, including concerns around safety and soundness, privacy and data-handling, fair access to financial services, fair treatment to customers, inaccuracy of results broadly known as "hallucinations" and compliance with applicable laws and regulations. The legal and regulatory environment relating to AI is uncertain and rapidly evolving, both in the U.S. and internationally, and includes regulatory schemes targeted specifically at AI as well as provisions in intellectual property, privacy, consumer protection, employment, and other laws applicable to the use of AI. These evolving laws and regulations could require changes in our implementation of AI technology and increase our compliance costs and the risks to us of non-compliance.

AI models, particularly generative or agentic AI models, may produce outputs or take action that is incorrect, that reflects biases included in the data on which they are trained, that results in the release of private, confidential, or proprietary information, that infringes on the intellectual property rights of others, or that is otherwise harmful. Further, we may rely on AI models developed by third parties, and, to that extent, would be dependent in part on the manner in which those third parties develop and train their models, including risks arising from the inclusion of any unauthorized material in the training data for their models and the effectiveness of the steps these third parties have taken to limit the risks associated with output of their models, matters over which we may have limited visibility. Any of these risks could expose us to liability or adverse legal or regulatory consequences and harm our reputation and the public perception of our business or the effectiveness of our security measures.

We face intense competition in our markets and in our target client segments, and we may not be able to compete effectively.

We compete with money-center banks, regional and community banks, private banks, specialty finance companies, fintechs, and other non-bank providers. Our strategy specifically targets client segments that may also be targeted by larger institutions with broader capabilities, stronger brands, lower cost of funds, greater lending capacity, more advanced technology, or wider product offerings. We recognize that the Bank is attempting to differentiate itself in client segments that larger institutions and specialty providers also serve. If we cannot compete effectively on service, convenience, pricing, expertise, technology, or risk-adjusted product offerings, our growth and profitability could suffer.

The Company is subject to risks associated with taxation.

The amount of income taxes the Company is required to pay on its earnings is based on federal and state legislation and regulations. The Company provides for current and deferred taxes in its financial statements, based on the results of operations, business activity, legal structure, interpretation of tax statutes, assessment of risk of adjustment upon audit, and application of financial accounting standards. The Company may take tax return filing positions for which the final determination of tax is uncertain, and tax authorities could assess additional taxes, penalties, or interest that may adversely affect the Company's results of operations, financial condition, or cash flows.

The Company also has significant federal and state net operating loss carryforwards, the utilization of which may be limited by Section 382 of the Internal Revenue Code and similar state law provisions. The Company's existing Section 382 analysis does not yet reflect the effect, if any, of ownership changes or additional limitations that may have resulted from the Private Placement or the registered direct offerings completed during 2025. As a result, the amount and future availability of the Company's net operating loss carryforwards could be reduced once updated analyses are completed.

In addition, although the Company maintained a full valuation allowance against its deferred tax assets at December 31, 2025, there can be no assurance regarding the timing or amount of any future reduction in that valuation allowance, or whether future changes in tax law, taxable income projections, ownership changes, or tax audit outcomes may adversely affect the Company's effective tax rate, tax expense, net income, or capital.

Risks Relating to the Company and its Common Stock

The Holding Company depends on dividends and other distributions from the Bank, which are restricted and may be further limited by regulation and supervisory actions.

The Holding Company is a separate legal entity from the Bank and relies primarily on dividends and other distributions from the Bank to fund holding company expenses, debt service, and any shareholder distributions. The Formal Agreement requires prior written non-objection before the Bank may declare or pay dividends or make capital distributions, and the Bank may do so only if it remains in compliance with its capital plan and applicable law. Regulatory restrictions, earnings limitations, capital requirements, or supervisory objections could limit the Bank's ability to distribute funds to the Holding Company, which could adversely affect the Holding Company's liquidity and ability to meet its obligations.

Our common stock price may be volatile, and shareholders may experience dilution or other adverse effects from future capital actions or market perceptions of our business and regulatory status.

The market price of our common stock may fluctuate significantly due to our operating results, regulatory developments, remediation progress, capital actions, perceptions of our strategic execution, broader bank-sector conditions, or general market volatility. Banks subject to heightened regulatory scrutiny or undergoing strategic restructuring may experience greater share price volatility. If we issue additional equity, convertible securities, preferred stock, or other capital instruments in the future, existing shareholders may experience dilution or the market may react adversely to such issuances.

Risks Relating to General Economic and Market Conditions

We may be adversely affected by national financial markets and economic conditions, as well as local conditions.

Our business and results of operations are affected by the financial markets and general economic conditions in the United States, including factors such as the level and volatility of interest rates, inflation, home prices, unemployment and under-employment levels, bankruptcies, household income, consumer spending, investor confidence and the strength of the U.S. economy. The deterioration of any of these conditions can adversely affect our securities and loan portfolios, our level of charge-offs and provision for credit losses, our capital levels, liquidity and our results of operations.

Geopolitical conflicts and military tensions, including the ongoing conflict between Russia and Ukraine and hostilities involving Iran and the Middle East, may contribute to volatility in energy prices, inflation, financial markets, cybersecurity threats, and broader macroeconomic conditions, any of which could adversely affect our borrowers, deposit base, liquidity, capital, and results of operations.

In addition, we are affected by the economic conditions within our Connecticut and New York trade areas. Unlike larger banks that are more geographically diversified, the Bank has a total of eight branch offices comprised of seven branch offices located in Fairfield and New Haven Counties, Connecticut and one branch office located in Westchester County, New York. Therefore, any decline in the economy of the Fairfield or New Haven counties of Connecticut or the New York metropolitan area could have an adverse impact on us.

Our loans, the ability of borrowers to repay these loans, and the value of collateral securing these loans are impacted by economic conditions. Our financial results, the credit quality of our existing loan portfolio, and the ability to generate new loans with acceptable yield and credit characteristics may be adversely affected by changes in prevailing economic conditions, including declines in real estate values, changes in interest rates, adverse employment conditions and the monetary and fiscal policies of the federal government.

Natural disasters, acts of war or terrorism, the impact of health epidemics and other adverse external events could detrimentally affect our financial condition and results of operations.

Natural disasters (including severe weather events of increasing strength and frequency due to climate change), acts of war or terrorism, health epidemics, geopolitical conflicts, and other adverse external events could have a significant negative impact on our ability to conduct business or upon third parties that provide services for us or our customers. Although we do not believe we have material direct exposure to the ongoing conflict between Russia and Ukraine or hostilities involving Iran and the Middle East, such events may adversely affect us indirectly through volatility in financial markets, energy and commodity prices, inflation, cyber threats, vendor or payment-system disruption, changes in customer behavior, deterioration in borrower credit quality, instability in our deposit base, or declines in collateral values. Any such effects could result in lost revenue, higher expenses, reduced liquidity, or other adverse effects on our financial condition and results of operations.

Risks related to environmental and other global matters

Concerns over the long-term impacts of climate change have led and will continue to lead to governmental efforts around the world to mitigate those impacts. Consumers and businesses also may change their behavior on their own as a result of these concerns. We and our customers will need to respond to new laws and regulations as well as consumer and business preferences resulting from climate change concerns. We and our customers may face cost increases, asset value reductions, operating process changes and other issues. The impact on our customers will likely vary depending on their specific attributes, including reliance on or role in carbon intensive activities. Among the impacts to us could be a drop in demand for our products and services, particularly in certain sectors. In addition, we could face reductions in creditworthiness on the part of some customers or in the value of assets securing loans. Our efforts to take these risks into account in making lending and other decisions, including by increasing our business with climate-focused companies, may not be effective in protecting us from the negative impact of new laws and regulations or changes in consumer or business behavior.

ITEM 1B. Unresolved Staff Comments

None.

ITEM 1C. Cybersecurity

Cyber/information security is an important component of the Company's enterprise risk management framework. As an insured depository institution, threats to information security are present and growing, and the potential exists for a cybersecurity incident to occur, which could disrupt business operations or compromise sensitive data. To date, the Company has not, to its knowledge, experienced an incident materially affecting or reasonably likely to materially affect the Company.

Cybersecurity Risk Management and Strategy:

The Bank maintains an information security program designed to assess, identify, and manage risks arising from cybersecurity threats. The program is supported by policies, procedures, controls, and practices addressing, among other matters, information security governance, user access management, vulnerability and patch management, incident response, business continuity and disaster recovery, change management, third-party risk management, and data protection. Cybersecurity risk management is integrated into the Bank's broader operational risk, vendor risk, and enterprise risk management processes.

The Bank conducts internal and external assessments of information technology and information security controls, including independent audits, penetration testing, vulnerability assessments, and other reviews. The Bank also engages third-party service providers, consultants, and independent assessors to support certain monitoring, testing, and risk assessment activities. The Bank's information security framework is informed by applicable regulatory guidance, including Federal Financial Institutions Examination Council ("FFIEC") guidance, and industry practices. The Bank continues to enhance its technology, information security, and data infrastructure in support of operational resiliency, risk management, and management reporting.

Employees receive information security awareness training at onboarding and periodically thereafter, and the Bank conducts simulated phishing exercises and other awareness activities intended to support employee identification and reporting of potential threats. The Bank also maintains policies and processes relating to customer information privacy and data security and evaluates certain third-party service providers that perform substantial data processing or information security services as part of its technology and information security risk management processes.

Cybersecurity Governance:

The Boards of Directors of the Company and the Bank oversee cybersecurity risk management as part of their broader oversight of enterprise risk and internal controls. The Boards receive periodic reporting regarding information security, cybersecurity, technology risk, and related audit and assessment matters, including at least annual information security and Gramm-Leach-Bliley Act ("GLBA") reporting.

Management is responsible for the day-to-day administration of the Bank's Information Security Program. The Bank's Information Services Division, under the oversight of the Chief Information Security Officer ("CISO"), is primarily responsible for identifying, assessing, and managing risks arising from cybersecurity and information security threats. The CISO has significant experience in information security, cybersecurity, privacy, compliance, incident response, and technology risk management and holds relevant industry certifications.

Management committees, including the IT Steering Committee and Management Risk Committee, review and coordinate matters relating to information security controls, penetration testing, business continuity and disaster recovery testing, and incident response plan exercises.

Information Security Incident Responses

The Bank maintains incident response plans for information security and data breach scenarios and tests those plans at least annually. The Bank's incident response procedures include processes for escalation, containment, recovery, and, where applicable, notification to customers, regulators, law enforcement, and other parties consistent with applicable legal and regulatory requirements.

ITEM 2. Properties

We own or lease buildings that are used in the normal course of our business. The Company owns its corporate headquarters, located at 900 Bedford Street, Stamford, Connecticut. At December 31, 2025, the Bank operated 8 branches in portions of Connecticut and New York. See Note 1 "Nature of Operations and Summary of Significant Accounting Policies," Note 6

Premises and Equipment,” and Note 12 “Leases” in the “Notes to the Consolidated Financial Statements” of this Form 10-K for information with respect to the amounts at which our premises and equipment are carried.

The following table summarizes Patriot’s owned and leased properties as of December 31, 2025:

Street Address	City	County	State
<u>Owned:</u>			
233 Post Road	Darien	Fairfield	Connecticut
1755 Black Rock Turnpike	Fairfield	Fairfield	Connecticut
100 Mason Street	Greenwich	Fairfield	Connecticut
900 Bedford Street	Stamford	Fairfield	Connecticut
999 Bedford Street	Stamford	Fairfield	Connecticut
771 Boston Post Road	Milford	New Haven	Connecticut
50 Charles Street	Westport	Fairfield	Connecticut
<u>Leased:</u>			
16 River Street	Norwalk	Fairfield	Connecticut
415 Post Road East	Westport	Fairfield	Connecticut
495 Central Park Avenue	Scarsdale	Westchester	New York
7 Old Tavern Road	Orange	New Haven	Connecticut
1200 Riverplace Blvd	Jacksonville	Duval County	Florida
9647 Brighton Way	Beverly Hills	Los Angeles	California

ITEM 3. Legal Proceedings

Other than ordinary routine litigation incidental to its business, neither the Company nor the Bank has any pending legal proceedings to which the Company or the Bank is a party or any of its property is subject.

ITEM 4. Mine Safety Disclosures

Not applicable.

PART II

ITEM 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities

Market Information

The Company's Common Stock is traded on the Nasdaq Global Market under the Symbol "PNBK."

Holders

There were approximately 265 registered shareholders of record of the Company's Common Stock as of December 31, 2025. This number does not reflect the number of persons or entities holding stock in nominee name through banks, brokerage firms or other nominees.

Dividends

The Company's ability to pay dividends depends substantially on the ability of Patriot Bank, N.A. to pay dividends or otherwise distribute capital to the Company. The Bank's ability to make such payments is subject to applicable law, regulatory capital requirements, and supervisory restrictions.

In January 2025, the Bank entered into a Formal Agreement with the OCC. Under the Formal Agreement, the Bank may declare or pay a dividend or make a capital distribution only if the Bank is in compliance with its Board-approved capital plan, would remain in compliance with that capital plan immediately following the dividend or capital distribution, the dividend or capital distribution otherwise complies with applicable law and regulation, and the Bank has received the prior written determination of no supervisory objection from the Assistant Deputy Comptroller.

In addition, OCC regulations generally require approval for dividends by the Bank in excess of the Bank's current year retained net income plus retained net income for the preceding two years, and the Company may not declare or pay dividends on, or repurchase, its common stock if doing so would reduce capital below applicable regulatory requirements or otherwise violate applicable law or regulatory restrictions.

The Company has not paid dividends since 2020. There is no assurance that Company will pay dividends in the future.

Stock repurchases

The Company did not repurchase any shares of its common stock during the reporting period.

Equity Compensation Plan

The information regarding our equity compensation plans will be included in the Company's definitive proxy statement to be filed with the SEC no later than April 30, 2026, in connection with the solicitation of proxies for the Company's 2026 annual meeting of shareholders ("2026 Proxy Statement"), and is incorporated herein by reference.

ITEM 6. [Reserved]

ITEM 7. Management's Discussion and Analysis of Financial Condition & Results of Operations

General

Management's Discussion and Analysis of Financial Condition and Results of Operations is intended to assist in understanding the consolidated financial condition and results of operations of the Company. The information contained in this section should be read in conjunction with the consolidated financial statements and accompanying notes thereto included in Item 8 of this Annual Report on Form 10-K.

Critical Accounting Estimates

The Company's consolidated financial statements are prepared in accordance with United States of America ("U.S. GAAP") and follow general practices within the financial services industry. A summary of Patriot's significant accounting policies is included in the Notes to consolidated financial statements that are referenced in Item 8. Financial Statements and Supplementary Data. Although all of Patriot's policies are integral to understanding its consolidated financial statements, certain accounting policies involve management to exercise judgment, develop assumptions, and make estimates that may have a material impact on the financial information presented in the consolidated financial statements or Notes thereto. Management considers an accounting estimate to be critical if it requires assumptions that are highly uncertain at the time the estimate is made and changes in those assumptions are reasonably likely to have a material effect on the Company's financial condition or results of operations. Management has discussed the development and selection of its critical accounting estimates with the Audit Committee. The assumptions and estimates are based on historical experience and other factors representing the best available information to management as of the date of the consolidated financial statements, up to and including the date of issuance or availability for issuance. As the basis for the assumptions and estimates incorporated in the consolidated financial statements may change, actual results could differ from those estimates.

Allowance for Credit Losses (ACL)

The Company determines its allowance for credit losses ("ACL") under the current expected credit loss ("CECL") methodology in ASC 326, which requires management to estimate expected credit losses over the remaining contractual life of financial assets carried at amortized cost, adjusted for expected prepayments when appropriate. The ACL is established through a provision for credit losses charged to earnings and is reduced by charge-offs, net of recoveries. The Company also maintains a reserve for unfunded lending commitments for those commitments that are not unconditionally cancellable.

The ACL is a critical accounting estimate because it requires significant management judgment and is sensitive to changes in assumptions, forecasts, and portfolio conditions. The estimate incorporates both quantitative and qualitative factors, including historical loss experience, portfolio composition, delinquency trends, internal risk ratings, nonperforming asset levels, collateral values, the financial condition of borrowers, and reasonable and supportable forecasts of macroeconomic conditions. For collateral-dependent loans, expected credit losses may depend significantly on the fair value of collateral, less estimated selling costs where applicable.

Loans that do not share similar risk characteristics with other loans are evaluated individually. For loans evaluated on a collective basis, the Company segments the portfolio by loan type and other relevant risk characteristics and applies estimation methodologies that incorporate historical loss information, current conditions, and reasonable and supportable economic forecasts. Following the forecast period, the Company reverts to historical loss information over an appropriate reversion period. Management also applies qualitative adjustments, as needed, to reflect factors not fully captured in the quantitative model.

The ACL estimate is particularly sensitive to changes in economic forecasts, borrower performance, collateral values, portfolio mix, and the credit quality of the Company's loans. Changes in these assumptions or in the condition of the loan portfolio could result in material changes to the ACL and the related provision for credit losses in future periods.

The Company's ACL methodology and the judgments used in determining the ACL are described more fully in the Notes to Consolidated Financial Statements included in Item 8.

FINANCIAL CONDITION

Assets

The Company's total assets increased \$75.5 million, or 7.5%, from \$1.01 billion at December 31, 2024 to \$1.09 billion at December 31, 2025. This was primarily reflected as a \$140.2 million increase in investment securities and a \$44.5 million increase in cash, cash equivalents and restricted cash, which was partially offset by a \$114.4 million decline in loans receivable. The change in asset mix reflected the Company's continued balance sheet repositioning during 2025, including reduced loan exposure, increased liquidity, and deployment of funds into investment securities.

Cash, cash equivalents and restricted cash

Cash, cash equivalents and restricted cash increased \$44.5 million or 27.4%, to \$207.1 million as of December 31, 2025 from \$162.6 million as of December 31, 2024. The increase in 2025 was primarily driven by loan repayments, loan sales, and cash proceeds from issuance of common and preferred stock. For further details, refer to the Consolidated Statements of Cash Flows.

The higher liquidity position improved the Bank's funding flexibility and supported the Company's balance sheet repositioning during 2025.

Investment securities

Total investments increased \$140.2 million or 166.1%, to \$224.7 million at December 31, 2025 from \$84.4 million at December 31, 2024. This increase primarily reflected purchases of available-for-sale securities of \$145.2 million during 2025, as the Company deployed liquidity into investment securities as part of its balance sheet repositioning. The portfolio at December 31, 2025 consisted primarily of U.S. Government agency and mortgage-backed securities. During 2025, the Bank sold \$4.5 million of available-for-sale securities and recognized no net gain or loss on sale, compared to sales of \$8.3 million and a net loss of \$334 thousand in 2024.

Loans held for investment

Gross loans receivable decreased \$114.9 million, or 16.2%, to \$592.6 million at December 31, 2025 from \$707.5 million at December 31, 2024. The decline reflected the Company's continued balance sheet repositioning during 2025, including restricted loan originations during the first three quarters of the year, portfolio runoff, loan sales and efforts to reduce risk and improve liquidity. The Company sold 1539 loans with an unpaid principal balance of \$67.8 million during 2025. Net loans receivable decreased to \$585.7 million at December 31, 2025 from \$700.2 million at December 31, 2024.

The following table provides the composition of the Company's loan held for investment portfolio as of December 31, for the years indicated:

(In thousands)	December 31,			
	2025		2024	
	Amount	%	Amount	%
Loan portfolio segment:				
Commercial Real Estate	\$ 346,191	58.42 %	\$ 419,489	59.30 %
Residential Real Estate	79,667	13.44 %	92,215	13.03 %
Commercial and Industrial	146,828	24.78 %	129,608	18.32 %
Consumer and Other	19,876	3.35 %	59,973	8.48 %
Construction	—	— %	3,830	0.54 %
Construction to permanent - CRE	—	— %	2,357	0.33 %
Loans receivable, gross	592,562	100.00 %	707,472	100.00 %
Allowance for credit losses	(6,839)		(7,305)	
Loans receivable, net	\$ 585,723		\$ 700,167	

Commercial real estate remained the largest loan category at December 31, 2025, representing 58.4% of total gross loans, compared to 59.3% at December 31, 2024. Commercial and industrial loans increased as a percentage of the portfolio to 24.8% from 18.3%, while consumer and other loans declined to 3.4% from 8.5%. SBA loans held for investment are included in the commercial real estate loans and commercial and industrial loan classifications above. As of December 31, 2025 and 2024, SBA loans included in the commercial real estate loans were \$9.7 million and \$18.7 million, respectively, and SBA loans included in the commercial and industrial loan were \$8.7 million and \$11.2 million as of December 31, 2025 and 2024, respectively.

As of December 31, 2025, the net loan-to-deposit ratio was 60.6%, compared to 72.4% at December 31, 2024, and the net loan to total assets ratio was 53.8%, compared to 69.2% at December 31, 2024. These declines reflected lower loan balances and higher deposits and liquidity during 2025.

The following table presents loans receivable, gross by portfolio segment, by contractual maturity as of December 31, 2025:

(In thousands)	Contractual Maturity of Loan Balance				Total
	One year or less	One through Five Years	After Five Years		
Loan portfolio segment:					
Commercial Real Estate	\$ 32,978	\$ 189,737	\$ 123,476	\$ 346,191	
Residential Real Estate	3,008	3,465	73,195	79,667	
Commercial and Industrial	38,407	23,480	84,941	146,828	
Consumer and Other	1,324	1,574	16,978	19,876	
Total	\$ 75,716	\$ 218,255	\$ 298,589	\$ 592,562	
Fixed rate loans	\$ 27,926	\$ 139,287	\$ 87,630	\$ 254,843	
Variable rate loans	47,790	78,968	210,959	337,717	
Total	\$ 75,716	\$ 218,255	\$ 298,589	\$ 592,562	

At December 31, variable-rate loans represented 57.0% of the total loan portfolio. Approximately 30.8% of the variable-rate loan portfolio reprices within three months of a change in interest rates. The remainder of the variable-rate portfolio generally carries an initial fixed-rate period, such as one, three, or five years, followed by periodic repricing. These repricing characteristics are reflected in the Bank's aggregate analysis of net interest sensitivity included in Item 7A.

Commercial real estate and commercial and industrial loans represented approximately 83.2% of total gross loans at December 31, 2025. Accordingly, the Company's credit performance remains significantly influenced by borrower operating performance, collateral values, and economic conditions in the markets and customer segments served by the Bank. For purposes of internal and regulatory CRE concentration monitoring, owner-occupied CRE loans are excluded from CRE totals and classified as commercial and industrial loans, although owner-occupied CRE loans are included in the CRE portfolio presentation above.

Allowance for Credit Losses on Loans

The Company estimates its ACL under the CECL methodology in ASC 326.

The allowance for credit losses was \$6.8 million at December 31, 2025, compared to \$7.3 million at December 31, 2024. Based on management's evaluation of the loan portfolio at December 31, 2025, the ACL of \$6.8 million, or 1.15% of gross loans, was considered appropriate to absorb expected credit losses in the loan portfolio as of that date.

The following table summarizes activity in the ACL:

(In thousands)	Year Ended December 31,	
	2025	2024
Balance at beginning of the period	\$ 7,305	\$ 15,925
Provision for credit losses	1,607	12,544
Net charge-offs	(2,073)	(21,164)
Balance at end of the period	\$ 6,839	\$ 7,305
Ratios:		
Net charge-offs to average loans	0.32 %	2.66 %
Allowance for credit losses to total loans	1.15 %	1.03 %
Allowance for credit losses to nonaccrual loans	26.44 %	28.24 %

The net charge-offs decreased \$19.1 million to \$2.1 million as of December 31, 2025 from \$21.2 million as of December 31, 2024. Net charge-offs to average loans improved to 0.32% for the year ended December 31, 2025 from 2.66% for the year ended December 31, 2024. The decrease in net charge-offs in 2025 was primarily due to charge-offs totaling \$13.6 million related to two large commercial real estate loans recognized in the fourth quarter of 2024.

Average loans decreased by \$153.2 million to \$642.1 million for the year ended December 31, 2025 from \$795.2 million for the year ended December 31, 2024. The decline reflected the Company's continued balance sheet repositioning during 2025, including restricted loan growth, portfolio runoff, and efforts to reduce risk and improve liquidity.

Although the ACL decreased to \$6.8 million at December 31, 2025 from \$7.3 million at December 31, 2024, the ACL-to-total loans ratio increased to 1.15% from 1.03%, primarily because gross loans declined during 2025. The 2024 ACL balance and related coverage ratios were also affected by significant charge-offs of reserved commercial real estate and consumer loans during 2024.

Non-accrual loans were \$24.4 million as of December 31, 2025, compared to \$25.9 million as of December 31, 2024. The ACL-to-non-accrual loans ratio was 26.44% as of December 31, 2025, compared to 28.24% as of December 31, 2024. The 2024 ratio was higher primarily due to reserves on individually evaluated commercial real estate loans that were subsequently charged off in the fourth quarter of 2024. Non-accrual CRE loans of \$376 thousand have been charged-off to net realizable value as of December 31, 2025.

Nonperforming Assets

The following table presents non-accrual loans and other real estate owned ("OREO") as of the dates indicated:

(In thousands)	December 31,	
	2025	2024
Non-accruing loans:		
Commercial Real Estate	\$ 13,701	\$ 19,334
Residential Real Estate	57	109
Commercial and Industrial	10,182	3,341
Consumer and Other	413	730
Construction to Permanent - CRE	—	2,357
Total non-accruing loans	24,353	25,871
Loans past due over 90 days and still accruing	—	—
Other real estate owned	—	2,843
Total nonperforming assets	\$ 24,353	\$ 28,714
Nonperforming assets to total assets	2.24 %	2.84 %
Nonperforming loans to total loans, net	4.16 %	3.69 %

Non-accrual loans decreased \$1.5 million, to \$24.4 million at December 31, 2025 from \$25.9 million at December 31, 2024. Total nonperforming assets decreased \$4.4 million to \$24.4 million from \$28.7 million, primarily reflecting the resolution of certain troubled loans and the sale of the sole OREO asset during 2025.

At December 31, 2025, non-accrual loans were comprised of 151 borrowers, compared to 335 borrowers at December 31, 2024. At December 31, 2025, 9 loans were individually evaluated and a specific reserve of \$2.1 million was established, compared to 14 individually evaluated loans and a specific reserve of \$463 thousand at December 31, 2024. The increase in specific reserves on individually evaluated loans reflected enhanced loan-level analysis performed during 2025 on certain credits within the portfolio, which resulted in refined reserve estimates for those loans. Individually evaluated loans are measured based on collateral value or discounted expected cash flows, as applicable.

Nonperforming assets to total assets improved to 2.24% at December 31, 2025 from 2.84% at December 31, 2024. Nonperforming loans to total loans, net increased to 4.16% from 3.69%, primarily because total loans declined during 2025.

Loans held for sale

Loans held for sale totaled \$24.5 million at December 31, 2025, compared to \$15.7 million at December 31, 2024.

These balances primarily consist of credit card receivables originated for certain digital payments customers and sold shortly after origination to a third party. These loans are fully cash-secured by deposits and are typically sold within three days at par value.

Premises and equipment

Premises and equipment totaled \$28.1 million at December 31, 2025, compared to \$28.9 million at December 31, 2024. The decrease was primarily due to depreciation expense during 2025.

Management continues to evaluate its branch and office footprint in connection with operating efficiency, client service, and the Company's strategic repositioning.

Other Real Estate Owned ("OREO")

As of December 31, 2025, the Bank had no other real estate owned, compared to \$2.8 million at December 31, 2024.

During 2025, the Bank sold its remaining OREO asset and recognized a gain of approximately \$176 thousand following a valuation allowance recorded prior to sale.

Goodwill

The Company had no goodwill recorded on its Consolidated Balance Sheets at December 31, 2025 or December 31, 2024. During 2023, the Company recorded a goodwill impairment charge of \$1.1 million, which eliminated its remaining goodwill balance.

Core deposit intangible ("CDI")

Core deposit intangible ("CDI") represents the value assigned to deposit relationships acquired in connection with the Prime Bank business combination in 2018. The CDI is amortized over a 10-year period using the straight-line method. CDI decreased \$47 thousand to \$109 thousand at December 31, 2025 from \$156 thousand at December 31, 2024, solely due to the amortization.

Deferred Taxes

As of December 31, 2025 and 2024 the carrying value of the deferred tax assets ("DTAs") was zero because a full valuation allowance was maintained against all DTAs.

As of December 31, 2025, Patriot had available approximately \$50.8 million of Federal net operating loss carryforwards ("NOL"), of which approximately \$15.5 million was subject to limitations under Internal Revenue Code §382. After giving effect to those limitations, the Company had approximately \$35.3 million post-change federal NOL carryforwards, which do not expire. These amounts reflect the Company's existing Section 382 analysis and do not reflect the effect, if any, of ownership changes or additional limitations that may have resulted from the Private Placement or the registered direct offerings completed during 2025, as no updated Section 382 analysis with respect to those transactions had been completed as of the date of these consolidated financial statements. Because the Company maintained a full valuation allowance against its deferred tax assets at December 31, 2025, management does not expect completion of such analysis to materially affect the net deferred tax asset balance reported as of that date, although it could affect the amount and availability of NOL carryforwards for future periods.

In addition, at December 31, 2025, the Company had approximately \$64.2 million of Connecticut NOL carryforwards, which may be used to offset up to 50% of taxable income in any year and expire between 2030 and 2055.

The Company evaluates the realizability of DTAs on a quarterly basis. In assessing whether a valuation allowance is required, management considers all available positive and negative evidence, including recent operating results, cumulative earnings or losses, projections of future taxable income, reversal of existing taxable temporary differences, and tax planning strategies. The principal factor supporting the full valuation allowance at December 31, 2025 was the existence of cumulative losses in recent years, which constituted significant negative evidence regarding realizability.

During 2025, the Bank returned to profitability at the bank level, although the Company remained unprofitable on a consolidated basis for the year ended December 31, 2025. Based on improved operating performance and current projections, the Company is evaluating whether a full valuation allowance will remain appropriate in future periods. The Company will continue to reassess

the appropriateness of the valuation allowance in future periods. If management concludes, based on sufficient positive evidence, that some or all of the valuation allowance is no longer necessary, the release of all or a portion of the valuation allowance could materially affect income tax expense and net income in the period of release.

For the year ended December 31, 2025, the Company recorded income tax expense of \$0.1 million.

Derivatives

As of December 31, 2025, the Company had two interest rate swaps outstanding. One swap was executed with a loan customer to provide a facility to mitigate fluctuations in the variable rate on the related loan, and the other was executed with an outside third party. The customer interest rate swap is matched in offsetting terms with the third-party interest rate swap. These swaps are reported at fair value in other assets or other liabilities on the Consolidated Balance Sheets. Because the swaps are not designated as hedging instruments, changes in the fair value are recognized in other non-interest income. The Company did not recognize any unrealized and realized gain or loss for the year ended December 31, 2025 and 2024.

Further discussion of the final derivatives is set forth in Note 11 and Note 21 to the Consolidated Financial Statements.

Deposits

Deposits are the Company's primary source of funding for lending and investment activities and an important component of liquidity management. Total deposits were \$965.8 million at December 31, 2025, compared to \$966.6 million at December 31, 2024.

The following table summarizes the Company's deposits at the dates indicated:

(In thousands)	December 31,	
	2025	2024
<u>Non-interest bearing:</u>		
Total non-interest bearing deposits	106,766	119,212
<u>Interest bearing:</u>		
Negotiable order of withdrawal accounts (NOW)	24,281	31,549
Savings	38,036	38,743
Interest bearing DDA	267,447	205,995
Money market	191,177	262,023
Certificates of deposit, \$250,000 or less	206,915	174,095
Certificates of deposit, more than \$250,000	76,480	65,278
Brokered deposits	54,683	69,702
Total interest bearing deposits	859,020	847,385
Total Deposits	\$ 965,786	\$ 966,597
Additional deposit metrics		
Deposits associated with digital payments customers	\$ 297,702	\$ 265,542
Total retail branch bank deposits	\$ 341,453	\$ 412,960
Total uninsured deposits	\$ 194,254	\$ 297,845

Deposit composition changed during 2025 as the Company continued to reposition its funding base, including reductions in brokered deposits and uninsured deposits. Brokered deposits decreased \$26.3 million to \$54.7 million at December 31, 2025 from \$69.7 million at December 31, 2024, while uninsured deposits decreased \$103.6 million to \$194.3 million from \$297.8 million over the same period. Deposits associated with digital payments customers decreased \$43.9 million to \$297.7 million at December 31, 2025 from \$265.5 million at December 31, 2024. These changes reflected the Company's ongoing efforts to manage liquidity, reduce certain deposit concentrations, and support its broader balance sheet repositioning during 2025.

Borrowings

Total borrowings were \$16.4 million compared to \$33.1 million at December 31, 2024. Borrowings consist of Federal Home Loan Bank (“FHLB”) advances, FRB borrowing, and junior subordinated debt.

The decrease reflected reduced reliance on wholesale funding during 2025 as part of the Company’s broader balance sheet repositioning and liquidity management efforts. During 2025, the Bank’s funding flexibility also benefited from improved FHLB terms following an upgrade in the Bank’s FHLB status.

Shareholders’ Equity

Equity increased \$90.4 million to \$94.7 million at December 31, 2025 from \$4.3 million at December 31, 2024. The increase was primarily due to the Company’s recapitalization and related capital raises during 2025, partially offset by a net loss of \$12.7 million for the year ended December 31, 2025. For more information on shareholders’ equity and the net loss for the year ended December 31, 2025 see Note 16 and “Results of Operations” included elsewhere in this Management’s Discussion and Analysis.

Average Balances

Average interest-earning assets were substantially unchanged at \$935.7 million for 2025 compared to \$934.2 million for 2024, but asset mix changed significantly during the year. Average loans declined \$153.2 million, while average cash equivalents and restricted cash increased \$147.1 million, reflecting the Company’s balance sheet repositioning and higher liquidity levels during 2025. The yield on average interest-earning assets declined to 5.11% in 2025 from 5.59% in 2024, primarily due to the reduction in average loan balances and the shift into higher average balances of cash equivalents and restricted cash, which earned lower yields in 2025 than in 2024.

Average interest-bearing liabilities declined \$23.5 million to \$817.5 million for 2025 from \$841.0 million for 2024, primarily due to lower average borrowings, partially offset by higher average interest-bearing deposits. The average rate paid on interest-bearing liabilities declined to 3.51% in 2025 from 3.83% in 2024. Net interest income decreased to \$19.1 million in 2025 from \$20.1 million in 2024, and net interest margin decreased to 2.04% from 2.14%.

The following table presents average balances, interest income, interest expense and the corresponding yields earned, and rates paid for each of the years in the three-year period ended December 31, 2025.

(In thousands)	Year Ended December 31,								
	2025			2024			2023		
	Average Balance	Interest	Yield	Average Balance	Interest	Yield	Average Balance	Interest	Yield
Assets									
Interest earning assets:									
Loans	\$ 642,082	\$ 36,564	5.69 %	\$ 795,236	\$ 47,322	5.93 %	\$ 896,500	\$ 54,310	6.06 %
Investments	103,469	3,101	3.00 %	95,838	2,852	2.98 %	99,546	3,157	3.17 %
Cash equivalents and restricted cash	190,184	8,177	4.30 %	43,125	2,188	5.06 %	25,140	1,490	5.93 %
Total interest earning assets	935,735	47,843	5.11 %	934,199	52,362	5.59 %	1,021,186	58,957	5.77 %
Cash and due from banks	2,618			2,711			3,172		
Allowance for credit losses	(7,842)			(14,139)			(22,596)		
OREO	1,445			2,843			138		
Other assets	41,139			62,827			69,923		
Total Assets	\$ 973,096			\$ 988,441			\$ 1,071,823		
Liabilities									
Interest bearing liabilities:									
Deposits	\$ 793,336	\$ 26,663	3.36 %	\$ 730,836	\$ 26,049	3.55 %	\$ 711,479	\$ 21,668	3.05 %
Borrowings	2,233	100	4.49 %	80,048	3,476	4.33 %	134,570	6,141	4.56 %
Senior notes	5,150	610	11.85 %	11,787	1,159	9.83 %	11,654	1,159	9.95 %
Subordinated debt	16,726	1,355	8.10 %	18,024	1,596	8.83 %	17,985	1,481	8.23 %
Note Payable and other	52	1	1.73 %	258	5	1.93 %	469	8	1.71 %
Total interest bearing liabilities	817,498	28,730	3.51 %	840,953	32,285	3.83 %	876,157	30,457	3.48 %
Demand deposits	86,388			101,290			140,654		
Other liabilities	7,686			10,063			8,505		
Total Liabilities	911,572			952,306			1,025,316		
Shareholders' equity	61,524			36,135			46,507		
Total liabilities and equity	\$ 973,096			\$ 988,441			\$ 1,071,823		
Net interest income		\$ 19,112			\$ 20,077			\$ 28,500	
Net interest margin			2.04 %			2.14 %			2.79 %
Interest spread			1.60 %			1.76 %			2.29 %

The following table presents the change in interest-earning assets and interest-bearing liabilities by major category and the related change in the interest income earned and interest expense incurred thereon attributable to the change in transactional volume in the financial instruments and the rates of interest applicable thereto, comparing the years ended December 31, 2025 to 2024 and December 31, 2024 to 2023.

(In thousands)	Year Ended December 31,					
	2025 compared to 2024			2024 compared to 2023		
	Increase/(Decrease)			Increase/(Decrease)		
	Volume	Rate	Total	Volume	Rate	Total
Interest earning assets:						
Loans	\$ (11,959)	\$ 1,204	\$ (10,755)	\$ (6,572)	\$ (416)	\$ (6,988)
Investments	120	129	249	(233)	(72)	(305)
Cash equivalents and restricted cash	7,446	(1,445)	6,001	1,074	(376)	698
Total interest earning assets	(4,393)	(112)	(4,505)	(5,731)	(864)	(6,595)
Interest bearing liabilities:						
Deposits	2,727	(2,112)	615	(2,032)	6,413	4,381
Borrowings	(3,316)	(61)	(3,377)	(2,490)	(175)	(2,665)
Senior notes	(1,049)	494	(555)	13	(13)	—
Subordinated debt	—	526	526	—	115	115
Note payable and other	(4)	—	(4)	(3)	—	(3)
Total interest bearing liabilities	(1,642)	(1,153)	(2,795)	(4,512)	6,340	1,828
(Decrease) increase in net interest income	\$ (2,751)	\$ 1,041	\$ (1,710)	\$ (1,219)	\$ (7,204)	\$ (8,423)

RESULTS OF OPERATIONS

A discussion regarding the financial condition and results of operations for fiscal 2025 compared to fiscal 2024 is presented below. Discussions of fiscal 2024 items and year-to-year comparisons between fiscal 2024 and fiscal 2023 that are not included in this Form 10-K can be found under Item 7 of Part II of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as filed with the SEC on April 15, 2025.

Comparison of Results of Operations for the years 2025 and 2024

For the year ended December 31, 2025, the Company reported a net loss of \$12.7 million, or \$(0.17) per basic and diluted share, compared to a net loss of \$39.9 million, or \$(10.03) per basic and diluted share, for the year ended December 31, 2024.

The Company reported a pre-tax loss of \$12.7 million for 2025, an improvement from a pre-tax loss of \$16.1 million in 2024. The improvement in pre-tax results was primarily driven by a substantially lower provision for credit losses in 2025, following significant credit-related charges in 2024, including large charge-offs associated with two commercial real estate credits, as the Company continued to address legacy credit issues. This improvement was partially offset by lower net interest income and higher non-interest expense. Net interest income decreased \$1.0 million in 2025, while non-interest expense increased \$8.7 million, reflecting higher compensation expense, including equity-based compensation, as well as elevated professional fees and other transition-related operating costs associated with management changes, remediation efforts, and the Company's broader

strategic repositioning. Non-interest income increased \$2.2 million in 2025. The year-over-year improvement in net loss was also affected by a significantly lower provision for income taxes in 2025 compared to 2024.

Net interest income

Net interest income represents the difference between interest income earned on interest-earning assets and interest expense paid on interest-bearing liabilities. It is affected by the relative levels of interest-earning assets and interest-bearing liabilities, as well as the interest rates earned or paid on these balances.

For the year ended December 31, 2025, interest income decreased to \$47.8 million, compared with \$52.4 million for the year ended December 31, 2024. The decrease primarily reflected lower average loan balances a shift in asset mix toward higher average balances of cash equivalents and restricted cash, which earned lower yields in 2025 than in 2024.

Interest expense for the year ended December 31, 2025 decreased to \$28.7 million from \$32.3 million in 2024, reflecting lower average wholesale borrowings and a lower average rate paid on interest-bearing liabilities, partially offset by higher average interest-bearing deposit balances.

As a result, net interest income decreased to \$19.1 million in 2025 from \$20.1 million in 2024. Net interest margin decreased to 2.04% in 2025 from 2.14% in 2024.

Provision (Credit) for credit losses

For the year ended December 31, 2025, the provision for credit losses was \$1.5 million, consisting of a \$1.6 million provision for credit loss on loans and a \$0.1 million credit in reserve for the off-balance-sheet credit exposures. For the year ended December 31, 2024, the provision for credit losses was \$12.5 million, consisting of a \$12.5 million provision for loan losses and a \$0.1 million credit in reserve for the off-balance-sheet exposure.

The substantially lower provision in 2025 reflected the absence of the unusually elevated credit costs recognized in 2024, as well as lower net charge-offs and lower reserve requirements in 2025. The 2024 provision was significantly affected by large charge-offs associated with two commercial real estate credits and the related reserve implications. Gross loans declined from \$707.5 million at December 31, 2024 to \$592.6 million at December 31, 2025 as the Company continued its balance sheet repositioning and allowed portions of the loan portfolio to run off. The allowance for credit losses on loans decreased to \$6.8 million at December 31, 2025 from \$7.3 million at December 31, 2024.

Non-interest income

For the year ended December 31, 2025, non-interest income increased to \$10.5 million from \$8.4 million in 2024. The increase was primarily attributable to higher fee income associated with increased business activity from certain existing larger digital payments program managers during 2025, as well as gains on certain financial instruments.

Non-interest expense

For the year ended December 31, 2025, non-interest expense increased to \$40.8 million from \$32.1 million in 2024. The increase reflected higher compensation expense, including equity-based compensation, as well as elevated professional fees and other transition-related operating costs associated with management changes, remediation efforts, and the Company's broader strategic repositioning. Non-interest expense in 2025 also reflected overlap costs incurred during the transition as the Company added executive management and other personnel while retaining significant legacy staffing during portions of the year.

Provision for income taxes

The Company reported a provision for income taxes of \$0.1 million for the year ended December 31, 2025, compared to a provision for income taxes of \$23.8 million for the year ended December 31, 2024. The 2024 provision was significantly affected by the recording of a full valuation allowance against deferred tax assets during that year. At December 31, 2025, the Company continued to maintain a full valuation allowance against its deferred tax assets. See Note 14 - Income Taxes to the Consolidated Financial Statements.

Other financial measures and ratios:

	As of and for the year ended December 31,		
	2025	2024	2023
(Loss) return on average assets	(1.31)%	(4.03)%	(0.39)%
(Loss) return on average equity	(20.66)%	(110.37)%	(8.99)%
Average equity to average assets	6.32 %	3.66 %	4.34 %

We derived the selected balance sheet measures as of December 31, 2025, 2024, and 2023 and the selected statement of income measures for the years ended December 31, 2025, 2024, and 2023 from our audited Consolidated Financial Statements included elsewhere in this annual report. Average balances have been computed using daily averages.

Selected Quarterly Financial Data:

The following tables present the summarized quarterly results of operations (unaudited) to the Consolidated Financial Statements for the calendar year 2025:

<i>(In thousands, except per share amounts)</i>	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2025				
Interest and dividend income	\$ 12,548	\$ 11,494	\$ 11,543	\$ 12,258
Interest expense	8,594	7,306	6,533	6,296
Net interest income	3,954	4,188	5,010	5,962
Provision for credit losses(a)	733	1,524	(431)	(321)
Non-interest income	2,728	2,030	2,207	3,549
Non-interest expense	8,725	9,744	10,310	11,992
Loss before income taxes	(2,776)	(5,050)	(2,662)	(2,160)
Provision (benefit) for income taxes	1	(49)	(5)	112
Net loss(b)	\$ (2,777)	\$ (5,001)	\$ (2,657)	\$ (2,272)
Loss per share				
Basic	\$ (0.21)	\$ (0.06)	\$ (0.03)	\$ (0.02)
Diluted	\$ (0.21)	\$ (0.06)	\$ (0.03)	\$ (0.02)
Weighted average shares outstanding - Basic(c)	13,289,644	78,123,095	99,937,915	114,991,078
Weighted average shares outstanding - Diluted(c)	13,289,644	78,123,095	99,937,915	114,991,078

(a) In the second quarter of 2025, the increase in allowance was mainly attributed to qualitative factors incorporated into the ACL calculations, even though a reduction in loan balances and the recognition of charge-offs on the unsecured consumer loan portfolio would typically suggest a decrease.

(b) Due to significant changes above, the net loss in the second quarter 2025 was mainly attributed to loss on sales of loans and increased non-interest expenses primarily attributed to the higher salaries and benefits, along with other operating expenses.

(c) The weighted average diluted shares outstanding did not include 112,771, 4,597,710, 5,809,410, and 10,000,970 anti-dilutive restricted shares of common stock as of March 31, 2025, June 30, 2025, September 30, 2025 and December 31, 2025, respectively.

The following tables present the summarized quarterly results of operations (unaudited) to the Consolidated Financial Statements for the calendar year 2024:

<i>(In thousands, except per share amounts)</i>	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2024				
Interest and dividend income	\$ 14,001	\$ 13,217	\$ 12,814	\$ 12,330
Interest expense	8,597	8,194	7,815	7,679
Net interest income	5,404	5,023	4,999	4,651
Provision for credit losses(a)	658	3,092	1,026	7,679
Non-interest income	2,247	2,063	2,115	1,937
Non-interest expense	7,226	7,999	8,396	8,460
Loss before income taxes	(233)	(4,005)	(2,308)	(9,551)
Provision (benefit) for income taxes(b)	66	(924)	24,646	(3)
Net loss(c)	\$ (299)	\$ (3,081)	\$ (26,954)	\$ (9,548)
Loss per share				
Basic	\$ (0.08)	\$ (0.77)	\$ (6.78)	\$ (2.40)
Diluted	\$ (0.08)	\$ (0.77)	\$ (6.78)	\$ (2.40)
Weighted average shares outstanding - Basic(d)	3,976,073	3,976,073	3,976,073	3,976,673
Weighted average shares outstanding - Diluted(d)	3,976,073	3,976,073	3,976,073	3,976,673

(a) In the fourth quarter of 2024, the provision for credit loss increased , primarily attributable to significant charge-offs for two individually evaluated commercial real estate loans.

(b) In the third quarter of 2024, a full valuation allowance on the Company's U.S. federal and state deferred tax assets was recorded. This resulted in an increase in the Company's income tax expense of approximately \$25 million.

(c) Due to significant changes above, the net loss in the fourth quarter of 2024 decreased to \$9.5 million, compared to a \$27.0 million net loss in the third quarter of 2024.

(d) The weighted average diluted shares outstanding did not include 22,269, 8,695, 91,697, and 93,710 anti-dilutive restricted shares of common stock as of March 31, 2024, June 30, 2024, September 30, 2024 and December 31, 2024, respectively.

LIQUIDITY AND CAPITAL RESOURCES

The Company monitors liquidity using, among other measures, on-hand liquidity to total liabilities, and total liquidity to total liabilities. On-hand liquidity is comprised of interest-bearing cash and cash equivalents and unpledged available-for-sale securities. Total liquidity includes on-hand liquidity plus unused borrowing capacity and other available contingent funding

sources, including brokered deposit capacity subject to internal limits. The Company also monitors other metrics to manage liquidity and concentration risk in its funding base.

The Company's on-hand liquidity and total liquidity ratios for the year ended December 31, 2025 and December 31, 2024, are as follows:

(In thousands)	December 31, 2025	December 31, 2024
On-hand liquidity		
Interest-bearing cash and cash equivalents	\$ 183,980	\$ 144,273
Available-for-sale securities, at fair value	224,677	79,992
Less: pledged available-for-sale securities	(15,138)	(60,223)
Total on-hand liquidity	393,519	164,042
Borrowing capacity		
FHLB borrowing capacity	76,003	48,692
FRB borrowing capacity	26,357	64,742
Unsecured credit lines from correspondent banks	—	5,000
Brokered deposit capacity	144,868	69,702
Total borrowing capacity	247,228	188,136
Less: used borrowing capacity		
FHLB capacity used (including the standby letter of credit)	(55,671)	(48,459)
FRB capacity used	—	—
Outstanding brokered deposits	(54,683)	(69,702)
Total used borrowing capacity	(110,354)	(118,161)
Total liquidity	\$ 530,393	\$ 234,017
Total liabilities	\$ 993,160	\$ 1,008,027
On-hand liquidity to total liabilities	39.62 %	16.27 %
Total liquidity to total liabilities	53.40 %	23.22 %

On-hand liquidity increased \$229.5 million from December 31, 2024 to December 31, 2025 primarily reflecting higher balances of cash, cash equivalents, and unpledged available-for-sale securities following the Company's capital raises and broader balance sheet repositioning during 2025. These changes improved the Company's funding flexibility and contingent liquidity position.

Liquidity represents the Company's ability to meet its financial obligations as they come due, including deposit withdrawals, funding commitments, debt service, and other operating needs. Management believes the Company's liquidity position at December 31, 2025 was sufficient to meet expected funding needs and reasonably anticipated deposit fluctuations.

Capital raised during 2025, including the March 2025 private placement and subsequent capital transactions, provided additional liquidity and enhanced both the Bank's and the Company's funding flexibility.

Net cash provided by operating activities was \$14.3 million for the year ended December 31, 2025, compared to net cash provided by operating activities of \$2.7 million for the year ended December 31, 2024. The year-over-year change was primarily driven by a larger net cash outflow related to loans held for sale activity, as originations exceeded sale proceeds by a greater amount in 2025 than in 2024, and by a lower provision for credit losses, which reduced a non-cash add-back to operating cash flow. These factors were partially offset by higher share-based compensation, which increased non-cash expense in 2025. Activity in loans held for sale primarily related to credit card receivables originated for certain digital payments customer programs, which are generally sold shortly after origination.

Net cash used in investing activities was \$20.7 million for the year ended December 31, 2025, compared to net cash provided by investing activities of \$135.0 million for the year ended December 31, 2024. The 2025 investing cash outflow primarily reflected

\$145.2 million of purchases of available-for-sale securities. That outflow was partially offset by \$114.9 million of payments received on loans receivable, \$4.5 million of proceeds from the maturity of other investments, and the absence of loan originations in 2025 compared to \$48.9 million of loan originations in 2024. In 2024, investing activities also benefited from higher loan repayments and materially lower securities purchases.

Net cash provided by financing activities was \$79.1 million for the year ended December 31, 2025, compared to net cash used in financing activities of \$41.6 million for the year ended December 31, 2024. The 2025 financing cash inflow was primarily driven by proceeds from issuances of common stock and preferred stock, net of offering costs. Financing activities in 2025 also reflected lower reliance on wholesale funding, including a \$3.0 million net repayment of Federal Home Loan Bank advances and no net Federal Reserve Bank or correspondent bank borrowings outstanding at year end, as well as \$3.0 million of senior note repayments and a modest net decrease in deposits. In 2024, financing activities reflected a \$126.3 million increase in deposits that was more than offset by \$68.0 million of net repayments of Federal Home Loan Bank advances and \$70.0 million of net repayments of Federal Reserve Bank and correspondent bank borrowings.

As a result of the foregoing, cash, cash equivalents and restricted cash increased \$44.0 million during 2025, compared to an increase of \$96.1 million during 2024.

As of December 31, 2025, the maturities of Patriot's contractual obligations are as follows:

(In thousands)

Contractual Obligation Category	Contractual Obligations Due				
	Less than One Year	One to Three Years	Three to Five Years	Over Five Years	Total
Certificates of deposit	\$ 271,103	\$ 12,134	\$ 158	\$ —	\$ 283,395
Brokered deposits	49,641	5,042	—	—	54,683
Subordinated debt	—	—	8,347	—	8,347
Junior subordinated debt	—	—	—	8,248	8,248
Operating lease obligations	382	348	156	524	1,410
Total contractual obligations	\$ 321,127	\$ 17,524	\$ 8,661	\$ 8,772	\$ 356,083

Management seeks to maintain a capital structure that supports regulatory requirements, planned balance sheet activity, and the ability to absorb potential losses, while also positioning the Company to improve profitability and shareholder value over time. The Company has not paid dividends to shareholders during the most recent three-year period.

The primary source of liquidity at the parent company is dividends or other return of capital from the Bank. Such payments are subject to regulatory restrictions, including OCC supervisory requirements and the Bank's capital plan, and are used in part to service debt payments at the Company. Return of capital payments from the Bank to the Company totaled zero for the year ended December 31, 2025, \$1.0 million for the year ended December 31, 2024, and \$2.5 million for the year ended December 31, 2023.

OFF-BALANCE SHEET ARRANGEMENTS

The Bank's off-balance sheet arrangements consist primarily of unfunded loan commitments and standby letters of credit. Because these commitments may expire unused or are contingent on the customer's compliance with the underlying terms, the total commitment amounts do not necessarily represent future cash requirements. As of December 31, 2025 and 2024, the Bank's off-balance sheet commitments were \$69 million and \$87.6 million, respectively.

As of December 31, 2025, the Bank had an irrevocable stand-by letter of credit for a maximum of \$55 million, issued by the Federal Home Loan Bank of Boston on behalf of the Bank, with Mastercard as the beneficiary, which expires on April 30, 2026.

REGULATORY CAPITAL REQUIREMENTS

The following tables illustrate the Company's and the Bank's regulatory capital ratios at December 31, 2025 and 2024:

(Dollar amounts in thousands)	December 31, 2025				December 31, 2024			
	Patriot National Bancorp, Inc.		Patriot Bank, N.A.		Patriot National Bancorp, Inc.		Patriot Bank, N.A.	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Capital (to risk weighted assets)	\$ 129,587	20.76 %	\$ 120,329	19.25 %	\$ 44,534	6.07 %	\$ 56,536	7.71 %
Formal Agreement minimum (Bank only)(a)	\$ —	— %	\$ 71,894	11.50 %	\$ —	— %	\$ 84,306	11.50 %
Tier 1 Capital (to risk weighted assets)	117,567	18.84 %	116,657	18.66 %	33,545	4.57 %	55,546	7.58 %
Formal Agreement minimum (Bank only)(a)	—	— %	62,516	10.00 %	—	— %	73,309	10.00 %
Common Equity Tier 1 Capital (to risk weighted assets)	109,567	17.55 %	116,657	18.66 %	25,545	3.48 %	55,546	7.58 %
Formal Agreement minimum (Bank only)(a)	—	— %	62,516	10.00 %	—	— %	73,309	10.00 %
Tier 1 Leverage Capital (to average assets)	117,567	11.52 %	116,657	11.42 %	33,545	3.50 %	55,546	5.79 %
Formal Agreement minimum (Bank only)(a)	—	— %	91,975	9.00 %	—	— %	86,306	9.00 %

(a) On January 17, 2025, the OCC notified the Bank that the individual minimum capital ratios established in April 2024 had been terminated in connection with the Bank's entry into the Formal Agreement dated January 14, 2025. The minimum ratios shown above for the Bank reflect the capital requirements established by the Formal Agreement. Although the Bank's reported capital ratios at December 31, 2025 exceeded those minimum ratios, the Formal Agreement provides that meeting and maintaining such ratios does not mean the Bank may be deemed to be "well capitalized" for purposes of 12 U.S.C. § 1831o and 12 C.F.R. Part 6.

Federal banking regulations establish minimum leverage and risk-based capital requirements for insured depository institutions, including standards applicable to institutions seeking to be considered "well capitalized."

In April 2024, the OCC established individual minimum capital ratios for the Bank. On January 17, 2025, in connection with the Bank's entry into the Formal Agreement on January 14, 2025, the OCC notified the Bank that the April 2024 individual minimum capital ratios had been terminated. As reflected in the table above, the minimum capital ratios applicable to the Bank at December 31, 2025 were those established by the Formal Agreement.

At December 31, 2025, the Bank's reported capital ratios exceeded both the standard "well capitalized" thresholds and the higher minimum capital ratios required by the Formal Agreement. Specifically, the Bank's common equity tier 1 capital ratio was 18.66%, its Tier 1 capital ratio was 18.66%, its total capital ratio was 19.25%, and its Tier 1 leverage ratio was 11.42%. By comparison, at December 31, 2024, the Bank did not meet the higher minimum capital ratios then applicable. The Company's capital actions during 2025, including the March 2025 private placement and related recapitalization transactions, materially improved the Bank's capital position.

Notwithstanding the Bank's reported capital ratios at December 31, 2025, the Formal Agreement provides that meeting and maintaining specified capital levels does not mean that the Bank may be deemed to be "well capitalized" for purposes of 12 U.S.C. § 1831o and 12 C.F.R. Part 6.

ITEM 7A. Quantitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss from adverse changes in market prices and rates. The Bank's market risk is primarily limited to interest rate risk, which is the risk that changes in interest rates may adversely affect net interest income, capital, and the economic value of assets and liabilities.

The Bank seeks to manage interest rate risk while maintaining appropriate earnings performance and liquidity. Interest rate risk arises from differences in the timing of the repricing or maturity of assets and liabilities, the effect of embedded options, and

changes in funding mix. In managing this risk, the Bank considers asset and liability structure, loan and investment repricing characteristics, deposit behavior, and wholesale funding sources.

Interest rate risk is monitored by Management's Asset and Liability Committee, which consists of senior management personnel. At the Board level, interest rate risk and related balance sheet exposures are reviewed through the Enterprise Risk Committee, which receives periodic reporting on interest rate risk, liquidity, and investment activities.

Management evaluates interest rate risk using net interest income simulation and net portfolio value analysis, each of which is prepared on a quarterly basis. These models estimate the effect of instantaneous changes in interest rates under a range of rate scenarios. The analyses incorporate assumptions regarding asset and liability repricing, prepayments, deposit behavior, and changes in spreads between market rates. Because these analyses are based on assumptions and estimates, actual results may differ materially from those reflected in the model outputs.

The tables below present estimated changes in net portfolio value and net interest income under selected instantaneous interest rate shock scenarios at December 31, 2025 and 2024.

Net Portfolio Value - Performance Summary						
(In thousands)	As of December 31, 2025			As of December 31, 2024		
	Estimated Value	Change from Base (\$)	Change from Base (%)	Estimated Value	Change from Base (\$)	Change from Base (%)
Projected Interest Rate Scenario						
+200	\$ 118,478	\$ (25,935)	(17.96)%	\$ 87,800	\$ (10,733)	(10.89)%
+100	132,666	(11,747)	(8.13)%	94,983	(3,550)	(3.60)%
BASE	144,413	—	—	98,533	—	—
-100	156,122	11,709	8.11 %	98,886	353	0.36 %
-200	163,243	18,830	13.04 %	96,159	(2,374)	(2.41)%

Net Interest Income - Performance Summary						
	December 31, 2025			December 31, 2024		
	Estimated Value	Change from Base (\$)	Change from Base (%)	Estimated Value	Change from Base (\$)	Change from Base (%)
Projected Interest Rate Scenario						
+200	\$ 24,099	\$ (2,580)	(9.67)%	\$ 28,274	\$ 79	0.28 %
+100	25,470	(1,209)	(4.53)%	28,403	208	0.74 %
BASE	26,679	—	—	28,195	—	—
-100	28,374	1,695	6.35 %	28,295	100	0.35 %
-200	29,634	2,955	11.08 %	28,679	484	1.72 %

These measures are analytical tools used by management to assess interest rate risk exposure at a point in time and should not be viewed as forecasts. The results are subject to limitations, including the use of assumptions regarding balance sheet composition, pricing behavior, and customer response to changes in interest rates.

Impact of Inflation and Changing Prices

The Company's financial statements have been prepared in terms of historical dollars, without considering changes in relative purchasing power of money over time due to inflation. Because virtually all of the assets and liabilities of a financial institution are monetary in nature, interest rates generally have a more significant effect on the Bank's performance than the effect of general inflation. However, inflation may affect customer repayment capacity, funding costs, operating expenses, and the value of loan collateral, including real estate, and therefore could affect the Company's results of operations in future periods.

ITEM 8. Financial Statements and Supplementary Data

The Financial Statements required by this item are presented in the order shown below:

- Report of Independent Registered Public Accounting Firm (PCAOB ID:23)
- Report of Independent Registered Public Accounting Firm (PCAOB ID:49)
- Consolidated Balance Sheets as of December 31, 2025 and 2024
- Consolidated Statements of Operations for each of the years in the three-year period ended December 31, 2025
- Consolidated Statements of Comprehensive Loss for each of the years in the three-year period ended December 31, 2025
- Consolidated Statements of Shareholders' Equity for each of the years in the three-year period ended December 31, 2025
- Consolidated Statements of Cash Flows for each of the years in the three-year period ended December 31, 2025
- Notes to Consolidated Financial Statements

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of
Patriot National Bancorp, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Patriot National Bancorp, Inc. (the “Company”) as of December 31, 2025, the related consolidated statements of operations and comprehensive loss, changes to shareholders’ equity, and cash flows, for the year then ended, and the related notes (collectively, the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for Credit Losses - Loans - Quantitative Reserve

Critical Audit Matter Description

As described in Note 1, the Company’s Allowance for Credit Losses (“ACL”) is an estimate of losses arising from borrowers’ inability to make loan payments as required, which is calculated via a valuation account that is deducted from the amortized cost basis to present the net amount expected to be collected on the loan portfolio. The Company’s ACL is calculated by collectively evaluating and individually evaluating loans. The Company collectively evaluates applicable loans based on segments according to their homogeneous characteristics, aligned with the segmentation of the FDIC Bank Call Report.

The ACL is maintained at a level estimated by management to be adequate to absorb potential loan losses. Management's periodic evaluation of the adequacy of the ACL is based on specific expectations for the future economic environment that are incorporated in the projection, with loss expectations to revert to the long-run historical mean after such time as management can make or obtain a reasonable and supportable forecast. Management also considers the Company's past loan loss experience, known and inherent risks in the portfolio, adverse situations that may impact the borrower's ability to repay (including the timing of future payments), the estimated value of any underlying collateral (if the loan is collateral dependent), composition of the loan portfolio, and other relevant factors. This evaluation is inherently subjective as it requires material estimates based on management's judgment regarding the projection of expected credit losses over the contractual lifetime of the loans.

Modeling of the ACL uses sophisticated statistical techniques to arrive at reasonable and supportable forecasts of expected losses. The Company has contracted with a third-party vendor to assist in developing models for the ACL related to the Company's loan portfolio. The Company evaluates loans with similar risk characteristics in pools using a probability of default ("PD") / loss given default ("LGD") method. This current expected credit loss ("CECL") methodology forecasts the probability of default, loss given default, and exposure at default for loans in a given pool over their remaining life.

We identified the quantitative reserve determination related to the collectively evaluated loans as a critical audit matter. A high degree of audit effort, including specialized skills and knowledge, and subjective and complex auditor judgment was involved in the assessment due to significant measurement uncertainty. The quantitative reserve determination encompassed the evaluation of the methodology, including the methods and models used to estimate the PD, LGD, and prepayments and their significant assumptions in the collective ACL. Such significant assumptions included portfolio segmentation, the selection of the multiple economic forecast scenarios including related weightings, economic parameters, credit ratings, the reasonable and supportable forecast period, the reversion period and the historical loss observation period.

How the Critical Audit Matter was Addressed in the Audit

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures related to the Company's process to develop the Company's quantitative reserve computation included testing certain sources of data, factors, and assumptions that the Company used, and considered the relevance and reliability of such data, factors, and assumptions. In addition, we involved credit risk and valuation professionals with specialized skills and knowledge, who assisted in:

- evaluating the Company's quantitative reserve computation methodology for compliance with U.S. generally accepted accounting principles
- determining whether the loan portfolio is segmented by similar risk characteristics by comparing to the Company's business environment and relevant industry practices
- evaluating judgments made by the Company relative to the assessment of the PD, LGD, and prepayment models by comparing them to relevant Company-specific metrics and trends, the applicable industry and regulatory practices, and our own independently derived estimate
- assessing the conceptual soundness and performance of the PD, LGD, and prepayment models by inspecting the model documentation to determine whether the models are suitable for their intended use

We also assessed the sufficiency of the audit evidence obtained related to the ACL estimate by evaluating the:

- determination of cumulative results of the audit procedures
- qualitative aspects of the Company's accounting practices
- potential bias in the accounting estimate.

/s/ Baker Tilly US, LLP

New York, New York
March 31, 2026

We have served as the Company's auditor since 2025.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Patriot National Bancorp, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Patriot National Bancorp, Inc. (the Company) as of December 31, 2024, the related consolidated statements of operations, comprehensive loss, shareholders' equity and cash flows, for each of the two years in the period ended December 31, 2024, and the related notes to the consolidated financial statements (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ RSM US LLP

We served as the Company's auditor from 2017 to 2025.

Hartford, Connecticut
April 15, 2025

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(In thousands)	December 31,	
	2025	2024
Assets		
Cash and due from banks:		
Noninterest bearing deposits and cash	\$ 2,411	\$ 3,295
Interest bearing deposits	183,980	144,273
Restricted cash	20,736	15,042
Total cash, cash equivalents and restricted cash	207,127	162,610
Investment securities:		
Available-for-sale securities, at fair value	224,677	79,992
Other investments, at cost	—	4,450
Total investment securities	224,677	84,442
Federal Reserve Bank (FRB) stock, at cost	2,961	1,377
Federal Home Loan Bank (FHLB) stock, at cost	679	779
Loans receivable (net of allowance for credit losses: 2025: \$(6,839) and 2024: \$(7,305))	585,723	700,167
Loans held for sale	24,513	15,702
Accrued interest and dividends receivable	4,869	5,488
Premises and equipment, net	28,116	28,865
Other real estate owned	—	2,843
Deferred tax asset, net	—	—
Core deposit intangible, net	109	156
Other assets	9,066	9,863
Total assets	\$ 1,087,840	\$ 1,012,292
Liabilities		
Deposits:		
Noninterest bearing deposits	\$ 106,766	\$ 119,212
Interest bearing deposits	859,020	847,385
Total deposits	965,786	966,597
FHLB, FRB and correspondent bank borrowings	—	3,000
Senior notes, net	—	11,861
Subordinated debt, net	8,289	9,898
Junior subordinated debt owed to unconsolidated trust, net	8,157	8,147
Note payable	—	162
Advances from borrowers for taxes and insurance	893	1,472
Accrued expenses and other liabilities	10,035	6,890
Total liabilities	993,160	1,008,027
Shareholders' equity		
Common stock, \$0.01 par value; authorized 200,000,000 2025 issued shares 115,070,413; outstanding shares 114,996,672; 2024 issued shares 4,065,593; outstanding shares 3,991,852	1,151	41
Additional paid-in capital	206,446	107,992
Accumulated deficit	(99,619)	(86,908)
Accumulated other comprehensive loss	(12,119)	(15,681)
Treasury stock	(1,179)	(1,179)
Total shareholders' equity	94,680	4,265
Total liabilities and shareholders' equity	\$ 1,087,840	\$ 1,012,292

See Accompanying Notes to Consolidated Financial Statements.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2025	2024	2023
<i>(In thousands, except per share amounts)</i>			
Interest and Dividend Income			
Interest and fees on loans	\$ 36,564	\$ 47,322	\$ 54,310
Interest on investment securities	2,934	2,565	2,653
Dividends on investment securities	168	287	504
Other interest income	8,177	2,188	1,490
Total interest and dividend income	47,843	52,362	58,957
Interest Expense			
Interest on deposits	26,663	26,049	21,668
Interest on FHLB, FRB and correspondent bank borrowings	100	3,476	6,141
Interest on senior debt	610	1,159	1,159
Interest on subordinated debt	1,355	1,596	1,481
Interest on note payable	1	5	8
Total interest expense	28,730	32,285	30,457
Net interest income	19,112	20,077	28,500
Provision for credit losses	1,505	12,455	7,429
Net interest income after provision for credit losses	17,607	7,622	21,071
Non-interest Income			
Loan application, inspection and processing fees	571	625	694
Deposit fees and service charges	1,524	536	285
(Loss) gain on sales of loans	(2,230)	440	169
Rental income	323	302	395
(Loss) gain on sale of investment securities, net	—	(334)	24
Digital payment fee income	9,858	5,109	2,294
Other income	468	1,684	2,144
Total non-interest income	10,514	8,362	6,005
Non-interest Expense			
Salaries and benefits	21,978	17,896	17,598
Occupancy and equipment expense	3,096	3,208	3,410
Data processing expense	1,717	1,320	1,228
Professional and other outside services	4,309	3,700	3,369
Project expenses, net	—	—	93
Advertising and promotional expense	289	360	269
Loan administration and processing expense	199	167	259
Regulatory assessments	1,736	1,363	1,176
Insurance expense, net	729	316	277
Communications, stationary and supplies	1,414	973	870
Intangible asset impairment	—	—	1,107
Other operating expense	5,304	2,778	3,053
Total non-interest expense	40,771	32,081	32,709
(Loss) income before income taxes	(12,650)	(16,097)	(5,633)
Provision (benefit) for income taxes	59	23,785	(1,454)
Net (loss) income	\$ (12,710)	\$ (39,882)	\$ (4,179)
Basic (loss) earnings per share	\$ (0.17)	\$ (10.03)	\$ (1.05)
Diluted (loss) earnings per share	\$ (0.17)	\$ (10.03)	\$ (1.05)

See Accompanying Notes to Consolidated Financial Statements.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS

<i>(In thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Net (loss) income	\$ (12,710)	\$ (39,882)	\$ (4,179)
Other comprehensive income			
Unrealized holding gain (loss) on securities	3,562	280	240
Reclassification for realized loss (gain) on sale of investment securities	—	334	(24)
Net change in unrealized gain (loss)	3,562	614	216
Income tax (expense) benefit	—	(1,034)	168
Other comprehensive income, net of tax	3,562	(420)	384
Comprehensive loss	\$ (9,148)	\$ (40,302)	\$ (3,795)

See Accompanying Notes to Consolidated Financial Statements.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

<i>(In thousands, except shares)</i>	Number of Shares	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Treasury Stock	Accumulated Other Comprehensive (Loss)	Total
Balance at January 1, 2023	4,038,927	\$ 40	\$ 107,704	\$ (31,337)	\$ (1,179)	\$ (15,645)	\$ 59,583
Transition adjustment	—	—	—	(11,510)	—	—	(11,510)
Comprehensive (loss) income:							
Net loss	—	—	—	(4,179)	—	—	(4,179)
Unrealized holding gain on AFS securities, net of tax	—	—	—	—	—	384	384
Total comprehensive loss	—	—	—	(4,179)	—	384	(3,795)
Share-based compensation expense	—	—	105	—	—	—	105
Vesting of restricted stock	10,887	—	—	—	—	—	—
Balance at December 31, 2023	4,049,814	\$ 40	\$ 107,809	\$ (47,026)	\$ (1,179)	\$ (15,261)	\$ 44,383
Comprehensive (loss) income:							
Net loss	—	—	—	(39,882)	—	—	(39,882)
Unrealized holding loss on AFS securities, net of tax	—	—	—	—	—	(420)	(420)
Total comprehensive loss	—	—	—	(39,882)	—	(420)	(40,302)
Share-based compensation expense	—	—	184	—	—	—	184
Vesting of restricted stock	15,779	—	—	—	—	—	—
Balance at December 31, 2024	4,065,593	\$ 41	\$ 107,993	\$ (86,908)	\$ -1,179	\$ (15,681)	\$ 4,265
Comprehensive (loss) income:							
Net loss	—	—	—	(12,710)	—	—	(12,710)
Unrealized holding gain on available-for- sale securities, net of tax	—	—	—	—	—	3,562	3,562
Total comprehensive gain (loss)	—	—	—	(12,710)	—	3,562	(9,148)
Common stock issuance	110,994,062	1,110	—	—	—	—	1,110
Capital raise	—	—	81,952	—	—	—	81,952
Preferred stock conversion	—	—	5,026	—	—	—	5,026
Debt conversion	—	—	4,643	—	—	—	4,643
Warrants	—	—	1,599	—	—	—	1,599
Share-based compensation expense	—	—	5,233	—	—	—	5,233
Vesting of restricted stock	10,758	—	—	—	—	—	—
Balance at December 31, 2025	115,070,413	\$ 1,151	\$ 206,446	\$ (99,619)	\$ (1,179)	\$ (12,119)	\$ 94,680

See Accompanying Notes to Consolidated Financial Statements.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)	Year Ended December 31,		
	2025	2024	2023
Cash Flows from Operating Activities:			
Net (loss) income	\$ (12,710)	\$ (39,882)	\$ (4,179)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Accretion of investment premiums and discounts, net	(336)	(160)	(116)
Amortization and accretion of purchase loan premiums and discounts, net	(174)	17	1,902
Amortization of debt issuance costs	193	177	177
Amortization of core deposit intangible	47	47	46
Amortization of servicing assets of sold SBA loans	153	229	114
Impairment of intangible assets	—	—	1,107
Provision for credit losses	1,505	12,455	7,429
Depreciation and amortization	986	1,078	1,193
Loss (gain) on sales of available-for-sale securities	—	334	(24)
Gain on sale of premises and equipment	(1)	(3)	—
Share-based compensation	5,233	184	105
Decrease (increase) in deferred tax assets	—	23,100	(4,211)
Increase in deferred tax liabilities	59	724	—
Originations of loans held for sale, net	(908,916)	(577,242)	(189,453)
Proceeds from sale of loans held for sale	896,135	581,560	174,066
Gains on sale of loans held for sale, net	2,230	(440)	(169)
Net gain on sale and write-down of other real estate owned	77	—	—
Changes in assets and liabilities:			
Decrease in accrued interest and dividends receivable	619	1,731	48
(Increase) decrease in other assets	808	(1,123)	1,750
Decrease in accrued expenses and other liabilities	(78)	(103)	(500)
Net cash provided by (used in) operating activities	(14,170)	2,683	(10,715)
Cash Flows from Investing Activities:			
Proceeds from maturity or sales on available-for-sale securities	—	8,325	1,780
Principal repayments on available-for-sale securities	4,399	3,629	4,324
Purchases of available-for-sale securities	(145,188)	(2,319)	(10,415)
Proceeds from maturity of other investments	4,450	-	-
(Purchases) redemptions of Federal Reserve Bank stock	(1,584)	713	537
(Purchases) redemptions of Federal Home Loan Bank stock	100	3,423	(328)
Origination of loans receivable	—	(48,936)	(145,531)
Purchases of loans receivable	(26,376)	(187)	(21,108)
Payments received on loans receivable	141,080	170,405	143,977
Purchases of premises and equipment	(172)	(55)	(412)
Proceeds from sale of premises and equipment	1	13	—
Proceeds from sale of other real estate owned	2,766	—	—
Net cash provided by (used in) investing activities	(20,524)	135,011	(27,176)
Cash Flows from Financing Activities:			
Increase (decrease) in deposits, net	(811)	126,286	(20,135)
(Repayments) proceeds from FHLB daily borrowing, net	(3,000)	(68,000)	16,000
Repayments of FHLB long term borrowings	—	(30,000)	—
Proceeds from FRB and correspondent bank borrowings	70,000	42,000	285,500
Repayments of FRB and correspondent bank borrowings	(70,000)	(112,000)	(215,500)
Principal repayments of senior notes	(2,884)	—	—
Principal repayments of note payable	(162)	(214)	(209)
Increase in advances from borrowers for taxes and insurance	(579)	308	278
Proceeds from preferred stock issuance	5,450	—	—
Private Placement Costs for preferred stock	(351)	—	—
Proceeds from common stock issuance	85,572	—	—

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

	Year Ended December 31,		
	2025	2024	2023
<i>(In thousands)</i>			
Private Placement Costs for common stock	(4,023)	—	—
Net cash (used in) provided by financing activities	79,212	(41,620)	65,934
Net increase (decrease) in cash, cash equivalents and restricted cash	44,518	96,074	28,043
Cash, cash equivalents and restricted cash at beginning of period	162,610	66,536	38,493
Cash, cash equivalents and restricted cash at end of period	\$ 207,127	\$ 162,610	\$ 66,536
Supplemental Disclosures of Cash Flow Information:			
Cash paid for interest	\$ 29,317	\$ 31,924	\$ 29,631
Cash paid (refund) for income taxes, net	\$ (16)	\$ 66	\$ 3,536
Non-cash transactions:			
Change in unrealized loss (gain) on available-for-sale securities, net of tax	\$ (3,562)	\$ 420	\$ (384)
Transfers of loans held for sale to loans receivable	\$ 4,048	\$ 5,526	\$ —
Transfers of loans receivable to loans held for sale	\$ —	\$ (4,339)	\$ —
Transfers of loans receivable to OREO	\$ —	\$ —	\$ 2,843
Capitalized servicing assets	\$ 48	\$ 138	\$ 85
Capitalized project costs	\$ 142	\$ —	\$ —
Retained beneficial interest	\$ 518	\$ —	\$ —
Operating lease right-of-use assets / liabilities	\$ 10	\$ 177	\$ 16
Increase (decrease) in interest rate swaps	\$ (44)	\$ 9	\$ (129)
Deferred cost for capital raise	\$ (120)	\$ (120)	\$ —
Deferred debt issuance costs	\$ (23)	\$ —	\$ 56
Decrease in premises and equipment recorded under other liabilities	\$ (35)	\$ —	\$ —
Senior debt conversion to common stock	\$ (9,705)	\$ —	\$ —
Subordinated debt conversion to common stock	\$ (2,000)	\$ —	\$ —
Accrued interest capitalized into principal	\$ 1,098	\$ —	\$ —
Preferred Stock conversion to Common Stock	\$ 5,099	\$ —	\$ —
Decrease in premises and equipment recorded under other liabilities	\$ —	\$ (65)	\$ —
Expected credit loss for loans - ASC 326 adoption	\$ —	\$ —	\$ 13,001
Expected credit loss for unfunded loan commitments - ASC 326 adoption	\$ —	\$ —	\$ 2,737
Deferred tax assets - ASC 326 adoption	\$ —	\$ —	\$ (4,228)
Retained earnings adjustment - ASC 326 adoption	\$ —	\$ —	\$ 11,510

See Accompanying Notes to Consolidated Financial Statements.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES

Notes to consolidated financial statements

Note 1. Nature of Operations and Summary of Significant Accounting Policies

The accompanying audited Consolidated Financial Statements of Patriot National Bancorp, Inc. (the “Holding Company” or “PNBK”) and its wholly-owned subsidiaries, Patriot Bank, N.A. (the “Bank”), Patriot National Statutory Trust I and PinPat Acquisition Corporation (collectively, the “Company” or “Patriot”), have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). The Bank is a nationally chartered commercial bank whose deposits are insured by the Federal Deposit Insurance Company (“FDIC”), which manages the Deposit Insurance Fund. The Bank provides a full range of banking services to commercial and consumer customers through its main office in Stamford, Connecticut, seven branch offices in Connecticut and one branch office in New York. The Bank's customers are concentrated in Fairfield and New Haven Counties in Connecticut and Westchester County in New York.

The preparation of consolidated financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and to disclose contingent assets and liabilities. Actual results could differ from those estimates. Management has identified accounting for the allowance for credit losses, the analysis and valuation of its investment securities, the valuation of deferred tax assets, the impairment of goodwill, the valuation of derivatives, and the valuation of servicing assets as certain of Patriot's more significant accounting policies and estimates, in that they are critical to the presentation of Patriot's financial condition and results of operations. As they concern matters that are inherently uncertain, these estimates require management to make subjective and complex judgments in the preparation of Patriot's consolidated financial statements.

Reclassification

Certain prior period amounts have been reclassified to conform to current year financial statement presentation. These reclassifications only change the reporting categories and do not affect the consolidated results of operations or consolidate financial position of the Company.

Summary of Significant Accounting Policies:

Principles of consolidation and basis of financial statement presentation

The consolidated financial statements include the accounts of Patriot, and the Bank's wholly owned subsidiaries, PinPat Acquisition Corporation and have been prepared in conformity with US GAAP. All significant intercompany balances and transactions have been eliminated.

Cash, Cash Equivalents and Restricted Cash

Patriot considers all short-term, highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash and due from banks, federal funds sold, and short-term investments are recognized as cash equivalents in the Consolidated Balance Sheets.

Patriot maintains amounts due from banks which, at times, may exceed federally insured limits. Patriot has not experienced any losses from such concentrations.

The Company maintains cash on deposit at other depository institutions as collateral for the Bank's digital payments activities, which is considered as restricted cash.

Federal Reserve Bank and Federal Home Loan Bank stock

The Bank is required to maintain an investment in capital stock of the Federal Home Loan Bank of Boston (“FHLB-B”), as collateral, in an amount equal to a percentage of its total assets, plus a percentage of its activity with FHLB-B. Additionally, the Bank is required to maintain an investment in the capital stock of the Federal Reserve Bank (“FRB”), as collateral, in an amount equal to three percent of the Bank's total equity capital as per its latest Report of Condition (“Call Report”) filed with the Federal Deposit Insurance Corporation. The FRB requires that one-half of the investment in its stock be funded currently, with the remaining amount subject to call when deemed necessary by the FRB Board of Governors.

Shares in the FHLB-B and FRB are purchased and redeemed based upon their \$100 par value. The stocks are non-marketable equity securities, and as such, are considered restricted securities that are carried at cost, and evaluated for impairment in accordance with relevant accounting guidance. In accordance with this guidance, the stocks' values are determined by the ultimate

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES

Notes to consolidated financial statements

recoverability of the par value rather than by recognizing temporary declines. The determination of whether the par value will ultimately be recovered is influenced by criteria such as: (a) the significance of any decline in net assets of the FHLB-B or FRB, as applicable, compared to its capital stock amount, and the length of time this situation has persisted; (b) commitments by either the FHLB-B or FRB to make payments required by law or regulation and the level of such payments in relation to their operating performance; (c) the potential impact of any legislative or regulatory changes; and (d) the regulatory capital ratios and liquidity position of the FHLB-B or FRB, as applicable.

Included in the Bank's investment portfolio are shares in the FHLB-B and FRB of \$3.6 million and \$2.2 million as of December 31, 2025 and 2024, respectively. Management has evaluated its investment in the capital stock of the FHLB-B and FRB for impairment, based on the aforementioned criteria, and has determined that as of December 31, 2025 and 2024 there is no impairment of its investment in either the FHLB-B or FRB.

Investment Securities

Management determines the appropriate classification of securities at the date individual investment securities are acquired, and the appropriateness of such classification is reassessed at each balance sheet date.

Debt securities, if any, that management has the positive intent and ability to hold to maturity are classified as "held to maturity" and are recorded at amortized cost. "Trading" securities, if any, are carried at fair value with unrealized gains and losses recognized in earnings. Securities classified as "available-for-sale" are recorded at fair value, with unrealized gains and losses excluded from earnings and reported in other comprehensive income (loss), net of taxes. Purchase premiums and discounts are recognized in interest income using the interest method of accounting, in order to achieve a constant effective yield over the contractual term of the securities.

For available-for-sale debt securities in an unrealized loss position, the Company will first assess whether i) it intends to sell or ii) it is more likely than not that it will be required to sell the debt security before recovery of its amortized cost basis. If either case is applicable, any previously recognized allowances are charged off and the debt security's amortized cost is written down to fair value through income. If neither case is applicable, the debt security is evaluated to determine whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, the Company considers the extent to which fair value is less than amortized cost, any changes to the rating of the debt security by a rating agency and any adverse conditions specifically related to the debt security, among other factors. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the debt security are compared to the amortized cost basis of the debt security. If the present value of cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an Allowance for Credit Losses ("ACL") is recorded for the credit loss, limited by the amount by which the fair value is less than the amortized cost basis. Any impairment that has not been recorded through allowance for credit losses is recognized in other comprehensive income, net of tax.

Adjustments to the allowance are reported in the income statement as a component of credit loss expense. Debt securities are charged off against the allowance or, in the absence of any allowance, written down through income when deemed uncollectible by the Company or when either of the aforementioned criteria regarding intent or requirement to sell is met specifically for available-for-sale debt securities.

The Company excludes the accrued interest receivable balance from the amortized cost basis in measuring expected credit losses on debt securities and does not record an ACL on accrued interest receivable.

Securities transactions are recorded on the trade date. Realized gains and losses on the sale of securities are determined using the specific identification method, recorded on the trade date, and reported in non-interest income for the period.

At December 31, 2025 and 2024, the Bank's investment portfolio includes zero and \$4.5 million investment in the Solomon Hess SBA Loan Fund ("SBA Fund"). The Bank previously utilized this investment to satisfy its Community Reinvestment Act lending requirements. At December 31, 2024, the investment in the SBA Fund is reported in the Consolidated Balance Sheets at cost, which management believes approximates fair value.

Loans receivable

Loans that Patriot has the intent and ability to hold until maturity or for the foreseeable future generally are reported at their outstanding unpaid principal balances adjusted for deferred costs, an allowance for credit losses, if any, and any unamortized discount, premium and deferred fees.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES

Notes to consolidated financial statements

Interest income is accrued based on unpaid principal balances. Loan application fees are reported as non-interest income, while other certain direct origination costs, or for purchased loans, any discounts or premiums are deferred and amortized to interest income as a level yield adjustment over the respective term of the loan.

Loans are placed on non-accrual status or charged off when collection of principal or interest is considered doubtful. The accrual of interest on loans is discontinued no later than when the loan is 90 days past due for payment, unless the loan is well secured and in process of collection. Consumer installment loans are typically charged off no later than when they become 180 days past due. Past due status is based on the contractual terms of the loan.

Accrued uncollected interest income on loans that are placed on non-accrual status or have been charged off is reversed against interest income. Interest income on such non-performing loans is accounted for on the cash-basis of accounting until qualifying for return to accrual status. Any cash received on non-accrual or charged off loans is first applied against unpaid and past-due principal and then to interest, unless the loan is in a cure period. If in a cure period, and management believes there will be a loss, cash receipts are applied to principal until the balance at risk and collateral value, if any, is equal to the amount management believes will ultimately be collected. Loans are returned to accrual status when all principal and interest amounts contractually due are brought current and future payments are reasonably assured. The interest on these loans is accounted for on the cash-basis method until qualifying for return to accrual status.

Patriot's real estate loans are collateralized by real estate located principally in Fairfield and New Haven Counties in Connecticut, and Westchester County and New York City in New York. Accordingly, the ultimate collectability of a substantial portion of Patriot's loan portfolio is susceptible to regional real estate market conditions.

Allowance for credit losses

On January 1, 2023, the Company adopted Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments – Credit Losses (Topic 326) – Measurement of Credit Losses on Financial Instruments ("ASC 326"). ASC 326 requires an entity to reflect its current estimate of all expected credit losses based on historical experience, current conditions and reasonable and supportable forecasts. The allowance for credit losses is a valuation account that is deducted from the amortized cost basis of the financial assets to present the net amount expected to be collected. ASC 326 also expands the disclosure requirements regarding an entity's assumptions, models, and methods for estimating the reserve for credit losses. In addition, entities need to disclose the amortized cost balance for each class of financial asset by credit quality indicator, disaggregated by the year of origination.

The allowance for credit losses ("ACL") is based on the Company's evaluation of the loan portfolios, current asset quality trends, known and inherent risks in the portfolio, adverse situations that may affect the borrower's ability to repay (including the timing of future payments), the estimated value of any underlying collateral, composition of the loan portfolio, economic conditions, industry and peer bank loan quality indications and other pertinent factors, including regulatory recommendations. The process is inherently subjective and subject to significant change as it requires material estimates.

The allowance is increased by a provision for credit losses, which is charged to expense, and reduced by charge-offs, net of recoveries. In addition, various regulatory agencies, as an integral part of their examination process, periodically review the allowance for credit losses. Such agencies may require the Company to recognize adjustments to the allowance based on their judgments about information available to them at the time of their examination.

Credit losses are estimated on the amortized cost basis of loans, which includes the principal balance outstanding, purchase discounts and premiums and deferred loan fees and costs. Accrued interest receivable on loans is excluded from the estimate of credit losses because these balances are written off or reversed when a loan is placed in non-accrual status.

The Company evaluates loans with similar risk characteristics in pools using a probability of default/loss given default ("PD/LGD") method. Under this current expected credit loss ("CECL") methodology, the Bank forecasts the probability of default, loss given default, and exposure at default for loans in a given pool over their remaining life, thereby deriving an ACL capable of absorbing estimated losses over the remaining life of the portfolio. Under this framework, qualitative factors play a diminished role, with reserve rates influenced by change in real domestic Gross Domestic Product ("GDP"), State of Connecticut unemployment rate, New York Fed recession indicator, CoStar composite index, New York Case Schiller index, Coincident activity index, Michigan consumer activity index, S&P's BBB credit spreads, and the Company's loan delinquencies and charge off data.

An additional component of the allowance is determined by management based on a qualitative analysis of certain factors related to portfolio risks that are not incorporated in the calculated model. The factors include lending practices, the ability and

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES

Notes to consolidated financial statements

experience of the credit staff, the overall lending environment and undiscovered financial information in select small loan portfolios.

In addition, a risk rating system is utilized to evaluate the collectively evaluated component of the ACL. Under this system, management assigns risk ratings between one and eleven. Risk ratings are assigned based upon the recommendation of the credit analyst and the originating loan officer. The risk ratings are reviewed and confirmed by the Internal Asset Review Committee ("IARC") and reported to the Enterprise Risk Committee of the Board of Directors.. Risk ratings are established at the initiation of transactions and are reviewed and changed, when necessary, during the life of the loan. Loans assigned a risk rating of six or above are monitored more closely by the credit administration officers and IARC.

In the underwriting of loans secured by real property, property appraisals are required to be performed by independent licensed appraisers that are included in a panel whose selection criteria have been approved by Patriot's Board of Directors. Appraisals are subject to review by independent third parties hired by Patriot. All appraisals are reviewed by qualified independent parties to the firm preparing the appraisals. Generally, management obtains updated appraisals when a loan is on nonaccrual status and evaluated individually. These appraisals may be more limited than those prepared for the underwriting of a new loan. Additionally, the Bank hires an outside engineering consultant perform the inspection on properties. Management reviews and inspection reports before disbursing funds, particularly during the term of a construction loan.

The Bank's SBA loan portfolio consists of both whole loans and the unguaranteed portion of certain C&I and Owner-Occupied CRE loans. An additional risk premium was assigned to those loans due to their risk parameters and profile, including higher historical loss rates (based on historical SBA data) than the rest of the C&I and Owner-Occupied CRE portfolio.

Individually Evaluated Loans

Credit losses for loans that no longer share similar risk characteristics with the collectively evaluated pools are excluded from the collective evaluation and estimated on an individual basis. Individual evaluations are performed for nonaccrual loans and loans rated substandard that are in excess of \$100,000. Specific allowances were estimated based on one of several methods, including the estimated fair value of the underlying collateral, observable market value of similar debt or the present value of expected cash flows.

Internal Asset Review Committee meets at least quarterly to discuss and review the conditions and risks associated with individual problem loans. While the Company uses the best information available to evaluate the ACL, future adjustments to the ACL may be necessary if conditions differ or substantially change from the information used in making the evaluation.

Loan Modifications

In March 2022, the FASB issued ASU 2022-02, *Financial Instruments – Credit Losses (ASU 326)*: Troubled Debt Restructurings and Vintage Disclosures. ASU 2022-02 eliminated the accounting guidance for TDRs by creditors while enhancing disclosure requirements for certain loan refinancings and restructurings by creditors when a borrower is experiencing financial difficulty. The Company adopted ASU 2022-02 effective January 1, 2023 and the impact was immaterial.

Accrued Interest Receivable

Upon adoption of ASC 326 and its related amendments on January 1, 2023, the Company made the following elections regarding accrued interest receivable:

- Presenting accrued interest receivable balances separately on the Consolidated Balance Sheet.
- Continuing our policy to fully reserve accrued interest receivable by reversing interest income on nonaccrual loans. For commercial loans, the reserve is established upon becoming 90 days past due except for instances where it can be clearly documented that the loan is both well secured and in the process of collection. For consumer loans, the charge-off typically occurs upon becoming 120 days past due. Historically, the Company has not experienced uncollectible accrued interest receivable on its investment securities.
- Not measuring an allowance for credit losses for accrued interest receivable due to the Company's policy of fully reserving uncollectible accrued interest receivable balances in a timely manner, as described above.

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ACL for Unfunded Commitments

The ACL for unfunded commitments represents the expected credit losses on off-balance sheet commitments such as unfunded commitments to extend credit and standby letters of credit. However, a liability is not recognized for commitments that are unconditionally cancellable by the Company. The ACL for unfunded commitment is recognized as a liability (within other liabilities on the Consolidated Balance Sheets), with adjustments to the unfunded commitment reserve recognized as a provision for credit loss expense in the Consolidated Statements of Operations. The Unfunded Commitment Reserve is determined by estimating expected future funding, under each segment, and applying the expected loss rates.

Transfers of Financial Assets

Transfers of financial assets are accounted for as sales when control over the assets has been surrendered. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from Patriot -- put presumptively beyond the reach of Patriot and its creditors, even in bankruptcy or other receivership, (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets and no condition both constrains the transferee from taking advantage of that right and provides more than a trivial benefit for Patriot, and (3) Patriot does not maintain effective control over the transferred assets through either (a) an agreement that both entitles and obligates it to repurchase or redeem the assets before maturity or (b) the ability to unilaterally cause the holder to return specific assets, other than through a cleanup call.

Loans Held for Sale

SBA loans held for sale represent the guaranteed portion of SBA loans and are reflected at the lower of aggregate cost or market value. Patriot originates loans to customers under the SBA program, historically providing for SBA guarantees of 75% of the principal balance of each loan. During the pandemic, in December 2020, the SBA temporarily increased the guaranteed percentage to 90% during one of the rounds of stimulus. As of October 1, 2021, the guaranteed percentage reverted back to 75% of the loan. Patriot typically sells the guaranteed portion of its SBA loans to third parties and retains the servicing, holding the unguaranteed portion in its portfolio. The amount of loan origination fees is included in the carrying value of loans sold and in the calculation of the gain or loss on the sale. When sales of SBA loans occur, the premium received on the sale and the present value of future cash flows of the servicing assets, less the discount of the retained portion of the loan, are recognized in income. All criteria for sale accounting must be met for the loan sales to occur; see details under the "Transfers of Financial Assets" heading above.

Loans held for sale are carried at the lower of amortized cost or estimated fair value. The estimated fair value for SBA loans held for sale is based on pricing information from secondary markets and brokers, when available.

Patriot originates commercial credit card loans that are marketed by the buyer. The credit card loans are expected to be held for no longer than three days before being sold to the buyer. The credit card loans are fully cash-secured by deposits at Patriot. The credit card loans are sold to the buyer as a whole loan sale transaction, priced at par; thus, there is no servicing asset or gain or loss on sale.

Servicing Assets

Servicing assets represent the estimated fair value of retained servicing rights, net of servicing costs, at the time loans are sold. Servicing assets are amortized in proportion to, and over the period of, estimated net servicing revenues. Impairment is evaluated based on stratifying the underlying financial assets by date of origination and term. Fair value is determined using prices for similar assets with similar characteristics, when available, or based upon discounted cash flows using market-based assumptions. Any impairment, if temporary, would be reported as a valuation allowance.

Other Real Estate Owned

Assets acquired through, loan foreclosure or in lieu of, are held for sale and are initially recorded at fair value less cost to sell at the date of foreclosure, establishing a new cost basis. In addition, when Patriot acquires other real estate owned ("OREO"), it obtains a current appraisal to substantiate the net carrying value of the asset. Subsequent to foreclosure, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value less cost to sell. Revenue and expenses from operations and changes in the valuation allowance are included in the results of operations. Costs relating to the development and improvement of the property are capitalized, subject to the limit of fair value of the collateral. Gains or losses are included in non-interest expenses upon disposal.

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Notes to consolidated financial statements

Write-downs of foreclosed properties that are required upon transfer to OREO are charged to the ACL. Thereafter, an allowance for OREO losses is established for any further declines in the property's value. These losses are included in non-interest expenses in the consolidated statements of operations.

Premises and Equipment

Premises and equipment are stated at cost, net of accumulated depreciation and amortization. Leasehold improvements are capitalized and amortized over the shorter of the terms of the related leases or the estimated economic lives of the improvements. Depreciation is charged to operations for buildings, furniture, equipment and software using the straight-line method over the estimated useful lives of the related assets which range from three to forty years. Gains and losses on dispositions are recognized upon realization. Maintenance and repairs are expensed as incurred and improvements are capitalized.

Lease Accounting

The Company accounts for leases under ASC Topic 842, Leases. The Company enters into operating leases in the normal course of business primarily for several of its branch, office and parking locations, and one equipment lease.

Lease liabilities are recognized based on the present value of future lease payments over the lease term, and corresponding right-of-use ("ROU") assets are recognized based on the lease liability, adjusted for prepaid lease payments, lease incentives received, and initial direct costs, as applicable. The Company's lease agreements include options to renew at the Company's discretion. If the extensions are reasonably certain to be exercised, they are considered in the calculation of the ROU asset and lease liability. The Company has also elected not to recognize leases with original lease terms of 12 months or less (short-term leases) in the Company's Consolidated Balance Sheets. The ROU assets are included in other assets and the lease obligations are included in other liabilities in the Consolidated Balance Sheets.

Impairment of Long-lived Assets

Long-lived assets, which are held and used, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If impairment is indicated by that review, the asset is written down to its estimated fair value through a charge to non-interest expense.

Intangible Assets

Intangible assets include core deposit intangibles ("CDI") and goodwill arising from acquisitions. The initial and ongoing carrying value of intangible assets is based upon modeling techniques that require management to make estimates regarding the amount and timing of expected future cash flows. It also requires use of a discount rate that reflects the current return requirements of the market in relation to present risk-free interest rates, required equity market premiums, peer volatility indicators, and company-specific risk indicators.

CDI is amortized on straight-line basis over a 10 year period because that is managements' estimate of the period Patriot will benefit from Prime Bank's deposit base comprised of funds associated with long-term customer relationships. CDI is evaluated for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable, with any changes in estimated useful life accounted for prospectively over the revised remaining life.

Derivatives

Derivatives are recognized at fair value and included in other assets and other liabilities in the accompanying Consolidated Balance Sheets. The value of exchange-traded contracts is based on quoted market prices while non-exchange traded contracts are valued based on dealer quotes, pricing models, discounted cash flow methodologies, or similar techniques for which the determination of fair value may require management judgment or estimation, relating to future rates and credit activities. Cash flows from derivative financial instruments are included in net cash provided by operating activities in the accompanying consolidated statements of cash flows.

Derivatives Not Designated in Hedge Relationships: Patriot enters into interest rate swap agreements ("swaps") on a limited basis, to provide a facility to mitigate for the borrower the fluctuations in the variable rate on the respective loan. The customer swaps are simultaneously hedged by offsetting derivatives that Patriot entered into with an outside third party. The swaps are reported at fair value in other assets or other liabilities. These swaps qualify as derivatives, but are not designated as hedging instruments, thus any net gain or loss resulting from changes in the fair value is recognized in other non-interest income.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES

Notes to consolidated financial statements

The credit risk associated with derivatives executed with customers is similar as that involved in extending loans and is subject to normal credit policies. Collateral is obtained based on management's assessment of the customer. The positions of customer derivatives are recorded at fair value and changes in value are included in non-interest income on the consolidated statement of operations.

Income taxes

The Company recognizes income taxes under the asset and liability method. Under this method, deferred tax assets ("DTAs") and liabilities ("DTLs") are recognized for the estimated tax consequences attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases, and loss carry forwards. DTAs and DTLs are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on DTAs and DTLs of a change in tax rates is recognized in income in the period that includes the enactment date.

The Company recognize deferred tax assets to the extent we believe it is more likely than not the asset will be realized. Quarterly, management assesses the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit the use of existing deferred tax assets, including future reversals of existing taxable temporary differences, projected taxable income, tax-planning strategies, carryback potential if permitted, and the results of recent operations. A significant piece of objective negative evidence is the existence of a three or four year cumulative loss. Such objective negative evidence limits the ability of management to consider other subjective evidence, such as projected taxable income. When appropriate, the Company records a valuation allowance to reduce deferred tax assets to the amount that is more likely than not to be realized. A valuation allowance is subject to ongoing adjustment based on changes in circumstances that affect management's judgment about the realizability of the deferred tax asset. Adjustments to increase or decrease the valuation allowance are charged or credited to the deferred tax component of the income tax provision or benefit or, in certain circumstances, to accumulated other comprehensive income.

The Company maintains a full valuation allowance against its federal and state deferred tax assets as of December 31, 2025, we determined that a full valuation allowance was appropriate based on our assessment performed as of September 30, 2024. The key factor for providing a full valuation allowance was our 3-year cumulative operating losses. Once the Company begins generating profits, we will re-evaluate if a full valuation allowance remains appropriate or if the allowance should be reduced.

Unrecognized tax benefits

Patriot recognizes a benefit from its tax positions only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information.

Patriot's returns for tax years 2022 through 2025 are subject to examination by the Internal Revenue Service ("IRS") for U.S. Federal tax purposes and, for State tax purposes, by the taxing authorities of Connecticut, New York and New Jersey.

As of December 31, 2025 and 2024, the Bank did not record any uncertain tax positions ("UTP"). Additionally, Patriot has no pending or on-going audits in any tax jurisdiction.

The Company's policy is to recognize interest and penalties related to income tax matters in income tax expense.

Earnings per Share

Basic earnings per share represent earnings accruing to common shareholders and are computed by dividing net income by the weighted average number of shares of common stock outstanding.

Diluted earnings per share reflects additional shares of common stock that would have been outstanding if potentially dilutive securities had been converted to common stock, as well as any adjustments to earnings resulting from the assumed conversion, unless such effect is anti-dilutive. Potential shares of common stock that may be issued by Patriot include any unvested restricted stock awards, stock options, and stock warrants and are determined using the treasury stock method.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES

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Share-based compensation plan

Incentive and compensatory share-based compensation granted to employees is accounted for at the grant date fair value of the award and recognized in the results of operations as compensation expense with an off-setting entry to equity on a straight-line basis over the requisite service period, which is the vesting period. Non-employee members of the Board of Directors are treated as employees for any share-based compensation granted in exchange for their service on the Board of Directors.

Patriot does not currently have, nor has it had in the past, any grants of share-based compensation to non-employees. However, should such awards exist in the future, the value of the goods or services received shall be measured at the grant date fair value of the award or the goods or services to be received, if determined to be a more reliable measurement of fair value. A liability will be recognized for the award, which will periodically be adjusted to reflect the then current fair value, and compensation expense will be recognized over the requisite period during which the goods or services are received, so that the fair value at the date of settlement is the compensation expense recognized.

The Compensation Committee of the Board of Directors establishes terms and conditions applicable to the vesting of restricted stock awards and stock options. Restricted stock grants generally vest in quarterly or annual installments over a three-, four- or five-year period from the date of grant. All restricted stock awards are non- participating grants.

Comprehensive income

Accounting principles generally require that recognized revenues, expenses, gains and losses be included in net income. Although certain changes in assets and liabilities, such as unrealized gains and losses on available-for-sale securities, are reported as a separate component of shareholders' equity in the Consolidated Balance Sheets, such items, along with net income, are components of comprehensive income.

Segment reporting

Patriot's only business segment is Banking. During the years ended December 31, 2025, 2024, and 2023, this segment represented all the revenues and income of Patriot. While the chief decision-makers monitor the revenue streams of the various products and services, operations are managed, and financial performance is evaluated on a Company-wide basis. Operating segments are aggregated into one as operating results for all segments are similar. Accordingly, all of the financial service operations are considered by management to be aggregated in one reportable operating segment.

The Financial Accounting Standards Board amended the segment reporting requirements to add disclosures of incremental segment expense categories. The Company adopted this guidance effective December 31, 2024 on a retrospective basis. The additional disclosures are included in Note 23 – Segment Information.

Related Party Transactions

In the ordinary course of business, the Company and the Bank enter into transactions with related parties, including directors, executive officers, their immediate family members, and entities over which such persons exercise control or significant influence. Such transactions may include deposit accounts, extensions of credit, debt or equity transactions, and other banking or financial services. Related party transactions are reviewed and approved in accordance with the Company's governance processes and, where applicable, are conducted on terms substantially similar to those prevailing at the time for comparable transactions with non-related parties. See Note 20: Related Party Transactions for further information.

Fair value

Patriot uses fair value measurements to record adjustments to the carrying amounts of certain assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best determined based upon quoted market prices. However, in certain instances, there are no quoted market prices for certain assets or liabilities. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate sale or settlement of the asset or liability, respectively.

Provided in these notes to the consolidated financial statements is a detailed summary of Patriot's application of fair value measurements and the effect on the assets and liabilities presented in the consolidated financial statements.

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Notes to consolidated financial statements

Advertising Costs

Patriot's policy is to expense advertising costs in the period in which they are incurred.

Revenue Recognition

ASC 606, Revenue from Contracts with Customers ("ASC 606"), establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts to provide goods or services to customers. The core principle requires an entity to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration that it expects to be entitled to receive in exchange for those goods or services recognized as performance obligations are satisfied.

The majority of our revenue-generating transactions are not subject to ASC 606, including revenue generated from financial instruments, such as our loans, letters of credit, derivatives and investment securities, as well as revenue related to our mortgage servicing activities, as these activities are subject to other GAAP discussed elsewhere within our disclosures. Descriptions of our revenue-generating activities that are within the scope of ASC 606, which are presented in our income statements as components of non-interest income are as follows:

- Service charges on deposit accounts and digital payments activities - these represent general service fees for monthly account maintenance and activity- or transaction-based fees and consist of transaction-based revenue, time-based revenue (service period), item-based revenue or some other individual attribute-based revenue. Revenue is recognized when our performance obligation is completed, which is generally monthly for account maintenance services or when a transaction has been completed (such as a wire transfer). Payment for such performance obligations are generally received at the time the performance obligations are satisfied.

Non-interest income - Digital Payments

The Bank provides solutions to card program managers and Fintech counterparties in the form of acceptance, processing and settlement of prepaid, debit, and charge card payments and accounts. Each of our customers, called Program Managers ("PMs"), signs a services agreement with the Bank with customized terms and fees. The typical fees include start-up fees and transaction fees, and the fees will vary by relationship. The start-up fees are to compensate the Bank for costs of due diligence on the PMs and the programs, and to onboard the PMs and programs onto our infrastructure. The transaction fees are typically based on a charge per transaction settled, or a rate on the total dollar settlement volume in a month. The fees are billed after the activities occur and collected monthly.

The Bank receives interchange revenue from the networks, both MasterCard and Visa. The interchange revenue is a unique amount per transaction that settles to the Bank through their networks on a daily basis. As a part of the Program Manager services agreement, the Bank may share part or all of the interchange revenue with the PM. The interchange revenue is recognized as point in time transactions for the Bank and records a reduction of the revenue for any part of the interchange revenue that is shared with the PM. The networks, both MasterCard and Visa, charge fees to the merchant for utilization of the network, and the fees that are collected are paid to the Bank. The interchange rate may vary, as most transaction types have their own unique rate charged by the network at the time the purchase is completed.

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Recently Adopted and Issued Accounting Standards

Accounting Standards Adopted in 2025

ASU 2023-09

In December 2023, the FASB issued ASU 2023-09 to improve income tax disclosure requirements under ASC 740, Income Taxes. The guidance requires entities to provide separate information about a reporting entity's effective tax rate reconciliation and about income taxes paid. The Company adopted ASU 2023-09 effective for the annual period beginning January 1, 2025, on a prospective basis. While the standard will require additional disclosures related to the Company's income taxes, we do not expect this ASU to have an impact on our financial statements.

One Big Beautiful Bill Act

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the U.S. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. Based on management's review, the OBBBA does not have a material impact on the financial statements of Patriot Bank as of the reporting date. Management will continue to monitor future regulatory guidance or interpretations related to the legislation.

Accounting Standards Issued But Not Yet Adopted

ASU 2023-06

In October 2023, the FASB issued ASU 2023-06, *Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*. The amendments in this Update modify the disclosure or presentation requirements of a variety of Topics in the Codification. Certain of the amendments represent clarifications to or technical corrections of the current requirements. For entities subject to the SEC's existing disclosure requirements and for entities required to file or furnish financial statements with or to the SEC in preparation for the sale of or for purposes of issuing securities that are not subject to contractual restrictions on transfer, the effective date for each amendment will be the date on which the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. For all other entities, the amendments will be effective two years later. The amendments in this Update should be applied prospectively. For all entities, if by June 30, 2027, the SEC has not removed the applicable requirement from Regulation S-X or Regulation S-K, the pending content of the related amendment will be removed from the Codification and will not become effective for any entity. The adoption of ASU 2023-06 is not expected to have an impact on the Company's financial condition or results of operations but could change certain disclosures. The Company will continue to monitor for SEC action, and plan accordingly for adoption.

ASU 2024-01

In March 2024, the FASB issued ASU No. 2024-01 *Compensation—Stock Compensation (Topic 718): Scope Applications of Profits Interests and Similar Awards*. ASU 2024-01 adds an example to Topic 718 which illustrates how to apply the scope guidance to determine whether profits interests and similar awards should be accounted for as share-based payment arrangements under Topic 718 or under other U.S. GAAP. ASU 2024-01 is effective for annual periods beginning after December 15, 2025, although early adoption is permitted. Upon adoption, ASU 2024-01 is not expected to have an impact on the Company's Consolidated Financial Statements.

ASU 2024-03 and ASU 2025 -01

In November 2024, the FASB issued ASU 2024-03: *Income Statement-Reporting Comprehensive Income Expense Disaggregation Disclosures (Subtopic 220-40); Disaggregation of Income Statement Expenses*. In January 2025, the FASB issued ASU 2025-01: *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*. The amendments in ASU 2024-03 require public business entities to disclose, on an annual and interim basis, disaggregated information about certain income statement expense line items by breaking down certain expense line items into specified natural expense categories, including purchases of inventory, employee compensation, depreciation, intangible asset amortization, and depletion. The amendments in ASU 2024-03 are effective for annual reporting periods

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beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. The amendments in ASU 2024-03 can be applied on a prospective basis or retrospective basis and early adoption is permitted. The amendments in ASU 2025-01 clarify the effective date of ASU 2024-03 stating that all public business entities are required to adopt the update in annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. ASU 2025-01 does not change the effective date of ASU 2024-03 but was issued to provide clarity on the effective date for public business entities that do not have a calendar year-end. The Company is currently evaluating the potential impact of the adoption of ASU 2024-03 and ASU 2025-01 on its disclosures.

ASU 2025-08

In November 2025, the FASB issued ASU 2025-08, Financial Instruments—Credit Losses (Topic 326): Purchased Loans. The amendments require certain acquired loans that meet the definition of purchased seasoned loans to be accounted for using a gross-up approach that aligns the initial accounting for those loans more closely with the accounting for purchased credit-deteriorated assets. The amendments are effective for annual periods beginning after December 15, 2026, including interim periods within those annual periods, with early adoption permitted. The Company has elected to early adopt ASU 2025-08 effective January 1, 2026. The amendments will be applied prospectively to loans acquired on or after the adoption date. Because the guidance applies prospectively, adoption did not affect the Company's 2025 consolidated financial statements. The Company is evaluating, or if known, expects, the effect of adoption on the accounting for acquired loans in future periods.

Note 2. Restrictions on Cash and Due from Banks

Federal Reserve System regulations require depository institutions to maintain cash reserves against their transaction accounts, primarily interest-bearing and regular checking accounts. The required cash reserves can be in the form of vault cash and, if vault cash does not fully satisfy the required cash reserves, in the form of a balance maintained with Federal Reserve Banks. The Board of Governors of the Federal Reserve System generally makes annual adjustments to the tiered cash reserve requirements. In March of 2020, the Federal Reserve Bank eliminated reserve requirements for all depository institution. Therefore, the Company was not required to have cash on hand or on deposit with the Federal Reserve Bank to meet regulatory reserve and clearing requirements as of December 31, 2025 and 2024.

The Company maintains restricted cash on deposit with another depository institution as collateral for the Bank's digital payments activities. The collateral serves to protect a payment processor in the event of the Bank's inability to fulfill its obligations regarding transactions processed through the payment processor. The restricted cash was \$20.7 million and \$15.0 million as of December 31, 2025 and 2024, respectively.

Note 3. Available-for-sale securities

At December 31, 2025 and 2024, the amortized cost, gross unrealized gains, gross unrealized losses and approximate fair value of available-for-sale securities was as follows:

<i>(In thousands)</i>	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Fair Value
December 31, 2025:				
U. S. Government agency and MBS	\$ 217,228	\$ 215	\$ (13,375)	\$ 204,068
Corporate bonds	15,996	—	(2,533)	13,463
Subordinated notes	4,000	—	(248)	3,752
SBA loan pools	4,146	—	(752)	3,394
	<u>\$ 241,370</u>	<u>\$ 215</u>	<u>\$ (16,908)</u>	<u>\$ 224,677</u>
December 31, 2024:				
U. S. Government agency and MBS	\$ 75,689	\$ —	\$ (15,466)	\$ 60,223
Corporate bonds	15,996	—	(3,261)	12,735
Subordinated notes	4,000	—	(539)	3,461
SBA loan pools	4,562	—	(989)	3,573
	<u>\$ 100,247</u>	<u>\$ —</u>	<u>\$ (20,255)</u>	<u>\$ 79,992</u>

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The following table presents available-for-sale securities' gross unrealized losses and fair value, aggregated by the length of time the individual securities have been in a continuous loss position as of December 31, 2025 and 2024:

(In thousands)

	Less than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized (Loss)	Fair Value	Unrealized (Loss)	Fair Value	Unrealized (Loss)
December 31, 2025:						
U. S. Government agency and MBS	\$ 124,222	\$ (917)	\$ 60,222	\$ (12,458)	\$ 184,443	\$ (13,375)
Corporate bonds	—	—	13,464	(2,533)	13,464	(2,533)
Subordinated notes	—	—	3,752	(248)	3,752	(248)
SBA loan pools	—	—	3,393	(752)	3,393	(752)
	<u>\$ 124,222</u>	<u>\$ (917)</u>	<u>\$ 80,831</u>	<u>\$ (15,991)</u>	<u>\$ 205,052</u>	<u>\$ (16,908)</u>
December 31, 2024:						
U. S. Government agency and MBS	\$ 4,170	\$ (160)	\$ 56,053	\$ (15,306)	\$ 60,223	\$ (15,466)
Corporate bonds	—	—	12,735	(3,261)	12,735	(3,261)
Subordinated notes	—	—	3,461	(539)	3,461	(539)
SBA loan pools	—	—	3,573	(989)	3,573	(989)
	<u>\$ 4,170</u>	<u>\$ (160)</u>	<u>\$ 75,822</u>	<u>\$ (20,095)</u>	<u>\$ 79,992</u>	<u>\$ (20,255)</u>

As of December 31, 2025, fifty-five of sixty available-for-sale securities were in an unrealized loss position, with an aggregate depreciation of 7.6% from amortized cost. As of December 31, 2024 all forty-four available-for-sale securities had unrealized losses, with an aggregate depreciation of 20.2% from amortized cost.

As of December 31, 2025 and 2024, no allowance for credit losses has been recognized on available-for-sale debt securities in an unrealized loss position as the Company does not believe any of the debt securities are credit impaired. This is based on the Company's analysis of the risk characteristics, including credit ratings, and other qualitative factors related to available-for-sale debt securities. The issuers of these debt securities continue to make timely principal and interest payments under the contractual terms of the securities. The Company does not intend to sell these debt securities and it is more likely than not that the Company will not be required to sell the debt securities before recovery of their amortized cost, which may be at maturity. The unrealized losses are due to increases in market interest rates over the yields available at the time the debt securities were purchased.

With regard to U.S. mortgage-backed securities and municipal bonds issued by the U.S. government, or agencies thereof, it is expected that the securities will not be settled at prices less than the amortized cost basis of the securities as such securities are backed by the full faith and credit of and/or guaranteed by the U.S. government. Accordingly, no allowance for credit losses has been recorded for these securities.

With regard to corporate bonds, management considers (i) issuer bond ratings, (ii) historical loss rates for given bond ratings, (iii) whether issuers continue to make timely principal and interest payments under the contractual terms of the securities, and (iv) internal forecasts. Securities under the U.S. Small Business Administration ("SBA") government guaranteed loan pools program were purchased at a premium and the impairment was attributable primarily to increased prepayment speeds. The timely payment of principal and interest on these securities is guaranteed by the U.S. Government agency. The contractual terms of the subordinated notes do not permit the issuer to settle the securities at a price less than the amortized cost bases of the investments. Furthermore, as of December 31, 2025, there were no past due principal or interest payments associated with these securities. Based upon (i) the issuer's strong bond ratings and (ii) a zero historical loss rate, no allowance for credit losses has been recorded for available-for-sale securities. All debt securities in an unrealized loss position continue to perform as scheduled and the Company does not believe there is a possible credit loss or that an allowance for credit loss on these debt securities is necessary.

As of December 31, 2025 and 2024, available-for-sale securities of \$15.1 million and \$60.2 million, respectively, were pledged primarily as collateral for FRB and FHLB borrowings, and to secure municipal deposits. The securities were pledged to the FRB and FHLB.

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The following summarizes, by class and contractual maturity, the amortized cost and estimated fair value of available-for-sale debt securities held at December 31, 2025 and 2024. The mortgages underlying the mortgage-backed securities are not due at a single maturity date. Additionally, these mortgages often are and generally may be pre-paid without penalty, creating a degree of uncertainty that such investments can be held until maturity. For convenience, mortgage-backed securities have been included in the summary as a separate line item.

(In thousands)

	Amortized Cost				Fair Value			
	Due Within 5 years	Due After 5 years through 10 years	Due After 10 years	Total	Due Within 5 years	Due After 5 years through 10 years	Due After 10 years	Total
<u>December 31, 2025:</u>								
Corporate bonds	\$ —	\$ 15,996	\$ —	\$ 15,996	\$ —	\$ 13,463	\$ —	\$ 13,463
Subordinated notes	3,000	1,000	—	4,000	2,807	945	—	3,752
SBA loan pools	—	—	4,146	4,146	—	—	3,394	3,394
AFS securities with stated maturity	3,000	16,996	4,146	24,142	2,807	14,408	3,394	20,609
U. S. Government agency and MBS	—	5,134	212,094	217,228	—	4,372	199,696	204,068
	<u>\$ 3,000</u>	<u>\$ 22,130</u>	<u>\$ 216,240</u>	<u>\$ 241,370</u>	<u>\$ 2,807</u>	<u>\$ 18,780</u>	<u>\$ 203,090</u>	<u>\$ 224,677</u>
<u>December 31, 2024:</u>								
Corporate bonds	\$ —	\$ 15,996	\$ —	\$ 15,996	\$ —	\$ 12,735	\$ —	\$ 12,735
Subordinated notes	3,000	1,000	—	4,000	2,610	851	—	3,461
SBA loan pools	—	—	4,562	4,562	—	—	3,573	3,573
AFS securities with stated maturity	3,000	16,996	4,562	24,558	2,610	13,586	3,573	19,769
U. S. Government agency and MBS	—	5,172	70,517	75,689	—	4,134	56,089	60,223
	<u>\$ 3,000</u>	<u>\$ 22,168</u>	<u>\$ 75,079</u>	<u>\$ 100,247</u>	<u>\$ 2,610</u>	<u>\$ 17,720</u>	<u>\$ 59,662</u>	<u>\$ 79,992</u>

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Note 4. Loans Receivables and Allowance for Credit Losses

As of December 31, 2025 and 2024, loans receivable, net, consisted of the following:

<i>(In thousands)</i>	December 31,	
	2025	2024
<u>Loan portfolio segment:</u>		
Commercial Real Estate	\$ 346,191	\$ 419,489
Residential Real Estate	79,667	92,215
Commercial and Industrial	146,828	129,608
Consumer and Other	19,876	59,973
Construction	—	3,830
Construction to Permanent - CRE	—	2,357
Loans receivable, gross	592,562	707,472
Allowance for credit losses	(6,839)	(7,305)
Loans receivable, net	\$ 585,723	\$ 700,167

Existing Loan Portfolio

Patriot's lending activities have historically been conducted primarily in the Tri-State areas of Connecticut, New York and New Jersey.

The Bank's existing loan portfolio has consisted of commercial real estate ("CRE") loans, commercial and industrial loans, residential real estate loans (primarily purchased), consumer loans, and a limited volume of construction loans. Commercial and residential real estate loans are collateralized primarily by first or second mortgages on real estate. The ability and willingness of borrowers to satisfy their loan obligations can be dependent to some degree on the regional economy and real estate market conditions.

Patriot maintains credit policies applicable to each lending activity and evaluates the creditworthiness of every borrower. Unless mitigating factors exist, commercial real estate loans are generally limited to 75% of the market value of the underlying collateral; multifamily real estate loans are limited to 75% to 80% loan-to-value; and construction loans (none currently outstanding) were limited to 75% of "as-completed" appraised value. Real estate is the primary form of collateral, although other collateral types include accounts receivable, inventory, marketable securities, time deposits and other business assets.

Risk characteristics of the Company's portfolio classes include the following:

Commercial Real Estate Loans

CRE loans include both owner-occupied and non-owner-occupied properties. Non-owner-occupied CRE repayment depends primarily on rents from leases to third party tenants, successful management, marketing and expense supervision necessary to maintain the property. Repayment of these loans may be adversely affected by conditions in the real estate market or the general economy.

Owner-occupied CRE loans are utilized by a business for the purpose of providing the space needs for that business and the running of its operations. Owner-occupied CRE depends on the borrower's operating business cash flow. Repayment of these loans may be adversely affected by conditions in the specific owner's industry in addition to the general economy.

In underwriting CRE loans, Patriot evaluates both the prospective borrower's ability to make timely payments on the loan, the value of the property(ies) securing the loans and the net operating income generated by such property(ies). Repayment of such loans may be negatively impacted should the borrower default, the value of the property collateralizing the loan substantially declines, or there is deterioration in general economic conditions. Where the owner occupies the property, Patriot also evaluates the business' ability to repay the loan on a timely basis and may require personal guarantees, lease assignments, and/or the guarantee of the operating company. Owner-occupied CRE loans are subject to many of the same risks described below for

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Commercial and Industrial Loans, as repayment depends in part on the borrower's cash flow, debt service coverage and management's expertise

Patriot did not purchase any commercial real estate loans in 2025 and 2024.

Residential Real Estate Loans

The Bank's residential real estate portfolio consists largely of purchased loans. The repayment of residential real estate loans, as well as the loans secured by residential real estate, may be negatively impacted if borrowers experience financial difficulties, if there is a significant decline in the value of the property securing the loan, or if there are declines in general economic conditions. Patriot purchased residential real estate loans of \$35 million and \$187 thousand and sold \$29 million and zero for the years ended December 31, 2025 and 2024, respectively.

Commercial and Industrial Loans

Patriot's commercial and industrial loan portfolio consists primarily of commercial business loans and lines of credit to businesses and professionals. These loans are generally for the financing of accounts receivable, purchases of inventory, purchases of new or used equipment, or for other short- or long-term working capital purposes – and in some cases to finance the CRE and physical buildings used by companies to carry out their business activities. These loans are generally secured by business assets but are also occasionally offered on an unsecured basis. In granting these types of loans, Patriot considers the borrower's cash flow as the primary source of repayment, supported by the value of collateral, if any, and personal guarantees, as applicable. Repayment of commercial and industrial loans may be negatively impacted by adverse changes in economic conditions, ineffective management, claims on the borrower's assets by others that are superior to Patriot's claims, a loss of demand for the borrower's products or services, or the death or disability of the borrower or other key management personnel.

Commercial and industrial loans include risks associated with borrower's cash flow, debt service coverage and management's expertise. These loans are subject to the risk that the Company may have difficulty converting collateral to a liquid asset if necessary, as well as risks associated with degree of specialization, mobility and general collectability in a default situation. These commercial loans may be subject to many different types of risks, including fraud, bankruptcy, economic downturn, deteriorated or non-existent collateral, and changes in interest rates.

Patriot's syndicated loan portfolio consisted of one loan of \$5.7 million at December 31, 2024. During 2025, the loan was repaid in full. The syndicated loan was included in the commercial and industrial loan classification and is led by major financial institution as Lead Arranger, and referred to as a "Shared National Credit ("SNC"). Further originations in this loan class are not expected.

Consumer and Other Loans

Patriot offers individual consumers various forms of credit including overdraft protection, and reserve lines of credit. Consumer loans carry a moderate degree of risk compared to other loans. They are generally more risky than traditional residential real estate loans, and carry generally low relative balances across a diverse borrowing pool. Probability of default is assessed based on FICO scores, debt to income ratios, historical loss rates other common consumer loan metrics.

The Company has purchased unsecured consumer loans from a third party which are higher yielding loans of 2-5 year terms that are expected to incur an increased level of charge-offs. Loans purchased under this program totaled zero for the year ended December 31, 2025 and 2024. In 2025, the bank sold a portfolio of 1.092 purchased unsecured consumer loans with unpaid principal balances of \$9 million. Loans outstanding under this program totaled \$0.7 million and \$20.7 million as of December 31, 2025 and 2024, respectively.

The Company does not have any lending programs commonly referred to as subprime lending. Subprime lending generally targets borrowers with weakened credit histories that are typically characterized by payment delinquencies, previous charge-offs, judgments against the consumer, a history of bankruptcies, or borrowers with questionable repayment capacity as evidenced by low credit scores or high debt-burdened ratios.

Patriot purchased home equity line of credit loans ("HELOC") of zero for the years ended December 31, 2025 and 2024. The Bank sold HELOCs of \$15.9 million and zero for the years ended December 31, 2025 and 2024, respectively.

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Construction Loans

The Bank currently does not offer a construction lending product. The construction loans outstanding at December 31, 2025 and 2024 totaled zero and \$3.8 million, respectively.

Construction to Permanent - Commercial Real Estate (“CRE”)

The Bank currently does not offer a construction to permanent lending product. The construction to permanent loans outstanding at December 31, 2025 and 2024 totaled zero and \$2.4 million, respectively.

SBA Loans

Patriot originated SBA 7(a) loans, on which the SBA has historically provided guarantees of 75% of the principal balance. However, during the pandemic in 2020, the SBA temporarily increased the guarantees to 90% and reverted to 75% on October 1, 2021. The guaranteed portion of the Company’s SBA loans is generally sold in the secondary market with the unguaranteed portion held in the portfolio as a loan held for investment. SBA loans are for the purpose of providing working capital, financing the purchase of equipment, inventory, or commercial real estate and for other business purposes. Loans are guaranteed by the businesses’ major owners. SBA loans are made based primarily on the historical and projected cash flow of the business and secondarily on the underlying collateral provided. SBA loans held for investment are included in the commercial real estate loans and commercial and industrial loan classifications, which totaled \$18.4 million and \$29.9 million at December 31, 2025 and 2024, respectively.

In the second quarter of 2025, the Bank made the decision to voluntarily suspend its status as a participant in SBA’s Preferred Lender Program (“PLP”). This decision was made in response to the Bank’s desire to temporarily exit the SBA lending business and the Bank’s Formal Agreement with the Office of the Comptroller of the Currency (“OCC”). It is possible that the Bank will determine in the future that it is prudent to petition to the SBA for reinstatement in the PLP.

Small Business Administration Paycheck Protection Program

Under the Paycheck Protection Program of the CARES Act, small business loans were authorized to pay payroll and group health costs, salaries and commissions, mortgage and rent payments, utilities, and interest on other debt. The loans are provided through participating financial institutions that process loan applications and service the loans. The Bank participated in the SBA’s Paycheck Protection Program in 2021.

Paycheck Protection Program loans totaled \$125 thousand and \$129 thousand as of December 31, 2025 and 2024, respectively, which are included in the commercial and industrial loan classifications.

New Lending Programs

During the third quarter of 2025, the Bank re-started its loan origination activities and implemented three targeted lending initiatives designed to prudently diversify revenue and strengthen relationship banking among high-quality entrepreneurial borrowers. These programs are fully aligned with the Bank’s credit risk appetite, underwriting standards, and its overall strategic plan. At this time, no other commercial loan products are offered to our customers. As the successful implementation of these new lending programs progresses and matures, the Bank continues to evaluate additional commercial lending products consistent with its strategic plan and risk appetite.

High Net Worth Line of Credit Program

The Bank introduced a tailored unsecured line of credit product for qualifying high net worth clients. The facility provides short-term liquidity for qualified borrowers with substantial financial strength and established deposit or relationship history with the Bank. The proceeds of the lines of credit are utilized for business and investment purposes. Although contractually unsecured for strong credits, the Bank may require a pledge of eligible assets—including cash, marketable securities, or other high-value property—on an “abundance-of-caution” basis. Lines typically range from \$250 thousand to \$5 million, with maturities of less than one year, and are renewable annually subject to the Bank’s approval. The loans have prime-based interest rates with market origination fees.

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Rediscount Line of Credit Program

The Bank launched a rediscount lending facility product that provides secured, revolving lines of credit to non-bank loan originators and private credit providers. Borrowers pledge single loans or pools of performing loans and leases. Typically, commercial real estate, residential real estate or equipment loans are provided as collateral, which may be replenished as the underlying loans pay down. Typical commitments range from \$1 million to \$15 million, with terms of 12 to 36 months and pricing on a floating rate basis. The facilities are full-recourse to the borrower and are governed by defined borrowing-base, collateral-performance, and reporting covenants.

Commercial Real Estate Program

The Bank also established a CRE-lending program to finance properties for depositor and relationship clients. Loans generally range from \$1 million to \$15 million, are secured by first mortgages, and are underwritten to maximum loan-to-value ratios and appropriate debt-service coverage metrics. Interest rates are typically floating rates with terms of 12 to 60 months, and may include extension options.

All three programs are subject to the Bank's existing credit policies, together with new, enhanced standards and underwriting guidelines. The new loan programs comply with the Bank's concentration limits, and risk-management controls, including heightened portfolio management routines, borrower and guarantor liquidity testing, and ongoing regulatory reporting. Early production volumes as of December 31, 2025 remain modest as the Bank completes pilot transactions and validates credit performance metrics. Each of the new loan products includes minimum deposit requirements designed to strengthen client relationships and promote additional business activities such as treasury management and card services.

Allowance for Credit Losses

The Company adopted ASU 2016-13 on January 1, 2023, which introduced the CECL methodology for estimating all expected losses over the life of a financial asset. Under the CECL methodology, the ACL is measured on a collective basis for pools of loans with similar risk characteristics. For loans that do not share similar risk characteristics with the collectively evaluated pools, evaluations are performed on an individual basis. For all loan segments collectively evaluated, losses are predicted over a period of time determined to be reasonable and supportable, and at the end of the reasonable and supportable forecast period losses are reverted to long-term historical averages. The estimated credit losses for all loan segments are adjusted for changes in qualitative factors not inherently considered in the quantitative analyses.

The Company estimates expected credit losses for pooled loans using a modeling method that incorporates probability of default ("PD") and loss given default ("LGD"). The PD model employs a quarterly risk-rating transition method to estimate the probability of default by simulating loan downgrades and assigning increasing default probabilities to each loan. This captures the likelihood that borrowers will be unable to repay their loans according to the original terms. The LGD calculation considers characteristics such as collateral value and vintage, underlying collateral characteristics (e.g., CRE vs. residential, owner-occupied vs. investment), a floor for the LGD calculation (minimum loss in event of default regardless of collateral protection), and other relevant underwriting characteristics. Also calculated is the exposure at default. The probability of default is multiplied by the loss given default and the exposure at default. This calculation is forecasted for every year remaining in the life of each loan, and the results are aggregated to determine the necessary level of ACL for the pooled loans. Forecasted exposure at default can be influenced by prepayments speeds, which management had elected to discount in part since CECL adoption to reflect the expectation of slower voluntary prepayments in the face of an increasing interest rate environment and now a stable to slightly declining interest rate environment.

Commercial and industrial loans include risks associated with borrower's cash flow, debt service coverage and management's expertise. These loans are subject to the risk that the Company may have difficulty converting collateral to a liquid asset if necessary, as well as risks associated with degree of specialization, mobility and general collectability in a default situation. These commercial loans may be subject to many different types of risks, including fraud, bankruptcy, economic downturn, deteriorated or non-existent collateral, and changes in interest rates.

Real estate mortgage loans consist of loans secured by commercial and residential real estate. Commercial real estate lending is divided into Investment CRE and Owner-Occupied CRE. Investment CRE is dependent upon successful management, marketing and expense supervision necessary to maintain the property. Repayment of these loans may be adversely affected by conditions in

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the real estate market or the general economy. Owner-Occupied CRE is utilized by a business for the purpose of providing the space needs for that business and the running of its operations. Repayment is dependent on the cash flow and successful operations of the business. Repayment of these loans may be adversely affected by conditions in the specific owner's industry. Also, commercial real estate loans typically involve relatively large loan balances to a single borrower. Residential real estate lending risks are generally less significant than those of other loans. Real estate lending risks include fluctuations in the value of real estate, bankruptcies, economic downturn and customer financial problems.

Consumer loans are generally more risky than traditional residential real estate loans, and carry generally low relative balances across a diverse borrowing pool. Risk of default is assessed based on FICO scores, debt to income ratios, historical loss rates other common consumer loan metrics. For the pool of purchased unsecured consumer loans, the risk of default and necessary ACL is assessed on an individual loan basis using a customized model that heavily weights payment/delinquency status, FICO scores, and remaining loan life until maturity.

The Company maintains an ACL for credit losses on unfunded lending commitments and letters of credit to provide for the risk of loss inherent in these arrangements. The allowance is computed using a methodology similar to that used to determine the ACL for loans, modified to take into account the probability of a drawdown on the commitment. The ACL on unfunded loan commitments is classified as a liability account on the Consolidated Balance Sheets within other liabilities, while the corresponding provision for these credit losses is recorded as a component of provision for credit losses. The allowance for credit losses on unfunded commitments was \$80 thousand and \$182 thousand as of December 31, 2025 and 2024.

The following tables summarize the activity in the allowance for credit losses, allocated to segments of the loan portfolio, for each year in the three-year period ended December 31, 2025:

<i>(In thousands)</i>	Commercial Real Estate	Residential Real Estate	Commercial and Industrial	Consumer and Other	Construction	Construction to Permanent - CRE	Unallocated	Total
As of and for the year ended December 31, 2025								
Allowance for credit losses:								
December 31, 2024	\$ 2,241	\$ 596	\$ 1,077	\$ 3,386	\$ 5	\$ —	\$ —	\$ 7,305
Charge-offs	(778)	—	(129)	(2,069)	—	(43)	—	(3,020)
Recoveries	—	2	117	828	—	—	—	947
Provisions (credits)(a)	953	30	2,338	(1,752)	(5)	43	—	1,607
December 31, 2025	\$ 2,416	\$ 628	\$ 3,403	\$ 392	\$ —	\$ —	\$ —	\$ 6,839
As of and for the year ended December 31, 2024								
Allowance for credit losses:								
December 31, 2023	\$ 6,089	\$ 607	\$ 1,269	\$ 7,843	\$ 4	\$ 113	\$ —	\$ 15,925
Charge-offs	(13,889)	(21)	(1,252)	(7,431)	—	—	—	(22,593)
Recoveries	—	—	369	1,060	—	—	—	1,429
Provisions (credits)(a)	10,041	10	691	1,914	1	(113)	—	12,544
December 31, 2024	\$ 2,241	\$ 596	\$ 1,077	\$ 3,386	\$ 5	\$ —	\$ —	\$ 7,305
As of and for the year ended December 31, 2023								
Allowance for credit losses:								
December 31, 2022	\$ 6,966	\$ 665	\$ 1,403	\$ 1,207	\$ 24	\$ 10	\$ 35	\$ 10,310
ASC 326 Adoption	1,626	189	219	10,977	(4)	29	(35)	13,001
Charge-offs	(6,346)	(515)	(927)	(10,479)	(150)	—	—	(18,417)
Recoveries	—	14	34	1,080	—	—	—	1,128
Provisions (credits)(a)	3,843	254	540	5,058	134	74	—	9,903
December 31, 2023	\$ 6,089	\$ 607	\$ 1,269	\$ 7,843	\$ 4	\$ 113	\$ —	\$ 15,925

(a) The provision on credit losses included in the above table does not include the credit on unfunded loan commitments of \$102 thousand, \$89 thousand, and \$2.5 million for the years ended December 31, 2025, 2024, and 2023, respectively.

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The following tables summarize, by loan portfolio segment, the amount of loans receivable evaluated individually and collectively for allowance for credit losses as of December 31, 2025 and 2024:

<i>(In thousands)</i>	Commercial Real Estate	Residential Real Estate	Commercial and Industrial	Consumer and Other	Construction	Construction to Permanent - CRE	Total
December 31, 2025							
Allowance for credit losses:							
Individually evaluated loans	\$ —	\$ —	\$ 2,100	\$ 1	\$ —	\$ —	\$ 2,101
Collectively evaluated loans	2,416	628	1,303	391	—	—	4,738
Total allowance for credit losses	<u>\$ 2,416</u>	<u>\$ 628</u>	<u>\$ 3,403</u>	<u>\$ 392</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 6,839</u>
Loans receivable, gross:							
Individually evaluated loans	\$ 7,240	\$ 57	\$ 5,197	\$ 1	\$ —	\$ —	\$ 12,495
Collectively evaluated loans	338,951	79,612	141,628	19,876	—	—	580,067
Total loans receivable, gross	<u>\$ 346,191</u>	<u>\$ 79,669</u>	<u>\$ 146,825</u>	<u>\$ 19,877</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 592,562</u>
<i>(In thousands)</i>	Commercial Real Estate	Residential Real Estate	Commercial and Industrial	Consumer and Other	Construction	Construction to Permanent - CRE	Total
December 31, 2024							
Allowance for credit losses:							
Individually evaluated loans	\$ 403	\$ —	\$ 60	\$ —	\$ —	\$ —	\$ 463
Collectively evaluated loans	1,838	596	1,017	3,386	5	—	6,842
Total allowance for credit losses	<u>\$ 2,241</u>	<u>\$ 596</u>	<u>\$ 1,077</u>	<u>\$ 3,386</u>	<u>\$ 5</u>	<u>\$ —</u>	<u>\$ 7,305</u>
Loans receivable, gross:							
Individually evaluated loans	\$ 19,335	\$ —	\$ 3,323	\$ —	\$ —	\$ 2,357	\$ 25,015
Collectively evaluated loans	400,154	92,215	126,285	59,973	3,830	—	682,457
Total loans receivable, gross	<u>\$ 419,489</u>	<u>\$ 92,215</u>	<u>\$ 129,608</u>	<u>\$ 59,973</u>	<u>\$ 3,830</u>	<u>\$ 2,357</u>	<u>\$ 707,472</u>

Patriot monitors the credit quality of its loans receivable on an ongoing basis. Credit quality is monitored by reviewing certain indicators, including cash flow from business operations, loan to value ratios, debt service coverage ratios, and credit scores.

Patriot employs a risk rating system as part of the risk assessment of its loan portfolio. At origination, credit officers are required to assign a risk rating to each loan in their portfolio, which is ratified or modified by the Loan Committee to which the loan is submitted for approval. If financial developments occur on a loan in the credit officer's portfolio of responsibility, the risk rating is reviewed and adjusted, as applicable. In carrying out its oversight responsibilities, the Loan Committee can adjust a risk rating based on available information. In addition, the risk ratings on all commercial loans over \$250 thousand are reviewed by the Credit Department either annually or biannually, or every 4 years, depending upon the amount of the bank's exposure and other credit metrics.

Additionally, Patriot retains an independent third-party loan review expert to perform a semi-annual analysis of the results of its risk rating process. The semi-annual review is based on a randomly selected sample of loans within established parameters (e.g., value, concentration), in order to assess and validate the risk ratings assigned to individual loans. Any changes to the assigned risk ratings, based on the semi-annual review, are required to be reported to the Audit Committee of the Board of Directors.

When assigning a risk rating to a loan, management utilizes the Bank's internal eleven-point risk rating system. An asset is considered "special mention" when it has a potential weakness based on objective evidence, but does not currently expose the Company to sufficient risk to warrant classification in one of the following categories:

- **Substandard:** An asset is classified "substandard" if it is not adequately protected by the current net worth and paying capacity of the obligor or the collateral pledged, if any. Substandard assets have well defined weaknesses based on objective evidence, and are characterized by the distinct possibility that the Company will sustain some loss, if noted deficiencies are not corrected.

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- **Doubtful:** Assets classified as “doubtful” have all of the weaknesses inherent in those classified as “substandard”, with the added characteristic that the identified weaknesses make collection or liquidation-in-full improbable, on the basis of currently existing facts, conditions, and values.

Charge-offs of loans to reduce the loan to its recoverable value that are solely collateral dependent, generally occur immediately upon confirmation of the partial loss amount. Loans that are cash flow dependent are modeled to reflect the expected cash flows through expected loan maturity, including any proceeds from refinancing or principal curtailment. A specific reserve is established for the amount by which the net investment in the loan exceeds the present value of discounted cash flows. Charge-offs on cash flow dependent loans also generally occur immediately upon confirmation of the partial loss amount.

If either type of loan is classified as “Loss”, meaning full loss on the loan is expected, the full balance of the loan receivable is charged off, regardless of the potential recovery from a sale of the underlying collateral. Any amount that may be recovered on the sale of collateral underlying a loan is recognized as a “recovery” in the period in which the collateral is sold. In accordance with Federal Financial Institutions Examination Council published policies establishing uniform criteria for the classification of retail credit based on delinquency status, “Open-ended” credits are typically charged off once they reach 180 days past dues and “Closed-end” credits are typically charged off once they reach 120 days past due, with limited exceptions for loans secured by 1-4 family residential real estate.

The allowance for credit losses may increase to reflect the decline in the performance of the loan portfolio and the higher level of expected losses.

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Loan Portfolio Vintage Analysis

The following tables summarize loan amortized cost by vintage, credit quality indicator and class of loans based on year of origination as of December 31, 2025:

(In thousands)

(In thousands)	Rating of Loans by Origination Year							Total Loans Receivable Gross
As of December 31, 2025:	2025	2024	2023	2022	2021	Prior	Revolving	
Loan portfolio segment:								
Commercial Real Estate:								
Pass	\$ 41,492	\$ —	\$ 78,914	\$ 89,538	\$ 72,868	\$ 48,983	\$ —	\$ 331,795
Special mention	—	—	—	—	—	799	—	799
Substandard	—	—	117	4,258	4,479	4,742	—	13,596
Total	41,492	—	79,031	93,796	77,347	54,524	—	346,191
Current period gross charge-offs	—	—	—	547	232	—	—	778
Residential Real Estate:								
Pass	1,234	3,119	—	5,283	20,726	47,213	1,128	78,703
Special mention	—	—	—	—	—	907	—	907
Substandard	—	—	—	—	—	57	—	57
Total	1,234	3,119	—	5,283	20,726	48,178	1,128	79,667
Current period gross charge-offs	—	—	—	—	—	—	—	—
Commercial and Industrial:								
Pass	14,710	726	3,272	11,013	17,580	5,224	82,101	134,626
Special mention	—	—	2	17	34	392	4,206	4,651
Substandard	—	—	559	381	842	807	4,959	7,547
Total	14,710	726	3,833	11,410	18,457	6,422	91,266	146,825
Current period gross charge-offs	—	—	—	47	72	11	—	129
Consumer and Other:								
Pass	192	262	280	407	7	12,997	5,318	19,464
Substandard	—	—	9	7	—	144	252	413
Total	192	262	289	415	7	13,141	5,570	19,876
Current period gross charge-offs	—	—	93	1,744	232	—	—	2,069
Total loans	\$ 57,628	\$ 4,107	\$ 83,154	\$ 110,905	\$ 116,538	\$ 122,265	\$ 97,964	\$ 592,562
Total Current period gross charge-offs(a)	\$ —	\$ —	\$ 93	\$ 2,337	\$ 578	\$ 11	\$ —	\$ 3,020
Loans receivable, gross:								
Pass	57,628	4,107	82,467	106,242	111,182	114,417	88,547	564,590
Special mention	—	—	2	17	34	2,099	4,206	6,358
Substandard	—	—	685	4,646	5,322	5,750	5,211	21,613
Total Loans receivable, gross	\$ 57,628	\$ 4,107	\$ 83,154	\$ 110,905	\$ 116,538	\$ 122,265	\$ 97,964	\$ 592,562
Total Current period gross charge-offs(a)	\$ —	\$ —	\$ 93	\$ 2,337	\$ 578	\$ 11	\$ —	\$ 3,020

(a) Total current period gross-charge offs includes \$43 thousand related to Construction to Permanent - CRE loan with an origination year of 2021.

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The following tables summarize loan amortized cost by vintage, credit quality indicator and class of loans based on year of origination as of December 31, 2024:

(In thousands)

(In thousands)	Rating of Loans by Origination Year								Total Loans Receivable Gross
As of December 31, 2024:	2024	2023	2022	2021	2020	Prior	Revolving		
Loan portfolio segment:									
Commercial Real Estate:									
Pass	\$ —	\$ 102,906	\$ 130,143	\$ 88,275	\$ 2,085	\$ 69,858	\$ —	\$ 393,267	
Special mention	—	3,697	—	—	—	430	—	4,127	
Substandard	—	1,099	6,691	8,615	233	5,457	—	22,095	
Total	—	107,702	136,834	96,890	2,318	75,745	—	419,489	
Current period gross charge-offs	—	—	—	—	—	13,889	—	13,889	
Residential Real Estate:									
Pass	372	—	1,218	2,811	9,546	74,937	792	89,676	
Special mention	—	—	—	—	1,053	1,377	—	2,430	
Substandard	—	—	—	—	—	109	—	109	
Total	372	—	1,218	2,811	10,599	76,423	792	92,215	
Current period gross charge-offs	—	—	—	—	—	21	—	21	
Commercial and Industrial:									
Pass	843	2,449	13,607	19,892	839	6,410	69,462	113,502	
Special mention	—	289	18	39	—	573	7,389	8,308	
Substandard	—	258	486	844	5,669	488	53	7,798	
Total	843	2,996	14,111	20,775	6,508	7,471	76,904	129,608	
Current period gross charge-offs	—	—	—	—	—	1,252	—	1,252	
Consumer and Other:									
Pass	290	2,514	15,907	1,846	—	15,305	23,381	59,243	
Substandard	—	72	393	13	—	—	252	730	
Total	290	2,586	16,300	1,859	—	15,305	23,633	59,973	
Current period gross charge-offs	—	313	5,997	635	—	486	—	7,431	
Construction:									
Pass	—	—	—	3,830	—	—	—	3,830	
Total	—	—	—	3,830	—	—	—	3,830	
Construction to Permanent - CRE:									
Substandard	—	—	—	2,357	—	—	—	2,357	
Total	—	—	—	2,357	—	—	—	2,357	
Total loans	\$ 1,505	\$ 113,284	\$ 168,463	\$ 128,522	\$ 19,425	\$ 174,944	\$ 101,329	\$ 707,472	
Total Current period gross charge-offs	\$ —	\$ 313	\$ 5,997	\$ 635	\$ —	\$ 15,648	\$ —	\$ 22,593	
Loans receivable, gross:									
Pass	\$ 1,505	\$ 107,869	\$ 160,875	\$ 116,654	\$ 12,470	\$ 166,510	\$ 93,635	\$ 659,518	
Special mention	—	3,986	18	39	1,053	2,380	7,389	14,865	
Substandard	—	1,429	7,570	11,829	5,902	6,054	305	33,089	
Total Loans receivable, gross	\$ 1,505	\$ 113,284	\$ 168,463	\$ 128,522	\$ 19,425	\$ 174,944	\$ 101,329	\$ 707,472	
Total Current period gross charge-offs	\$ —	\$ 313	\$ 5,997	\$ 635	\$ —	\$ 15,648	\$ —	\$ 22,593	

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
Notes to consolidated financial statements

Loan Portfolio Aging Analysis

The following tables summarize performing and non-performing (i.e., non-accruing) loans receivable by portfolio segment, by aging category, by delinquency status as of December 31, 2025:

(In thousands)

(In thousands)	Performing (Accruing) Loans							
As of December 31, 2025:	30 - 59 Days Past Due	60 - 89 Days Past Due	90 Days or Greater Past Due	Total Past Due	Current	Total Performing Loans	Non- accruing Loans	Loans Receivable Gross
Loan portfolio segment:								
Commercial Real Estate:								
Pass	\$ —	\$ —	\$ —	\$ —	\$ 328,803	\$ 328,803	\$ 2,993	\$ 331,795
Special mention	—	—	—	—	799	799	—	799
Substandard	—	293	—	293	2,595	2,888	10,708	13,596
Total	—	293	—	293	332,197	332,489	13,701	346,191
Residential Real Estate:								
Pass	—	—	—	—	78,705	78,705	—	78,705
Special mention	—	—	—	—	907	907	—	907
Substandard	—	—	—	—	—	—	57	57
Total	—	—	—	—	79,612	79,612	57	79,669
Commercial and Industrial:								
Pass	1,600	—	—	1,600	129,767	131,367	3,255	134,622
Special mention	—	—	—	—	4,651	4,651	—	4,651
Substandard	—	468	—	468	157	624	6,927	7,551
Total	1,600	468	—	2,068	134,575	136,643	10,182	146,825
Consumer and Other:								
Pass	235	—	—	235	19,229	19,464	—	19,464
Substandard	—	—	—	—	—	—	413	413
Total	235	—	—	235	19,229	19,464	413	19,877
Total loans	\$ 1,835	\$ 760	\$ —	\$ 2,595	\$ 565,613	\$ 568,208	\$ 24,353	\$ 592,562
Loans receivable, gross:								
Pass	1,835	—	—	1,835	556,503	558,338	6,248	564,586
Special mention	—	—	—	—	6,358	6,358	—	6,358
Substandard	—	760	—	760	2,752	3,512	18,105	21,617
Loans receivable, gross	\$ 1,835	\$ 760	\$ —	\$ 2,595	\$ 565,613	\$ 568,208	\$ 24,353	\$ 592,562

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
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The following tables summarize performing and non-performing (i.e., non-accruing) loans receivable by portfolio segment, by aging category, by delinquency status as of December 31, 2024.

(In thousands)

(In thousands)	Performing (Accruing) Loans								
	30 - 59 Days Past Due	60 - 89 Days Past Due	90 Days or Greater Past Due	Total Past Due	Current	Total Performing Loans	Non- accruing Loans	Loans Receivable Gross	
As of December 31, 2024:									
Loan portfolio segment:									
Commercial Real Estate:									
Pass	\$ —	\$ —	\$ —	\$ —	\$ 387,296	\$ 387,296	\$ 5,971	\$ 393,267	
Special mention	—	—	—	—	4,127	4,127	—	4,127	
Substandard	—	—	—	—	8,732	8,732	13,363	22,095	
Total	—	—	—	—	400,155	400,155	19,334	419,489	
Residential Real Estate:									
Pass	838	—	—	838	88,838	89,676	—	89,676	
Special mention	—	—	—	—	2,430	2,430	—	2,430	
Substandard	—	—	—	—	—	—	109	109	
Total	838	—	—	838	91,268	92,106	109	92,215	
Commercial and Industrial:									
Pass	1,107	—	—	1,107	110,046	111,153	2,349	113,502	
Special mention	—	—	—	—	8,308	8,308	—	8,308	
Substandard	350	—	—	350	6,456	6,806	992	7,798	
Total	1,457	—	—	1,457	124,810	126,267	3,341	129,608	
Consumer and Other:									
Pass	602	687	—	1,289	57,954	59,243	—	59,243	
Substandard	—	—	—	—	—	—	730	730	
Total	602	687	—	1,289	57,954	59,243	730	59,973	
Construction:									
Pass	—	—	—	—	3,830	3,830	—	3,830	
Total	—	—	—	—	3,830	3,830	—	3,830	
Construction to Permanent - CRE:									
Substandard	—	—	—	—	—	—	2,357	2,357	
Total	—	—	—	—	—	—	2,357	2,357	
Total loans	\$ 2,897	\$ 687	\$ —	\$ 3,584	\$ 678,017	\$ 681,601	\$ 25,871	\$ 707,472	
Loans receivable, gross:									
Pass	\$ 2,547	\$ 687	\$ —	\$ 3,234	\$ 647,964	\$ 651,198	\$ 8,320	\$ 659,518	
Special mention	—	—	—	—	14,865	14,865	—	14,865	
Substandard	350	—	—	350	15,188	15,538	17,551	33,089	
Loans receivable, gross	\$ 2,897	\$ 687	\$ —	\$ 3,584	\$ 678,017	\$ 681,601	\$ 25,871	\$ 707,472	

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
Notes to consolidated financial statements

The following tables summarize non-performing (i.e., non-accruing) loans by aging category and status, within the applicable loan portfolio segment as of December 31, 2025 and 2024:

	Non-accruing Loans						
(In thousands)	30 - 59 Days Past Due	60 - 89 Days Past Due	90 Days or Greater Past Due	Total Past Due	Current	Total Non-accruing Loans	
As of December 31, 2025:							
Loan portfolio segment:							
Commercial Real Estate:							
Pass	\$ —	\$ —	\$ 2,993	\$ 2,993	\$ —	\$ 2,993	
Substandard	—	—	10,708	10,708	—	10,708	
Residential Real Estate:							
Pass	—	—	—	—	—	—	
Substandard	—	—	57	57	—	57	
Commercial and Industrial:							
Pass	—	159	3,096	3,255	—	3,255	
Substandard	—	1,846	5,081	6,927	—	6,927	
Consumer and Other:							
Pass	—	—	—	—	—	—	
Substandard	—	—	397	397	16	413	
Total non-accruing loans	\$ —	\$ 2,005	\$ 22,332	\$ 24,337	\$ 16	\$ 24,353	
As of December 31, 2024:							
Loan portfolio segment:							
Commercial Real Estate:							
Pass	\$ —	\$ —	\$ 4,461	\$ 4,461	\$ 1,510	\$ 5,971	
Substandard	974	—	7,947	8,921	4,442	13,363	
Residential Real Estate:							
Substandard	—	—	109	109	—	109	
Commercial and Industrial:							
Pass	—	—	2,349	2,349	—	2,349	
Substandard	2	—	978	980	12	992	
Consumer and Other:							
Substandard	—	6	724	730	—	730	
Construction to permanent - CRE:							
Substandard	—	—	2,357	2,357	—	2,357	
Total non-accruing loans	\$ 976	\$ 6	\$ 18,925	\$ 19,907	\$ 5,964	\$ 25,871	

The accrual of interest on loans is discontinued at the time the loan is 90 days past due for payment unless the loan is well-secured and in process of collection. Consumer installment loans are typically charged off when they become 120 days past due (180 days for open ended consumer credit). Past due status is based on contractual terms of the loan. In all cases, loans are placed on non-accrual status or charged-off, at an earlier date, if collection of principal or interest is considered doubtful.

All interest accrued, but not collected for loans that are placed on non-accrual status or charged off, is reversed against interest income. The interest on these loans is generally accounted for on the cash-basis method until qualifying for return to accrual status. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current, future payments are reasonably assured, after at least six months of timely payment history. The Bank considers loans under \$100,000 and consumer installment loans to be pools of smaller homogeneous loan balances, which are collectively evaluated for credit losses.

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If non-accrual loans had been performing in accordance with the original contractual terms, additional interest income (net of cash collected) of approximately \$3.3 million, \$3.1 million, and \$0.9 million would have been recognized in income for the years ended December 31, 2025, 2024, and 2023, respectively.

Interest income collected and recognized on non-accruing loans for the year ended December 31, 2025, 2024, and 2023 was \$270 thousand, \$1.3 million, and \$255 thousand, respectively.

Individually Evaluated Loans

The following table reflects information about the individually evaluated loans by class as of December 31, 2025 and 2024:

	December 31, 2025			December 31, 2024		
	Recorded Investment	Principal Outstanding	Related Allowance	Recorded Investment	Principal Outstanding	Related Allowance
<i>(In thousands)</i>						
<u>With no related allowance recorded:</u>						
Commercial Real Estate	\$ 7,240	\$ 22,657	\$ —	\$ 18,361	\$ 34,224	\$ —
Residential Real Estate	57	58	—	—	—	—
Commercial and Industrial	291	288	—	1,831	2,251	—
Construction to permanent - CRE	—	—	—	2,357	2,476	—
Total	<u>7,588</u>	<u>23,003</u>	<u>—</u>	<u>22,549</u>	<u>38,951</u>	<u>—</u>
<u>With a related allowance recorded:</u>						
Commercial Real Estate	\$ —	\$ —	\$ —	\$ 974	\$ 969	\$ 403
Commercial and Industrial	4,906	4,905	2,100	1,492	1,810	60
Consumer and Other	1	1	1	—	—	—
Total	<u>4,907</u>	<u>4,906</u>	<u>2,101</u>	<u>2,466</u>	<u>2,779</u>	<u>463</u>
<u>Individually evaluated loans, Total:</u>						
Commercial Real Estate	\$ 7,240	\$ 22,657	\$ —	\$ 19,335	\$ 35,193	\$ 403
Residential Real Estate	57	58	—	—	—	—
Commercial and Industrial	5,197	5,193	2,100	3,323	4,061	60
Consumer and Other	1	1	1	—	—	—
Construction to permanent - CRE	—	—	—	2,357	2,476	—
Total	<u>\$ 12,495</u>	<u>\$ 27,909</u>	<u>\$ 2,101</u>	<u>\$ 25,015</u>	<u>\$ 41,730</u>	<u>\$ 463</u>

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
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For each year in the three-year period ended December 31, 2025, the average recorded investment in and interest income recognized on the individually evaluated loans without and with a related allowance, by loan portfolio segment, was as follows:

(In thousands)	Year Ended December 31,					
	2025		2024		2023	
	Average Recorded Investment	Interest Income Recognized	Average Recorded Investment	Interest Income Recognized	Average Recorded Investment	Interest Income Recognized
With no related allowance recorded:						
Commercial Real Estate	\$ 7,240	\$ —	\$ 24,837	\$ 952	\$ 1,164	\$ 181
Residential Real Estate	57	2	—	—	534	—
Commercial and Industrial	291	12	1,503	219	2,580	5
Consumer and Other	—	—	—	—	158	—
Construction	—	—	—	—	753	34
Construction to permanent - CRE	—	—	2,410	—	—	—
Total	7,588	14	28,750	1,171	5,189	220
With a related allowance recorded:						
Commercial Real Estate	\$ —	\$ —	\$ 988	\$ 43	\$ 12,957	\$ 696
Residential Real Estate	—	—	—	—	1,156	—
Commercial and Industrial	4,905	256	957	38	3,359	214
Consumer and Other	1	—	—	—	—	—
Total	4,906	256	1,945	81	17,472	910
Individually evaluated loans, Total:						
Commercial Real Estate	\$ 7,240	\$ —	\$ 25,825	\$ 995	\$ 14,121	\$ 877
Residential Real Estate	57	2	—	—	1,690	—
Commercial and Industrial	5,196	268	2,460	257	5,939	219
Consumer and Other	1	—	—	—	158	—
Construction	—	—	—	—	753	34
Construction to permanent - CRE	—	—	2,410	—	—	—
Total	\$ 12,494	\$ 270	\$ 30,695	\$ 1,252	\$ 22,661	\$ 1,130

For collateral dependent loans, appraisal reports of the underlying collateral, have been obtained from independent licensed appraisal firms. The independently determined appraised values were first reduced by a 8.0% discount to reflect the Bank's experience selling Other Real Estate Owned ("OREO") properties. Performing loans are monitored to determine when, if at all, additional credit loss reserves may be required for a loss of underlying collateral value. For cash flow dependent loans, the Bank determined the reserve based on the present value of expected future cash flows discounted at the loan's effective interest rate.

Loans not requiring specific reserves had fair values exceeding the total recorded investment, supporting the net investment in the loan which includes principal balance, unamortized fees and costs and accrued interest, if any. Once a borrower is in default, Patriot is under no obligation to advance additional funds on unused commitments.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES

Notes to consolidated financial statements

Loan Modifications Made to Borrowers Experiencing Financial Difficulty

On a case-by-case basis, Patriot may agree to modify the contractual terms of a borrower's loan to assist customers who may be experiencing financial difficulty. Substantially all loan modifications involve lowering the monthly payments on such loans through either a reduction in interest rate below market rate, an extension of the term of the loan, or a combination of adjusting these two contractual attributes. Loan modifications may also result in the forgiveness of principal or accrued interest. In addition, when modifying commercial loans, Patriot frequently obtains additional collateral or guarantor support. If the borrower has performed under the existing contractual terms of the loan and Patriot's underwriters determine that the borrower has the capacity to continue to perform under the terms of the loan, the loan continues accruing interest. Non-accruing modified loans may be returned to accrual status when there has been a sustained period of performance (generally six consecutive months of payments) and both principal and interest are reasonably assured of collection.

During the years ended December 31, 2025, 2024, and 2023, the Company had no modified loans made to borrowers experiencing financial difficulty. There were no modified loans that had a payment default during the years ended December 31, 2025, 2024, and 2023 and were modified in the twelve months prior to that default to borrowers experiencing financial difficulty. As of December 31, 2025 and 2024, there were no commitments to advance additional funds under the modified loans.

Note 5. Loans Held for Sale

Loans Held for Sale - SBA Loans

SBA loans held for sale represent the guaranteed portion of SBA loans originated and are reflected at the lower of aggregate cost or market value. There were no SBA loans held for sale at December 31, 2025 and 2024. During 2025 and 2024, zero and \$5.5 million SBA loans previously classified as held for sale were transferred to held for investment, respectively.

The Company generally sells the guaranteed portion of its SBA loans to a third party and retains the servicing, holding the unguaranteed portion in its portfolio. When sales of SBA loans do occur, the premium received on the sale and the present value of future cash flows of the servicing assets, less the discount of the retained portion of the loan are recognized in income.

Servicing assets represent the estimated fair value of retained servicing rights, net of servicing costs, at the time loans are sold. Servicing assets are amortized in proportion to, and over the period of, estimated net servicing revenues. Impairment will be evaluated based on stratifying the underlying financial assets by date of origination and term. Fair value is determined using prices for similar assets with similar characteristics, when available, or based upon discounted cash flows using market-based assumptions. Any impairment, if temporary, would be reported as a valuation allowance.

Serviced loans sold to others are not included in the accompanying Consolidated Balance Sheets. The total amount of such loans serviced, but owned by third party, amounted to approximately \$32.1 million and \$43.8 million at December 31, 2025 and 2024, respectively. As of December 31, 2025 and 2024, the servicing asset has a carrying value of \$589 thousand and \$739 thousand, respectively, and fair value of \$581 thousand and \$825 thousand, respectively. Income and fees collected for loan servicing are credited to non-interest income when earned, net of amortization on the related servicing assets. The servicing asset is included in other assets on the Consolidated Balance Sheets.

In the second quarter of 2025, the Bank made the decision to voluntarily suspend its status as a participant in SBA's PLP. This decision was made in response to the Bank's desire to temporarily exit the SBA lending business and the Bank's Formal Agreement. It is possible that the Bank will determine in the future that it is prudent to petition to the SBA for reinstatement in the PLP.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
Notes to consolidated financial statements

The following table presents an analysis of the activity in the SBA servicing assets for the years ended December 31, 2025, 2024, and 2023:

<i>(In thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Beginning balance	\$ 739	\$ 857	\$ 886
Servicing rights capitalized	—	111	85
Servicing rights amortized	(38)	(62)	(67)
Servicing rights disposed	(112)	(167)	(47)
Ending balance	<u>\$ 589</u>	<u>\$ 739</u>	<u>\$ 857</u>

Loans held for sale - Credit Card Receivables

Patriot has entered into program management arrangements under which the Bank originates commercial credit card receivables for certain card programs. The applicable card program manager markets the program and purchases the related receivables from the Bank shortly after origination. These receivables are classified as loans held for sale and are generally sold within three days of origination. As of December 31, 2025 and 2024, the Bank had credit card loans held for sale totaling \$24.5 million and \$11.4 million, respectively. The credit card loans are fully cash-secured by deposits at the Bank. The credit card loans are sold to the buyer as a whole loan sale transaction, priced at par, thus there is no servicing asset or gain or loss on sale.

Loans held for sale - Residential Mortgage Loans

In 2025, the Bank suspended the residential mortgage origination business. These loans were recorded at the lower of aggregate cost or market value. As of December 31, 2025, the Company reported residential mortgage loans held for sale totaling zero. During the years ended December 31, 2025 and 2024, \$4.0 million and zero of residential mortgage loans previously classified as held for sale were transferred to held for investment, respectively. For the year ended December 31, 2025, a total gain on sale of \$79 thousand was recorded. A servicing asset of \$71 thousand was recognized for the year ended December 31, 2025. As of December 31, 2024, \$4.3 million residential mortgage loans held for sale was recorded and a servicing asset of \$27 thousand.

Note 6. Premises and Equipment

At December 31, 2025 and 2024, premises and equipment consisted of the following:

<i>(In thousands)</i>	December 31,	
	2025	2024
Land	\$ 12,819	\$ 12,819
Buildings	19,076	19,046
Leasehold Improvements	3,096	3,096
Furniture, equipment, and software	13,179	13,110
Construction-in-progress	105	—
Premises and equipment, gross	48,275	48,071
Accumulated depreciation and amortization	(20,159)	(19,206)
Premises and equipment, net	<u>\$ 28,116</u>	<u>\$ 28,865</u>

For the years ended December 31, 2025, 2024, and 2023, depreciation and amortization expense related to premises and equipment totaled \$1.0 million, \$1.1 million, and \$1.2 million, respectively.

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Note 7. Other Real Estate Owned (“OREO”)

As of December 31, 2025, the Bank’s OREO balance was zero, as the residential loan receivable of a foreclosed residential property acquired in 2023 was sold during 2025. The OREO balance reflected the lower of the carrying value or the estimated net realized value of the underlying property. Prior to sale, a valuation allowance of \$253 thousand was recorded and a gain on sale of \$176 thousand was recognized in 2025.

The following table presents an analysis of the activity in OREO for the years ended December 31, 2025, 2024, and 2023:

<i>(In thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Beginning balance	\$ 2,843	\$ 2,843	\$ —
Additions	—	—	2,843
Sold	(2,590)	—	—
Write-downs	(253)	—	—
Ending balance	<u>\$ —</u>	<u>\$ 2,843</u>	<u>\$ 2,843</u>

Note 8. Goodwill and Other Intangible Assets

In 2023, the Company performed an annual goodwill impairment assessment and determined the asset to be fully impaired. An impairment charge of \$1.1 million was recorded in 2023. Therefore, the goodwill balance was zero as of December 31, 2025, 2024, and 2023.

Core Deposit Intangibles (CDI) was recorded as part of the Prime Bank business combination in May 2018. The CDI is amortized over a 10-year period using the straight-line method. For the years ended December 31, 2025, 2024, and 2023 the amortization was \$47 thousand, \$47 thousand, and \$46 thousand, respectively. The amortization expense was included in the other operating expenses on the Consolidated Statements of Operations.

The table below provides information regarding the carrying amounts and accumulated amortization of CDI assets as of the dates set forth below.

<i>(In thousands)</i>	As of December 31,	
	2025	2024
Gross carrying amount	\$ 748	\$ 748
Accumulated amortization	(433)	(386)
Impairment	(206)	(206)
Net carrying amount	<u>\$ 109</u>	<u>\$ 156</u>

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Note 9. Deposits

The following table presents the balance of deposits held, by category, and the related weighted average stated interest rate as of December 31, 2025 and 2024.

<i>(In thousands)</i>	December 31, 2025		December 31, 2024	
	Deposit Balance	Weighted Avg. Stated Interest Rate	Deposit Balance	Weighted Avg. Stated Interest Rate
Non-interest bearing	\$ 106,766	—	\$ 119,212	—
Interest bearing:				
Negotiable order of withdrawal accounts	24,281	0.42 %	31,549	0.09 %
Savings deposits	38,036	1.53 %	38,743	1.41 %
Interest bearing DDA	267,447	2.29 %	205,995	2.07 %
Money market	191,177	3.08 %	262,023	3.73 %
Certificates of deposit, \$250,000 or less	206,915	3.98 %	174,095	4.31 %
Certificates of deposit, more than \$250,000	76,480	4.03 %	65,278	4.62 %
Brokered deposits	54,683	4.22 %	69,702	4.34 %
Interest bearing, Total	859,020	3.06 %	847,385	3.32 %
Total Deposits	\$ 965,786	2.73 %	\$ 966,597	2.91 %

The Company's total deposits include deposits associated with prepaid debit cards for corporate, consumer and government clients administered by card program managers. These digital-payment-related deposits are included in the non-interest-bearing deposits, negotiable order of withdrawal accounts, interest bearing DDA and money market deposits, which totaled approximately \$297.7 million and \$265.5 million as of December 31, 2025 and 2024, respectively.

The following table presents interest expense, by deposit category, and the related weighted average effective interest rate for each of the years in the three-year period ended December 31, 2025.

<i>(In thousands)</i>	Year ended December 31,					
	2025		2024		2023	
	Interest Expense	Weighted Avg. Effective Interest Rate	Interest Expense	Weighted Avg. Effective Interest Rate	Interest Expense	Weighted Avg. Effective Interest Rate
Negotiable order of withdrawal accounts	\$ 74	0.31 %	\$ 23	0.08 %	\$ 198	0.57 %
Savings	427	1.19 %	456	1.14 %	2,290	3.92 %
Interest bearing DDA	5,909	2.58 %	5,431	2.69 %	1,002	3.37 %
Money market	8,073	3.78 %	7,141	4.03 %	7,766	2.74 %
Certificates of deposit, less than \$250,000	6,423	4.08 %	7,265	4.40 %	5,226	2.83 %
Certificates of deposit, \$250,000 or greater	2,974	4.44 %	3,418	4.81 %	1,987	3.14 %
Brokered deposits	2,784	4.35 %	2,315	4.65 %	3,199	4.02 %
Total	\$ 26,663	3.37 %	\$ 26,049	3.55 %	\$ 21,668	3.05 %

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As of December 31, 2025, contractual maturities of Certificates of Deposit (“CDs”) and brokered deposits are summarized as follows:

<i>(In thousands)</i>	Certificates of Deposit \$250,000 or less	Certificates of Deposit more than \$250,000	Brokered Deposits	Total
1 year or less	\$ 197,594	\$ 73,510	\$ 49,641	\$ 320,744
More than 1 year through 2 years	9,049	2,970	5,042	17,062
More than 2 years through 3 years	114	—	—	114
More than 3 years through 4 years	117	—	—	117
More than 4 years through 5 years	41	—	—	41
Total	\$ 206,915	\$ 76,480	\$ 54,683	\$ 338,078

Note 10. Borrowings

As of December 31, 2025 and 2024, total borrowings were \$16.4 million and \$33.1 million, respectively. Borrowings consist primarily of FHLB advances, FRB borrowing, senior notes, subordinated notes, junior subordinated debentures and a note payable. The senior notes, subordinated notes, junior subordinated debentures contain affirmative covenants that require the Company to: maintain its and its subsidiaries’ legal entity and tax status, pay its income tax obligations on a timely basis, and comply with SEC and FDIC reporting requirements.

Federal Home Loan Bank borrowings

The Company is a member of the Federal Home Loan Bank of Boston (“FHLB-B”). Borrowings from the FHLB-B are limited to the lesser of a percentage of the value of qualified collateral or a percentage of the Bank’s total assets per the most recently-filed Call Report, as defined on the FHLB-B Statement of Products Policy. Qualified collateral, as defined, primarily consists of mortgage-backed securities and loans receivable that are required to be free and clear of liens and encumbrances, and may not be pledged for any other purposes.

As of December 31, 2025, the Company had \$76.0 million in discounted value of pledged collateral with the FHLB-B. The maximum borrowing capacity is limited to the lesser of 15% of the Bank’s most recently reported Call Report total assets or the discount value of the pledged collateral. Accordingly, the Company’s maximum borrowing capacity with the FHLB-B is \$76.0 million. Of this amount, \$55.0 million was used by a standby letter of credit, as described further in Note 18, Financial Instruments with Off-Balance-Sheet Risk. Additionally, \$250 thousand of the maximum borrowing capacity was used by an overnight line of credit designed to cover the Bank for temporary overdraft positions. As of December 31, 2025 and 2024, zero funds had been borrowed under the line of credit.

FHLB-B advances are structured to facilitate the Bank’s management of its balance sheet and liquidity requirements. In 2024, the Company repaid \$30.0 million in long-term advances and \$68.0 million in short-term borrowings. As a result, the outstanding advances decreased to \$3.0 million as of December 31, 2024, and decreased to zero as of December 31, 2025.

Interest expense incurred for FHLB-B borrowing for the years ended December 31, 2025, 2024, and 2023 were \$3 thousand, \$1.1 million, and \$4.2 million, respectively.

Correspondent Bank - Lines of Credit

In prior years, Patriot had entered unsecured federal funds sweep and federal funds line of credit facility agreements with certain correspondent Banks. The purpose of these agreements was to provide a credit facility intended to satisfy overnight federal

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account balance requirements and to provide for daily settlement of FRB, Automated Clearing House (“ACH”), and other clearinghouse transactions. As of December 31, 2025, there are no remaining agreements active.

As of December 31, 2025 and 2024, borrowings available under the agreements totaled zero and \$5.0 million, respectively. There was zero outstanding balance under the agreements at December 31, 2025 and 2024. Interest expense incurred for the year ended December 31, 2025, 2024, and 2023 was zero, \$4 thousand, and \$117 thousand, respectively.

Other Borrowing

The Federal Reserve Bank of New York (“FRBNY”) accepts securities and loan pledges from qualifying depository institutions to secure borrowings from the Federal Reserve Discount Window (“Discount Window”). Patriot has pledged eligible securities and loans as collateral to support its borrowing capacity at the FRBNY. As of December 31, 2025, Patriot had pledged eligible securities and loans with a book value of \$47.7 million, with a collateral value of \$26.4 million. A total of \$70.0 million and \$40.0 million was borrowed from the Discount Window and fully repaid during the years ended December 31, 2025 and 2024, respectively. There was zero outstanding balance under the agreements as of December 31, 2025 and 2024. Interest expense incurred for the years ended December 31, 2025, 2024, and 2023 was \$98 thousand, \$32 thousand, and \$48 thousand, respectively.

In July 2023, the Bank established a collateralized funding line of \$73.8 million at par value under the Federal Reserve's newly established Bank Term Funding Program (“BTFP”). The program provided additional funding to eligible depository institutions, assuring they could meet the needs of all their depositors. The program served as an additional source of liquidity against high-quality securities, eliminating the need of an institution to quickly sell those securities in times of stress. The line allowed for a fixed rate borrowing for up to one year, with repayment permitted at any time without penalty. The BTFP ceased allowing any new advances after March 11, 2024. As of December 31, 2024, Patriot had paid off the BTFP borrowing of \$70.0 million that was outstanding as of December 31, 2023. Interest expense incurred was zero, \$2.3 million, and \$1.8 million for the years ended December 31, 2025, 2024, and 2023, respectively.

Senior notes

On December 22, 2016, the Company issued \$12 million of senior notes (“2016 Senior Notes”) bearing interest at 7% per annum. On November 17, 2021, the original maturity date of the Senior Notes were extended from December 22, 2021 to June 30, 2022.

On June 22, 2022, the Company amended and restated the Senior Notes. The maturity date of the 2016 Senior Notes were further extended to December 31, 2022, and the interest rate increases from (i) 7% to 7.25% from July 1, 2022 until September 30, 2022 and (ii) from 7.25% to 7.50% thereafter. The 2016 Senior Notes were repaid in December 2022.

On December 21, 2022, the Company completed an issuance and sale of \$12 million in aggregate principal amount of 8.50% fixed rate Senior Notes due January 15, 2026 (“2022 Senior Notes”). In connection with the issuance of the 2022 Senior Notes, the Company incurred \$360 thousand of costs, which are being amortized over the term of the 2022 Senior Notes to recognize a constant rate of interest expense. Unamortized debt issuance cost of zero and \$139 thousand as of December 31, 2025 and 2024, respectively.

For the years ended December 31, 2025, 2024, and 2023, the Company recognized interest expense of \$0.6 million, \$1.2 million, and \$1.2 million, inclusive of the debt issuance cost amortization of \$162 thousand, \$139 thousand and \$139 thousand, respectively, in respect of the 2022 Senior Notes. As of December 31, 2025 and 2024, zero and \$470 thousand of interest was included in accrued expenses and other liabilities on the Consolidated Balance Sheet, respectively.

During the third quarter of 2025, the remaining principal balance of the 2022 Senior Notes were repaid in full.

Subordinated notes

On June 29, 2018, the Company entered into certain subordinated note purchase agreements with two institutional accredited investors and completed a private placement of \$10 million of fixed-to-floating rate subordinated notes with the maturity date of September 30, 2028 (the “Subordinated Notes”) pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended, and Rule 506(b) of Regulation D promulgated thereunder.

The Subordinated Notes initially bear interest at 6.25% per annum, from and including June 29, 2018, to but excluding, June 30, 2023, payable semi-annually in arrears. From and including June 30, 2023, until but excluding June 30, 2028 or an early redemption date, the interest rate shall reset quarterly to an interest rate per annum equal to the then current three-month LIBOR,

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which was replaced by Secured Overnight Financing Rate (SOFR) in 2023 (but not less than zero) plus 332.5 basis points, payable quarterly in arrears. The Company may, at its option, beginning on June 30, 2023 and on any scheduled interest payment date thereafter, redeem the Subordinated Notes. Interest on the Subordinated Notes is payable beginning on December 30, 2018.

In connection with the issuance of the Subordinated Notes, the Company incurred \$291 thousand of debt issuance costs, which are being amortized over the term of the Subordinated Notes to recognize a constant rate of interest expense. At December 31, 2025 and 2024, \$58 thousand and \$102 thousand of unamortized debt issuance costs have been deducted from the face amount of the Subordinated Notes included in the Consolidated Balance Sheet, respectively. For the years ended December 31, 2025, 2024, and 2023, the Company recognized interest expense of \$707 thousand, \$889 thousand, and \$786 thousand, respectively.

The Subordinated Notes were amended in March 2025. The amendment to the Subordinated Note provides that the interest on the Subordinated Note will be PIK and the aggregate outstanding principal amount of the Subordinated Note will be automatically increased on each interest payment date by the amount of such PIK interest for all accrued and unpaid interest payments as of the closing date of the Private Placement and for future scheduled interest payments owed through and including the March 30, 2026 interest payment date. In addition, pursuant to such amendment, the noteholder agreed to convert \$2.0 million of the outstanding principal amount of the Subordinated Note into shares of Common Stock effective on the closing date of the Private Placement.

Junior subordinated debt owed to unconsolidated trust

In 2003, the Patriot National Statutory Trust I (“the Trust”), which has no independent assets and is wholly-owned by the Company, issued \$8.0 million of trust preferred securities. The proceeds, net of a \$240 thousand placement fee, were invested in junior subordinated debentures issued by the Company, which invested the proceeds in the Bank. The Bank used the proceeds to fund its operations.

Trust preferred securities currently qualify for up to 6.8% of the Company’s Tier I Capital, with the excess qualifying as Tier 2 Capital.

The junior subordinated debentures are unsecured obligations of the Company. The debentures are subordinate and junior in right of payment to all present and future senior indebtedness of the Company. In addition to its obligations under the junior subordinated debentures and in conjunction with the Trust, the Company issued an unconditional guarantee of the trust preferred securities.

The junior subordinated debentures bear interest at three-month LIBOR (replaced by SOFR) plus 3.15% (7.41% at December 31, 2025) and mature on March 26, 2033, at which time the principal amount borrowed will be due. The placement fee of \$240 thousand is amortized and included as a component of the periodic interest expense on the junior subordinated debentures, in order to produce a constant rate of interest expense. For the years ended December 31, 2025, 2024, and 2023, \$10 thousand, \$10 thousand and \$9 thousand of debt placement fee amortization has been included in interest expense recognized of \$648 thousand, \$707 thousand, and \$695 thousand, respectively. As of December 31, 2025 and 2024, the unamortized placement fee deducted from the face amount of the junior subordinated debt owed to the unconsolidated trust amounted to \$91 thousand and \$101 thousand, respectively, and accrued interest on the junior subordinated debentures was \$9 thousand and \$174 thousand, respectively.

At its option, exercisable on a quarterly basis, the Company may redeem the junior subordinated debentures from the Trust, which would then redeem the trust preferred securities.

Note Payable

In September 2015, the Bank purchased the property in which its Fairfield, Connecticut branch is located for approximately \$2.0 million, a property it had been leasing until that date. The purchase price was primarily satisfied by issuing the seller a \$2.0 million, nine-year, promissory note bearing interest at a fixed rate of 1.75% per annum. The note matured in the third quarter of 2025, as of December 31, 2025 and 2024, the note had a balance outstanding of zero and \$162 thousand, respectively. Interest expense incurred for the years ended December 31, 2025, 2024, and 2023 was \$1 thousand, \$5 thousand, and \$8 thousand, respectively.

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Maturity of borrowings

At December 31, 2025, the contractual maturities of the Company's borrowings in future periods were as follows:

(In thousands)

Year ending December 31,	Subordinated Notes	Junior Subordinated Debt	Total
2026	\$ —	\$ —	\$ —
2027	—	—	—
2028	8,347	—	8,347
2029	—	—	—
2030	—	—	—
Thereafter	—	8,248	8,248
Total of contractual maturities	8,347	8,248	16,595
Unamortized debt issuance costs	(58)	(91)	(149)
Balance at December 31, 2025	\$ 8,289	\$ 8,157	\$ 16,446

Note 11. Derivatives

Derivatives Not Designated in Hedge Relationships

Patriot is a party to interest rate swaps; derivatives that are not designated as hedging instruments. Under a program, Patriot will execute interest rate swaps with commercial lending customers to facilitate their respective risk management strategies. As of December 31, 2025, there were two interest rate swaps ("swaps") outstanding. One swap is with a loan customer to provide a facility to mitigate the fluctuations in the variable rate on the respective loan. The other swap is with an outside third party. The customer interest rate swaps is matched in offsetting terms to the third party interest rate swaps, such that Patriot minimizes its net risk exposure resulting from such transactions. Because the interest rate swaps associated with the program do not meet the strict hedge accounting requirements, changes in the fair value of both the customer swaps and the offsetting swaps are recognized directly in earnings. The changes in the fair value of the swaps offset each other, except for the credit risk of the counterparties, which is determined by taking into consideration the risk rating, probability of default and loss given default for all counterparties. The swaps are reported at fair value in other assets or other liabilities on the Consolidated Balance Sheets.

As of December 31, 2025 and 2024, Patriot did not have any cash pledged for collateral on its interest rate swaps. No net gain or loss was recognized in other non-interest income on the consolidated statements of operations during the year ended December 31, 2025, 2024, and 2023.

Further discussion of the accounting policy of derivatives is set forth in Note 1, and information about the valuation methods used to measure the fair value of derivatives is provided in Note 21 to the Consolidated Financial Statements.

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The following table presents summary information regarding these derivatives for the periods presented (dollars in thousands):

<i>(In thousands)</i>	Notional Amount	Maturity (Years)	Fixed Rate	Variable Rate	Fair Value
December 31, 2025					
Classified in Other Assets:					
3rd party interest rate swap	1,251	3.5	4.38 %	1 Mo. SOFR + 2.00%	39
Classified in Other Liabilities:					
Customer interest rate swap	1,251	3.5	4.38 %	1 Mo. SOFR + 2.00%	(39)
December 31, 2024					
Classified in Other Assets:					
3rd party interest rate swap	1,290	4.5	4.38 %	1 Mo. SOFR + 2.00%	83
Classified in Other Liabilities:					
Customer interest rate swap	1,290	4.5	4.38 %	1 Mo. SOFR + 2.00%	(83)

Note 12. Leases

A lease is defined as a contract, or part of a contract, that conveys the right to control the use of identified property, plant or equipment for a period of time in exchange for consideration. Patriot has eight non-cancelable operating leases, including three Bank branch locations and three for administrative and operational space, one location for an automated teller machine (“ATM”), and one equipment lease. The leases expire on various dates through 2032 and some include renewal options. Most of the leases contain rent escalation provisions, as well as renewal options for one or more periods. The last potential year the leases can be extended through 2037. All of our leases are classified as operating leases, with the adoption of Topic 842, operating lease agreements are required to be recognized on the Consolidated Balance Sheets as a right-of-use (“ROU”) asset and a corresponding lease liability. Renew periods were included in the future cash flows for purposes of calculating the ROU and lease liability. The Company has no finance leases.

ROU lease assets represent the Company’s right to use an underlying asset for the lease term and lease obligations represent the Company’s obligation to make lease payments arising from the lease. Operating ROU lease assets and obligations are recognized at the commencement date based on the present value of lease payments over the lease term. As most of the Company’s leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The Company’s lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

As of December 31, 2025 and 2024, the Company recognized ROU assets of \$1.1 million and \$1.5 million, respectively, and lease liabilities of \$1.2 million and \$1.6 million, respectively. ROU lease assets are included in other assets on the Consolidated Balance Sheet. The lease liabilities are included in accrued expenses and other liabilities on the Consolidated Balance Sheet.

Lease expense for lease payments is recognized on a straight-line basis over the lease term. Short-term leases are leases having a term of twelve months or less. The Company recognizes short-term leases on a straight-line basis and does not record a related lease asset or liability for such leases, as allowed as practical expedient of the standard. The Company elected to separate lease and non-lease components. The fixed lease costs are recognized as ROU lease assets and lease liability. The variable lease cost primarily represents variable payments such as common area maintenance and utilities, which are included in the occupancy and equipment expenses on the Consolidated Statements of Operations. For the year ended December 31, 2025, 2024, and 2023, the fixed lease costs for the non-cancelable operating leases were \$416 thousand, \$459 thousand, and \$581 thousand, respectively. For the year ended December 31, 2025, 2024, and 2023, the variable lease costs for the non-cancelable operating leases were \$128 thousand, \$34 thousand, and \$39 thousand, respectively.

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The following is a maturity analysis of the operating lease liabilities as of December 31, 2025:

<i>(In thousands)</i>			
	Years ending December 31,		Operating lease Obligation
	2026	\$	382
	2027		197
	2028		151
	2029		78
	2030		78
	Thereafter		524
Total undiscounted lease payments		\$	1,410
Less imputed interest			(207)
Present value of operating lease liabilities		\$	1,203
Operating lease right-of-use asset		\$	1,134

<i>(In thousands)</i>		Year Ended December 31,		
		2025	2024	2023
Lease cost				
Operating lease cost	\$	416	\$ 459	\$ 581
Short-term lease cost		126	55	12
Total lease cost	\$	542	\$ 514	\$ 593
Other information				
Operating cash flows from operating leases	\$	418	\$ 509	\$ 583

		December 31,	
		2025	2024
Weighted -average remaining lease term - operating leases (in years)		8	8
Weighted -average discount rate - operating leases		3.67 %	3.53 %

As of December 31, 2025 and 2024, the undiscounted lease payments were \$1.4 million and \$1.8 million, respectively. The lease payments were not reduced by minimum sublease rentals of \$117 thousand and \$216 thousand due in the future under non-cancelable subleases, respectively.

Rent expense for operating leases is recognized in earnings on a straight-line basis over the base term of the respective lease and is included in the consolidated statement of operations as a component of Occupancy and Equipment expense. For the years ended December 31, 2025, 2024, and 2023, total rent expense for cancellable and non-cancellable operating leases was \$542 thousand, \$514 thousand, and \$593 thousand, respectively.

For the years ended December 31, 2025, 2024, and 2023, Patriot recognized gross rental income of \$323 thousand, \$302 thousand, and \$395 thousand offset by rental costs of \$1 thousand, \$3 thousand, and \$3 thousand, respectively.

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Note 13. Commitments and Contingencies
Employment Agreements

As of December 31, 2025, the Company had a severance agreement for one Executive Vice President that provides for severance equal to 9 months of current salary, and also provides for severance equal to 12 months of current salary, if the Executive officer is terminated within 12 months of a change of control.

Legal Matters

Patriot does not have any pending legal proceedings, other than ordinary routine litigation, incidental to its business, to which Patriot is a party or any of its property is subject. Management is of the opinion that the ultimate disposition of these routine legal matters will not have a material adverse effect on the consolidated financial condition, results of operations, or liquidity of Patriot.

Note 14. Income Taxes

Following is a summary of the components of the federal and state income tax expense (benefit) for each of the years in the three-year period ended December 31, 2025.

(In thousands)	Year Ended December 31,		
	2025	2024	2023
Current:			
Federal	\$ —	\$ (71)	\$ 2,283
State	—	32	474
	—	(39)	2,757
Deferred:			
Federal	34	14,644	(3,347)
State	25	9,180	(864)
	59	23,824	(4,211)
Provision (benefit) for income taxes	\$ 59	\$ 23,785	\$ (1,454)

For each of the years in the three-year period ended December 31, 2025, the difference between the federal statutory income tax rate and Patriot's effective income tax rate reconciles as follows:

(In thousands)	Year Ended December 31,			
	2025	%	2024	2023
Income taxes at statutory Federal rate	\$ (2,657)	21.00%	\$ (3,380)	\$ (1,183)
State taxes, net of Federal benefit(a)	20	(0.16)%	(390)	(309)
Deferred tax valuation allowance	2,679	(21.18)%	27,583	—
Nondeductible expenses	17	(0.13)%	20	13
Other	—		(48)	25
Provision (benefit) for income taxes	\$ 59	(0.47)%	\$ 23,785	\$ (1,454)

(a) State taxes in Connecticut and New York made up the majority (greater than 50%) of the tax effect in this category.

The effective tax (benefit) rate for the years ended December 31, 2025, 2024, and 2023 was (0.47)%, 147.8%, and (25.8)%, respectively. The Company's effective rates were affected by state taxes and non-deductible expenses and the full valuation allowance on the DTAs in 2024.

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Deferred Tax Assets and Liabilities

The significant components of Patriot's net deferred tax (liabilities) assets at December 31, 2025 and 2024 are presented below.

<i>(In thousands)</i>	December 31,	
	2025	2024
Deferred tax assets:		
Federal NOL carryforward benefit	\$ 10,673	\$ 8,800
NOL write-off for Sec 382 Limit	(3,258)	(3,258)
Capitalized cost temporary item	8,450	9,112
State NOL carryforward benefit	4,884	4,276
Unrealized loss AFS securities	4,333	5,259
Allowance for credit loss	1,820	1,944
Lease liabilities	316	404
Non-accrual interest	1,890	1,026
Merger and acquisition	119	133
Accrued expenses	28	44
Goodwill and intangible	297	325
Depreciation of premises and equipment	197	178
Share based compensation	1,233	17
Other	8	8
Gross deferred tax assets	30,992	28,268
Less deferred tax asset valuation allowance	(30,992)	(28,268)
Total deferred tax assets	\$ —	\$ —
Deferred tax liabilities:		
Right-of-use assets	(298)	(385)
Prepaid Expenses	(459)	(334)
Other	(25)	(5)
Gross deferred tax liabilities	(783)	(724)
Net deferred tax (liabilities) assets	\$ (783)	\$ (724)

As of December 31, 2025, Patriot had available approximately \$50.8 million of Federal net operating loss carryforwards ("NOL") that are offset by \$15.5 million in §382 limitations imposed by the Internal Revenue Code. After applying the limitation at December 31, 2025, Patriot has \$35.3 million post-change net operating loss carry-forwards which do not expire. These amounts reflect the Company's existing Section 382 analysis and do not reflect the effect, if any, of ownership changes or additional limitations that may have resulted from the Company's Private Placement or the registered direct offerings completed later in 2025, as no updated Section 382 analysis with respect to those transactions had been completed as of the date of these consolidated financial statements. Because the Company maintained a full valuation allowance against its deferred tax assets at December 31, 2025, management does not expect completion of such analysis to materially affect the net deferred tax asset balance reported in the accompanying Consolidated Balance Sheets as of that date, although it could affect the amount and availability of NOL carryforwards for future periods.

Patriot has approximately \$64.2 million of NOLs available for Connecticut tax purposes at December 31, 2025, which may be used to offset up to 50% of taxable income in any year. The NOLs will expire between 2030 and 2055. In addition, the Company had state net operating loss carryforwards of approximately \$13.4 million in New York and \$1.9 million in New Jersey, which are scheduled to expire in 2044. Furthermore, Patriot had \$1.2 million of NOLs in Florida, which may be carried forward indefinitely. These state NOL amounts likewise do not reflect the effect, if any, of ownership changes or related limitation analyses that may result from the Private Placement or the registered direct offerings completed in 2025.

The deferred tax liabilities are included in accrued expenses and other liabilities on the Consolidated Balance Sheet.

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Valuation Allowance against Deferred Tax Assets

Deferred tax assets are recognized to the extent management believes it is more likely than not that such assets will be realized. Realization of deferred tax assets is dependent upon the generation of future taxable income during periods which temporary differences are expected to be recovered or settled.

Based on our assessment performed in September 2024, we determined that a full valuation allowance was appropriate against the Company's U.S. federal and state deferred tax assets. This resulted in an increase in our income tax expense of approximately \$25.1 million in the third quarter of 2024. The key factor for providing a full valuation allowance was the Company's 3-year cumulative operating losses. As deferred tax assets associated with NOL carryforwards are already a direct reduction to Tier 1 Capital, the valuation allowance at September 30, 2024 resulted in a reduction of Tier 1 Capital of \$19.9 million.

As of December 31, 2025, the Company maintained a full valuation allowance against its deferred tax assets. During the year ended December 31, 2025, management performed its required annual assessment of the realizability of deferred tax assets, including consideration of all available positive and negative evidence. Significant negative evidence included the Company's recent history of operating losses and uncertainty regarding timing and sustainability of future taxable income. Accordingly, management concluded that the full valuation allowance remained appropriate at December 31, 2025, and no release of the valuation allowance was recorded during the year ended December 31, 2025.

The valuation allowance was \$31.0 million and \$28.3 million as of December 31, 2025 and 2024, respectively. Although the Bank returned to profitability at the bank level during 2025, the Company remained unprofitable on a consolidated basis for the year ended December 31, 2025. In light of improved operating performance and current projections, the Company is evaluating whether a full valuation allowance will remain appropriate in future periods. Any future release of all or a portion of the valuation allowance would depend on management's conclusion, based on sufficient positive evidence, that realization of the related deferred tax assets is more likely than not.

Unrecognized tax benefits

Patriot recognizes a benefit from its tax positions only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information.

As of December 31, 2025 and 2024, the Company did not record any uncertain tax position related to the utilization of certain federal net operating losses. As of December 31, 2025 and 2024, Patriot no longer has a liability for unrecognized tax benefits. Additionally, Patriot has no pending or on-going audits in any tax jurisdiction.

The Company's policy is to recognize interest and penalties related to income tax matters in income tax expense.

Patriot's returns for tax years 2022 through 2025 are subject to examination by the IRS for U.S. Federal tax purposes and, for State tax purposes, by the taxing authorities of Connecticut, New York and Florida. In addition, the Company's tax returns for the years ended 2021 through 2025 remain subject to examination by New Jersey.

Note 15. Share-based Compensation

On November 10, 2022, the Board of Directors approved the Amended and Restated 2020 Plan (the "Amended and Restated 2020 Plan"), which was approved and ratified by shareholders of the Company on December 14, 2022. The Amended and Restated 2020 Plan terminated on December 31, 2025. Additional information regarding the Amended and Restated 2020 Plan's background and original terms is included in Note 15 to the consolidated financial statements in the Company's Form 10-K for the year ended December 31, 2024. In March 2025, the Company's Board of Directors approved the 2025 Omnibus Equity Incentive Plan (the "2025 Plan"). The shareholders of the Company ratified the 2025 Plan on June 26, 2025. Details of the 2025 Plan are as described below.

2025 Omnibus Equity Incentive Plan

In connection with the Private Placement, the Company's Board of Directors has approved the 2025 Plan in March 2025. The 2025 Plan received shareholder approval at the shareholders' meeting on June 26, 2025, and became effective on that date. The 2025 Plan is designed to provide the Company with a competitive advantage in attracting, retaining, and motivating officers,

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employees, directors, and consultants by offering incentives directly linked to shareholder value. The Compensation Committee of the Board will administer the Plan.

Under the 2025 Plan, various types of awards can be issued, including Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units (RSUs), Performance Units, and Other Stock-Based Awards, as defined within the 2025 Plan. The maximum number of shares of Common Stock, Options, and/or Stock Appreciation Rights that may be granted under the 2025 Plan is capped at twenty percent (20%) of the total outstanding shares of Common Stock, including both voting and non-voting shares, with a minimum threshold of 10,000,000 shares.

Below table summarizes the Company's share-based compensation activity for the three-year period ended December 31, 2025.

	<u>Amended and Restated 2020 Plan</u>		<u>2025 Plan</u>	
	Number of Shares	Weighted average grant date fair value	Number of Shares	Weighted average grant date fair value
Unvested at December 31, 2022	22,660	\$7.11		
Granted	5,733	\$8.76		
Vested	(10,887)	\$9.63		
Unvested at December 31, 2023	17,506	\$6.09		
Granted	144,458	\$2.98		
Vested	(15,779)	\$7.46		
Forfeited	0	\$—		
Unvested at December 31, 2024	146,185	\$2.87	—	\$—
Granted	0	\$—	11,678,361	\$1.13
Vested	(10,758)	\$6.22	3,633,749	\$1.06
Forfeited	(127,298)	\$3.09	—	\$—
Unvested at December 31, 2025	8,129	\$4.37	8,044,611	\$1.16

Awards granted under the 2025 Plan are in the form of Restricted Stock Units (RSUs). The share amounts presented in the table above reflect the number of RSUs granted and vested, where vested amounts represent RSUs for which the vesting conditions were satisfied during the period; no RSUs granted under the 2025 Plan settled into shares of Common Stock during the year ended December 31, 2025.

The Company recognizes share based compensation expense on a straight-line basis over the vesting schedule of each award, for each vesting portion of an award equal to its grant date fair value. For the years ended December 31, 2025, 2024, and 2023, the Company recognized total share-based compensation expense of \$5.2 million, \$184 thousand, and \$105 thousand, respectively.

The share-based compensation expense attributable to the Company's Directors totaled \$516 thousand, \$48 thousand, and \$49 thousand for the years ended December 31, 2025, 2024, and 2023, respectively. For each of those years, the Directors received total compensation of \$1.6 million, \$214 thousand, and \$259 thousand, respectively, and these amounts are included in Other Operating Expenses in the Consolidated Statements of Operations.

For the years ended December 31, 2025, 2024, and 2023, share-based compensation expense attributable to employees of Patriot was \$4.7 million, \$136 thousand, and \$56 thousand, respectively.

Unrecognized compensation expense attributable to the unvested restricted shares outstanding as of December 31, 2025 amounted to \$8.1 million, which amount is expected to be recognized over the weighted average remaining life of the awards of 1.8 years.

Stock Options

On June 26, 2025, the Company granted stock options to purchase 400,000 shares of Common Stock at an exercise price of \$1.40 per share. The options vest and become exercisable starting on the grant date, subject to the terms and conditions outlined in the 2025 Plan and award agreement, including any applicable acceleration provisions.

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The total estimated compensation expense related to these stock options for the year ended December 31, 2025 was \$44 thousand. The expense is recorded in employee compensation costs on the Consolidated Statements of Operations.

The Company accounts for stock-based compensation in accordance with ASC 718, "Compensation—Stock Compensation." The fair value of the stock options granted is estimated on the grant date using an appropriate valuation model, such as the Black-Scholes model, and is recognized as an expense over the vesting period. Key assumptions used in estimating the fair value of the options include the expected volatility of the Company's stock, the risk-free interest rate, the expected dividend yield, and the expected term of the options. These assumptions are based on historical data and market conditions at the time of the grant.

Note 16. Shareholders' Equity
Earnings per Share

The Company is required to present basic earnings per share and diluted earnings per share in its consolidated statements of operations. Basic earnings per share amounts are computed by dividing net income by the weighted average number of shares of common stock outstanding. Diluted earnings per share reflects additional shares of common stock that would have been outstanding if potentially dilutive shares of common stock had been issued, as well as any adjustment to income that would result from the assumed issuance. Potential shares of common stock that may be issued by the Company relate to the outstanding unvested RSAs, RSUs, and options granted to directors and employees. The dilutive effect resulting from these potential shares is determined using the treasury stock method. The Company is also required to provide a reconciliation of the numerator and denominator used in the computation of both basic and diluted earnings per share.

The following is a summary of the computation of basic and diluted earnings per share for each of the years in the three-year period ended December 31, 2025.

<i>(In thousands, except shares)</i>	Year ended December 31,		
	2025	2024	2023
<u>Basic (loss) earnings per share:</u>			
Net (loss) income attributable to common shareholders	\$ (12,710)	\$ (39,882)	\$ (4,179)
<u>Divided by:</u>			
Weighted average shares outstanding	76,812,476	3,976,224	3,965,324
Basic (loss) earnings per common share	\$ (0.17)	\$ (10.03)	\$ (1.05)
<u>Diluted (loss) earnings per share:</u>			
Net (loss) income attributable to common shareholders	\$ (12,710)	\$ (39,882)	\$ (4,179)
Weighted average shares outstanding	76,812,476	3,976,224	3,965,324
Potentially dilutive securities(a)	—	—	—
<u>Divided by:</u>			
Weighted average diluted shares outstanding	76,812,476	3,976,224	3,965,324
Diluted (loss) earnings per common share	\$ (0.17)	\$ (10.03)	\$ (1.05)

(a) The weighted average diluted shares outstanding does not include anti-dilutive restricted shares of common stock of 10,000,970, 40,473, and 11,438 for the years ended December 31, 2025, 2024, and 2023.

Common Stock

On March 20, 2025, the Company entered into (i) securities purchase agreements (the "Co-Lead Investors Agreements") with its President and director, Steven Sugarman (the "Lead Party"), and three co-lead investors (the "Co-Lead Investors"), and (ii) securities purchase agreements (the "Purchasers Agreements", and together with the Co-Lead Investors Agreements, the "Securities Purchase Agreements") with other accredited investors (collectively, and together with the Co-Lead Investors and the Lead Party, the "Purchasers").

Also on March 20, 2025, the Company completed a \$57.75 million private placement resulting in the issuance of 60,400,106 shares of the Company's common stock, par value \$0.01 per share ("Common Stock"), at a purchase price of \$0.75 per share.

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In addition, as part of the Private Placement, on March 20, 2025, the Company's amendments to (i) 6.25% Fixed to Floating Subordinated Note due June 30, 2028 (the "Subordinated Note"), and (ii) 8.5% Fixed Rate Senior Notes Due 2026 (the "Senior Notes" and together with the Subordinated Note, the "Notes") became effective and noteholders converted approximately \$7.0 million of the aggregate principal amount of the Notes into 9,333,334 shares of Common Stock.

The amendment to the Subordinated Note provides that the interest on the Subordinated Note will be paid-in-kind ("PIK") and the aggregate outstanding principal amount of the Subordinated Note will be automatically increased on each interest payment date by the amount of such PIK interest for all accrued and unpaid interest payments as of the closing date of the Private Placement and for future scheduled interest payments owed through and including the March 30, 2026 interest payment date. In addition, pursuant to such amendment, the noteholder agreed to convert \$2.0 million of the outstanding principal amount of the Subordinated Note into shares of Common Stock effective on the closing date of the Private Placement.

On May 13, 2025, two note holders of the Senior Notes converted \$1.90 million of the aggregate principal and interests of the Notes into 2,529,275 shares of common stock.

On June 3, 2025, the Company entered into a Securities Purchase Agreement with accredited investors, facilitating a registered direct offering. The Company issued and sold 8,524,160 shares of its common stock, at a price of \$1.25 per share. The net proceeds of the offering was approximately \$10.47 million after estimated expenses.

On July 25, 2025, Unity Bancorp Inc. provided the Company with formal notice of its desire to convert 100% of its outstanding principal balance and accrued unpaid interest of its Amended Senior Note, in an aggregate amount of \$2.0 million, into 2,673,369 shares of the Company's common stock, par value \$0.01 per share at \$0.75 per share. On July 26, 2025, American Bank Incorporated provided the Company with formal notice of its desire to convert 100% of its outstanding principal balance and accrued unpaid interest of its Amended Senior Note, in an aggregate amount of approximately \$0.8 million, into 1,071,258 shares of Common Stock at \$0.75 per share.

On August 29, 2025, the Company entered into a stock purchase agreement and a separate warrant purchase agreement with certain accredited Investors, pursuant to which the Company agreed to issue and sell, in a registered direct offering by the Company directly to the Investors (the "Offering"), an aggregate of 31,985,103 shares of the Company's common stock (the "Shares". The Shares consist of (a) 19,196,000 shares of the Company's voting Common Stock ("Voting Common Stock"), and (b) 12,789,103 shares of the Company's non-voting Common Stock (the "Non-Voting Common Stock") that will be issuable six months after closing of the Offering upon exercise of three-year warrants (the "Warrants"). Upon such Warrant holders or their assignees meeting certain conditions (the "Non-Control Conditions"), the Non-Voting Common Stock may be exchanged for shares of Voting Common Stock. The Shares will be sold to the investors at a price per share of \$1.25 per Share and the Warrants will be sold to investors at a price of \$0.125 per warrant share. The Warrants are exercisable no earlier than six months after the closing of the Offering at an exercise price of \$1.56 per share, subject to increase to as much as \$1.685 per share under certain conditions. The proceeds from the Offering, prior to deducting the estimated offering expenses, are expected to be approximately \$25.6 million. Estimated offering expenses are \$250 thousand.

Patriot's authorized common stock consists of 200,000,000 shares have a \$0.01 par value, with 115,070,413 and 4,065,593 shares issued as of December 31, 2025 and 2024, respectively. Common stock shares outstanding were 114,996,672 and 3,991,852 as of December 31, 2025 and 2024, respectively.

Preferred Stock

On March 20, 2025, as part of the private placement, the Company issued 90,832 shares of its Series A Non-Cumulative Perpetual Convertible Preferred Stock (the "Series A Preferred Stock"). The Series A Preferred Stock has no par value and a liquidation preference of \$60 per share. The gross proceeds from the issuance of the Series A Preferred Stock totaled \$5.45 million.

On July 3, 2025, the Series A Preferred Stock was converted into 7,266,560 shares of the Company's Non-Voting Common Stock.

No preferred shares authorized, issued or outstanding as of December 31, 2025 and 2024.

Dividends

The Company did not pay any dividends for the year ended December 31, 2025, 2024, and 2023.

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Note 17. 401(k) Savings Plan

Patriot offers employees participation in the Patriot Bank, N.A. 401(k) Savings Plan (the "401(k) Plan") under Section 401(k) of the Internal Revenue Code, along with the ROTH feature to the Plan. The 401(k) Plan covers substantially all employees who have completed one month of service, are 21 years of age and who elect to participate. Under the terms of the 401(k) Plan, participants can contribute up to the maximum amount allowed, subject to Federal limitations. At its discretion, Patriot may match eligible participating employee contributions at the rate of 50% of the first 6% of the participants' salary contributed to the 401(k) Plan. Eligibility for matching contributions is dependent on an employee's completing six consecutive month(s) of service or 500 hours of employment. Participants immediately vest in Patriot's matching contributions, if applicable. During the years ended December 31, 2025, 2024, and 2023, Patriot made matching contributions to the 401(k) Plan of \$227 thousand, \$284 thousand, and \$278 thousand, respectively.

Note 18. Financial Instruments with Off-Balance-Sheet Risk

In the ordinary course of business, the Bank is a party to financial instruments with off-balance-sheet risk to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit, which involve, to varying degrees, elements of credit and interest rate risk in excess of the amounts recognized in the balance sheet. The contractual amounts of these instruments reflect the extent of involvement Patriot has in particular classes of financial instruments.

The contractual amounts of commitments to extend credit and standby letters of credit represent the maximum amount of potential accounting loss should: the contract be fully drawn upon; the customer default; and the value of any existing collateral becomes worthless. Patriot applies its credit policies to entering commitments and conditional obligations and, as with its lending activities, evaluates each customer's creditworthiness on a case-by-case basis. Management believes that it effectively mitigates the credit risk of these financial instruments through its credit approval processes, establishing credit limits, monitoring the on-going creditworthiness of recipients and grantees, and the receipt of collateral as deemed necessary.

At December 31, 2025 and 2024, financial instruments with credit risk are as follows:

<i>(In thousands)</i>	December 31,	
	2025	2024
<u>Commitments to extend credit:</u>		
Unused lines of credit	\$ 59,567	\$ 61,910
Undisbursed construction loans	—	860
Home equity lines of credit	9,193	24,476
Future loan commitments	—	325
	<u>\$ 68,760</u>	<u>\$ 87,571</u>

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments to extend credit generally have fixed expiration dates or other termination clauses and may require payment of a fee by the borrower. Since these commitments could expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The amount of collateral obtained, if deemed necessary upon extending credit, is based on management's credit evaluation of the customer. Collateral held varies, but may include commercial property, residential property, deposits, and securities. The Bank has established an allowance for credit loss of \$80 thousand and \$182 thousand as of December 31, 2025 and 2024, respectively, which is included in accrued expenses and other liabilities on the Consolidated Balance Sheet.

Standby letters of credit are written commitments issued by the Bank to guarantee the performance of a customer to a third party. The credit risk involved in issuing standby letters of credit is essentially the same as that involved in extending loan facilities to customers. Guarantees that are not derivative contracts are recorded at fair value and included in the Consolidated Balance Sheet.

As of December 31, 2025, the Bank has an irrevocable stand-by letter of credit for a maximum of \$55 million, issued by the Federal Home Loan Bank of Boston on behalf of the Bank, with Mastercard as the beneficiary, which expires on April 30, 2026.

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Note 19. Regulatory and Operational Matters

Federal and state regulatory authorities have adopted standards requiring financial institutions to maintain increased levels of capital. Effective January 1, 2015, federal banking agencies imposed four minimum capital requirements on a community bank's risk-based capital ratios consisting of Total Capital, Tier 1 Capital, Common Equity Tier 1 ("CET1") Capital, and a Tier 1 Leverage Capital ratio. The risk-based capital ratios measure the adequacy of a bank's capital against the riskiness of its on- and off-balance sheet assets and activities. Failure to maintain adequate capital is a basis for "prompt corrective action" or other regulatory enforcement action. In assessing a bank's capital adequacy, regulators also consider other factors such as interest rate risk exposure, liquidity, funding and market risks, quality and level of earnings, concentrations of credit, quality of loans and investments, nontraditional activity risk, policy effectiveness, and management's overall ability to monitor and control risk.

Under the instituted regulatory framework, to be considered "well capitalized", a financial institution must generally have a Total Capital ratio of at least 10%, a Tier 1 Capital ratio of at least 8.0%, a CET1 Capital ratio at least 6.5%, and a Tier 1 Leverage Capital ratio of at least 5%. However, regardless of a financial institution's ratios, the OCC may require increased capital ratios or impose dividend restrictions based on the other factors it considers in assessing a bank's capital adequacy. Under the final capital rules that became effective on January 1, 2015, there was a requirement for a CET1 capital conservation buffer of 2.5% of risk-weighted assets, which is in addition to the other minimum risk-based capital standards in the rule. Institutions that do not maintain this required capital buffer become subject to progressively more stringent limitations on the percentage of earnings that may be distributed to shareholders or used for stock repurchases and on the payment of discretionary bonuses to senior executive management. The capital conservation buffer of 2.5% has been included in the minimum capital adequacy ratios as of December 31, 2025 and 2024.

On April 17, 2024, based on its supervisory profile, the Bank was notified by the OCC that it established individual minimum capital ratios ("IMCR") for the Bank. Specifically, the Bank is required to maintain the following ratios: a common equity tier 1 capital ratio of 10.00%, a Tier 1 capital ratio of 10.00%, a Tier 1 leverage ratio of 9.00% and a total capital ratio of 11.50%. As of December 31, 2025, the Bank has met all of its regulatory capital requirements. As of the year ended December 31, 2024, the Bank did not meet all of its regulatory capital requirements.

On January 14, 2025, the Bank entered into Formal Agreement, pursuant to which the Bank agreed, through its board of directors to take certain actions in the areas of strategic planning, capital planning, Bank Secrecy Act / Anti-Money Laundering risk management, payment activities oversight, credit administration and concentrations risk management. The Bank's Board appointed a Compliance Committee in January 2025, as required, to oversee the progress and compliance with the Formal Agreement.

On January 17, 2025, the OCC notified the Bank that, in connection with the entry into the Formal Agreement, the individual minimum capital ratios previously established on April 17, 2024 for the Bank had terminated. The same minimum capital ratios were re-established within the Formal Agreement under its Capital Plan and Higher Minimums Articles so that all capital requirements are governed by the Formal Agreement. Under these provisions, the Bank must maintain, on an ongoing basis, a common equity tier 1 capital ratio of 10.00%, a Tier 1 capital ratio of 10.00%, a Tier 1 leverage ratio of 9.00% and a total capital ratio of 11.50%.

The Bank has been working to address each of the items identified in the Formal Agreement. The Company completed the Private Placement in March 2025, which was critical to address the Capital Plan and Higher Minimums Articles and pivotal to the Strategic Plan Article in the Formal Agreement. Certain proceeds from the Private Placement were contributed to the Bank as additional capital and brought the Bank into compliance with the minimum capital ratios required under the Formal Agreement. Among other efforts, the Company has completed two additional equity issuances in 2025, in furtherance of its obligations under the Capital Plan and Higher Minimums Articles and the Strategic Plan Article in the Formal Agreement.

As of December 31, 2025, the Bank's capital ratios remain in excess of the minimums required by the Formal Agreement. Although the Bank's capital ratios are exceeding both standard "well capitalized" levels and the higher minimums set forth in the Formal Agreement, the Bank remains classified as "adequately capitalized" rather than "well capitalized" due to the specific terms of that agreement.

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The Company and Bank's regulatory capital amounts and ratios at December 31, 2025 and 2024 are summarized as follows:

	December 31, 2025				December 31, 2024			
	Patriot National Bancorp, Inc.		Patriot Bank, N.A.		Patriot National Bancorp, Inc.		Patriot Bank, N.A.	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
<i>(Dollar amounts in thousands)</i>								
Total Capital (to risk weighted assets):								
Actual	\$ 129,587	20.76 %	\$ 120,329	19.25 %	\$ 44,534	6.07 %	\$ 56,536	7.71 %
To be Well Capitalized(a)	—	—	62,516	10.00 %	—	—	73,309	10.00 %
For capital adequacy	49,934	8.00 %	50,013	8.00 %	58,667	8.00 %	58,648	8.00 %
Individual minimum capital ratio	—	—	71,894	11.50 %	—	—	84,306	11.50 %
Tier 1 Capital (to risk weighted assets):								
Actual	117,567	18.84 %	116,657	18.66 %	33,545	4.57 %	55,546	7.58 %
To be Well Capitalized(a)	—	—	50,013	8.00 %	—	—	58,648	8.00 %
For capital adequacy	37,450	6.00 %	37,510	6.00 %	44,001	6.00 %	43,986	6.00 %
Individual minimum capital ratio	—	—	62,516	10.00 %	—	—	73,309	10.00 %
Common Equity Tier 1 Capital (to risk weighted assets):								
Actual	109,567	17.55 %	116,657	18.66 %	25,545	3.48 %	55,546	7.58 %
To be Well Capitalized(a)	—	—	40,636	6.50 %	—	—	47,651	6.50 %
For capital adequacy	28,088	4.50 %	28,132	4.50 %	33,000	4.50 %	32,989	4.50 %
Individual minimum capital ratio	—	—	62,516	10.00 %	—	—	73,309	10.00 %
Tier 1 Leverage Capital (to average assets):								
Actual	117,567	11.52 %	116,657	11.42 %	33,545	3.50 %	55,546	5.79 %
To be Well Capitalized(a)	—	—	51,097	5.00 %	—	—	47,948	5.00 %
For capital adequacy	40,835	4.00 %	40,878	4.00 %	38,368	4.00 %	38,358	4.00 %
Individual minimum capital ratio	—	—	91,975	9.00 %	—	—	86,306	9.00 %

(a) Designation as "Well Capitalized" does not apply to bank holding companies - the Company. Such categorization of capital adequacy only applies to insured depository institutions - the Bank. Under the terms of the Formal Agreement, the Bank is not eligible to be "Well Capitalized" while the Formal Agreement continues in effect and is designated as "Adequately Capitalized" regardless of its capital ratios being in excess of the regulatory defined Well Capitalized ratios.

Note 20. Related Party Transactions

The Company and the Bank engage in transactions with related parties in the ordinary course of business. For purposes of this note, related parties include the Company's directors and executive officers, their immediate family members, and entities over which such persons exercise control or significant influence, as defined under ASC Topic 850, Related Party Disclosures.

Loans and Extensions of Credit

No extensions of credit to related parties, as defined under ASC 850, were outstanding as of December 31, 2025 or 2024.

The following describes a related party debt transaction completed during 2025 that had no outstanding balance as of December 31, 2025.

Note Conversion — Michael Carrazza / Solaia Capital Holdings LLC

Michael A. Carrazza serves as a director on the Board of the Company. Mr. Carrazza also serves as manager of Solaia Capital Holdings LLC ("Solaia Capital"), an entity in which he holds a material ownership interest.

In May 2025, Solaia Capital purchased from Fall River Five Cents Savings Bank the outstanding principal balance and accrued unpaid interest of \$649 thousand (the "Transferred Note") of the Company's 8.5% Fixed Rate Senior Notes Due January 15, 2026 (the "Senior Notes"). Solaia Capital thereafter elected to convert the Transferred Note into shares of the Company's common stock

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pursuant to the terms of an amendment to the Senior Notes previously approved by the Board of Directors, which provided holders of the Senior Notes the right to voluntarily convert outstanding principal and accrued interest into common stock at a conversion price of \$0.75 per share. Upon conversion, the Company issued 865,990 shares of its common stock to Solaia Capital, extinguishing the \$649 thousand outstanding obligation under the Transferred Note. The conversion price of \$0.75 per share was the same price at which the Company issued shares of common stock to all investors in its March 20, 2025 private placement.

The transaction was reviewed and approved by the Audit Committee of the Board of Directors prior to consummation, and was thereafter approved by the unanimous written consent of the full Board of Directors on May 11, 2025, with Mr. Carrazza participating in his capacity as a director. The Company believes the transaction was effected on terms no less favorable to the Company than those available from unaffiliated noteholders, given that the conversion price was consistent with the terms available to all converting noteholders and with the March 2025 private placement pricing.

Deposit Accounts

The Bank accepts deposits from related parties on terms no more favorable than those offered to similarly situated non-affiliated depositors, including with respect to interest rates, fees, and minimum balance requirements. Related party deposit balances as of December 31, 2025 and December 31, 2024 were approximately \$2.2 million and \$63 thousand, respectively. The aggregate related party deposit balances are included in total deposits in the accompanying Consolidated Balance Sheets.

Note 21. Fair Value and Interest Rate Risk

Patriot measures the carrying value of certain financial assets and liabilities at fair value, as required by its policies as a financial institution and by US GAAP. The carrying values of certain assets and liabilities are measured at fair value on a recurring basis, such as available-for-sale securities; while other assets and liabilities are measured at fair value on a non-recurring basis due to external factors requiring management's judgment to estimate potential losses of value resulting in asset impairments or the establishment of valuation reserves. Measuring assets and liabilities at fair value may result in fluctuations to carrying value that have a significant impact on the results of operations or other comprehensive income for the period and period over period.

Following is a detailed summary of the guidance provided by US GAAP regarding the application of fair value measurements and Patriot's application thereof. Additionally, the following information includes detailed summaries of the effects fair value measurements have on the carrying amounts of asset and liabilities presented in the consolidated financial statements.

The objective of fair value measurement is to value an asset that may be sold or a liability that may be transferred at the estimated value which might be obtained in a transaction between unrelated parties under current market conditions. US GAAP establishes a framework for measuring assets and liabilities at fair value, as well as certain financial instruments classified in equity. The framework provides a fair value hierarchy, which prioritizes quoted prices in active markets for identical assets and liabilities and minimizes unobservable inputs, which are inputs for which market data are not available and that are developed by management using the best information available to develop assumptions about the value market participants might place on the asset to be sold or liability to be transferred.

The three levels of the fair value hierarchy consist of:

- Level 1 Unadjusted quoted market prices for identical assets or liabilities in active markets that the entity has ability to access at the measurement date (such as active exchange-traded equity securities and certain U.S. and government agency debt securities).
- Level 2 Observable inputs other than quoted prices included in Level 1, such as:
 - Quoted prices for similar assets or liabilities in active markets (such as U.S. agency and government sponsored mortgage-backed securities)
 - Quoted prices for identical or similar assets or liabilities in less active markets (such as certain U.S. and government agency debt securities, and corporate and municipal debt securities that trade infrequently)
 - Other inputs that are observable for substantially the full term of the asset or liability (i.e. interest rates, yield curves, prepayment speeds, default rates, etc.).
- Level 3 Valuation techniques that require unobservable inputs that are supported by little or no market activity and are significant to the fair value measurement of the asset or liability (such as pricing and discounted cash flow models that typically reflect management's estimates of the assumptions a market participant would use in pricing the asset or liability).

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A description of the valuation methodologies used for assets and liabilities recorded at fair value, and for estimating fair value for financial and non-financial instruments not recorded at fair value, is set forth below.

Cash and due from banks, restricted cash, and accrued interest receivable and payable

The carrying amount is a reasonable estimate of fair value and accordingly these are classified as Level 1. These financial instruments are not recorded at fair value on a recurring basis.

Available-for-sale securities

The fair value of securities available-for-sale (carried at fair value) are determined by obtaining quoted market prices on nationally recognized securities exchanges (Level 1), or matrix pricing (Level 2), which is a mathematical technique used widely in the industry to value debt securities without relying exclusively on quoted market prices for the specific securities, but rather by relying on the securities' relationship to other benchmark quoted prices, or using unobservable inputs employing various techniques and assumptions (Level 3).

Other Investments

The Bank's investment portfolio includes the Solomon Hess SBA Loan Fund, which is utilized by the Bank to satisfy its Community Reinvestment Act ("CRA") lending requirements. As this fund operates as a private fund, shares in the fund are not publicly traded but may be redeemed with 60 days' notice at cost. For that reason, the carrying amount was considered comparable to fair value at both December 31, 2025 and 2024 due to its short-term nature.

Federal Reserve Bank Stock and Federal Home Loan Bank Stock

Shares in the FRB and FHLB are purchased and redeemed based upon their \$100 par value. The stocks are non-marketable equity securities, and as such, are considered restricted securities that are carried at cost.

Loans

The fair value of loans are estimated by discounting the future cash flows using the rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities. We estimate the fair value of our loan portfolio using an exit price notion. The exit price notion requires determination of the price at which willing market participants would transact at the measurement date under current market conditions depending on facts and circumstances, such as origination rates, credit risk, transaction costs, liquidity, national and regional market trends and other adjustments, utilizing publicly available rates and indices. The application of an exit price notion requires the use of significant judgment.

Loans Held for Sale

The fair value of loans held for sale is estimated by using a market approach that includes prices for loans sold awaiting settlement and other observable inputs. The Company has determined that the inputs used to value the loans held for sale fall within Level 2 of the fair value hierarchy.

Servicing Asset

Servicing assets do not trade in an active, open market with readily observable prices. The Company estimates the fair value of servicing assets using discounted cash flow models incorporating numerous assumptions from the perspective of a market participant including market discount rates and prepayment speeds. Due to the significant unobservable input related to the servicing rights, the servicing asset is classified within Level 3 of the valuation hierarchy.

Retained Beneficial Interest

The Company retained its rights to sold loans under a loss share agreement and did not transfer such rights to the loan purchasers. Accordingly, the Company has continuing involvement in the transferred financial assets. The retained interest is recognized as a separate asset and represents the present value of expected future reimbursements. The fair value of this asset is estimated using a discounted cash flow methodology that incorporates significant unobservable inputs, including expected credit losses, timing of

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cash flows, and appropriate discount rates. Due to the use of these unobservable inputs, the asset is classified as a Level 3 measurement within the fair value hierarchy in accordance with ASC 820.

The Company evaluates the retained interest on a recurring basis for changes in expected cash flows and records adjustments to fair value as necessary. Changes in the fair value of the retained interest are recognized in earnings in the period in which they occur.

Derivative asset (liability) - Interest Rate Swaps

The Company's derivative assets and liabilities consist of transactions as part of management's strategy to manage interest rate risk. The valuation of interest rate swap agreements does not contain any counterparty risk. The valuation of the Company's interest rate swaps is obtained from a third-party pricing service and is determined using a discounted cash flow analysis on the expected cash flows of each derivative. The pricing analysis is based on observable inputs for the contractual terms of the derivatives, including the period to maturity and interest rate curves. The Company has determined that the inputs used to value its interest rate derivatives fall within Level 2 of the fair value hierarchy. See Notes 1 and 11 for additional disclosures on derivatives.

Deposits

The fair value of demand deposits, regular savings and certain money market deposits is the amount payable on demand at the reporting date.

The fair value of certificates of deposit and other time deposits is estimated using a discounted cash flow calculation that applies interest rates currently being offered for deposits of similar remaining maturities, estimated using local market data, to a schedule of aggregated expected maturities on such deposits. Patriot does not record deposits at fair value on a recurring basis.

Senior Notes, Subordinated Notes, Junior Subordinated Debt and Note Payable

Patriot does not record senior notes at fair value on a recurring basis. The fair value of the senior notes was estimated by discounting future cash flows at rates at which similar notes would be made. The carrying value is considered comparable to fair value.

Patriot does not record subordinated notes at fair value on a recurring basis. The fair value of the subordinated notes was estimated by discounting future cash flows at rates at which similar notes would be made. The carrying value is considered comparable to fair value.

Patriot does not record junior subordinated debt at fair value on a recurring basis. Junior subordinated debt reprices quarterly, as a result, the carrying amount is considered a reasonable estimate of fair value.

The Company considers its own credit worthiness in determining the fair value of its senior Notes, subordinated notes, notes payable and junior subordinated debt.

Federal Home Loan Bank, Federal Reserve Bank and Correspondent Bank Borrowings

The fair value of FHLB advances, FRB and other correspondent bank borrowings are estimated using a discounted cash flow calculation that applies current interest rates for advances of similar maturity to a schedule of maturities of such advances. Patriot does not record FHLB advances, FRB and other correspondent bank borrowings at fair value on a recurring basis.

Off-balance-sheet financial instruments

Off-balance-sheet financial instruments are based on interest rate changes and fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreements and the counterparties' credit standing. The off-balance-sheet financial instruments (i.e., commitments to extend credit) are insignificant and are not recorded on a recurring basis.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
Notes to consolidated financial statements

The following table provides a comparison of the carrying amounts and estimated fair values of Patriot's financial assets and liabilities as of December 31, 2025 and 2024:

(In thousands)	Fair Value Hierarchy	December 31, 2025		December 31, 2024	
		Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Financial Assets:					
Cash and noninterest bearing balances due from banks	Level 1	\$ 2,411	\$ 2,411	\$ 3,295	\$ 3,295
Interest-bearing deposits due from banks	Level 1	183,980	183,980	144,273	144,273
Restricted cash	Level 1	20,736	20,736	15,042	15,042
Available-for-sale securities	Level 2	212,950	212,950	68,869	68,869
Available-for-sale securities	Level 3	11,727	11,727	11,123	11,123
Other investments	Level 2	—	—	4,450	4,450
Federal Reserve Bank stock	Level 2	2,961	2,961	1,377	1,377
Federal Home Loan Bank stock	Level 2	679	679	779	779
Loans receivable, net	Level 3	585,723	571,015	700,167	675,901
Loans held for sale	Level 2	24,513	24,513	15,702	15,702
Servicing assets	Level 3	660	652	766	852
Other real estate owned	Level 2	—	—	2,843	2,843
Accrued interest receivable	Level 2	4,869	4,869	5,488	5,488
Retained beneficial interest	Level 3	518	518	—	—
Interest rate swap receivable	Level 2	39	39	83	83
Financial assets, total		\$ 1,051,675	\$ 1,037,050	\$ 974,257	\$ 950,077
Financial Liabilities:					
Demand deposits	Level 2	\$ 106,766	\$ 106,766	\$ 119,212	\$ 119,212
Negotiable order of withdrawal accounts	Level 2	24,281	24,281	31,549	31,549
Savings deposits	Level 2	38,036	38,036	38,743	38,743
Interest bearing DDA	Level 2	172,527	172,527	205,995	205,995
Money market deposits	Level 2	191,177	191,177	262,023	262,023
Time deposits	Level 2	266,256	266,262	239,373	239,077
Brokered deposits	Level 1	150,502	144,556	69,702	69,435
FHLB, FRB and correspondent bank borrowings	Level 2	—	—	3,000	3,000
Senior notes	Level 2	—	—	11,861	11,677
Subordinated debt	Level 2	8,289	8,102	9,898	9,575
Junior subordinated debt owed to unconsolidated trust	Level 2	8,157	8,157	8,147	8,147
Note payable	Level 3	—	—	162	158
Accrued interest payable	Level 2	615	615	1,417	1,417
Interest rate swap liability	Level 2	39	39	83	83
Financial liabilities, total		\$ 966,645	\$ 960,435	\$ 1,001,165	\$ 1,000,091

The carrying amount of cash and non-interest-bearing balances due from banks, interest-bearing deposits due from banks, and demand deposits approximates fair value, due to the short-term nature and high turnover of these balances. These amounts are included in the table above for informational purposes.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
Notes to consolidated financial statements

In the normal course of its operations, Patriot assumes interest rate risk (i.e., the risk that general interest rate levels will fluctuate). As a result, the fair value of Patriot's financial assets and liabilities are affected when interest market rates change, which change may be either favorable or unfavorable. Management attempts to mitigate interest rate risk by matching the maturities of its financial assets and liabilities. However, borrowers with fixed rate obligations are less likely to prepay their obligations in a rising interest rate environment and more likely to prepay their obligations in a falling interest rate environment. Conversely, depositors receiving fixed rates are more likely to withdraw funds before maturity in a rising interest rate environment and less likely to do so in a falling interest rate environment. Management monitors market rates of interest and the maturities of its financial assets and financial liabilities, adjusting the terms of new loans and deposits in an attempt to minimize interest rate risk. Additionally, management mitigates its overall interest rate risk through its available funds investment strategy.

The following tables detail the financial assets measured at fair value on a recurring basis and the valuation techniques utilized relative to the fair value hierarchy, as of December 31, 2025 and 2024.

<i>(In thousands)</i>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
December 31, 2025:				
U. S. Government agency and MBS	\$ —	\$ 204,068	\$ —	\$ 204,068
Corporate bonds	—	1,736	11,727	13,463
Subordinated notes	—	3,752	—	3,752
SBA loan pools	—	3,394	—	3,394
Available-for-sale securities	\$ —	\$ 212,950	\$ 11,727	\$ 224,677
Retained beneficial interest	\$ —	\$ —	\$ 518	\$ 518
Interest rate swap receivable	\$ —	\$ 39	\$ —	\$ 39
Interest rate swap liability	\$ —	\$ 39	\$ —	\$ 39
December 31, 2024:				
U. S. Government agency and MBS	\$ —	\$ 60,223	\$ —	\$ 60,223
Corporate bonds	—	1,612	11,123	12,735
Subordinated notes	—	3,461	—	3,461
SBA loan pools	—	3,573	—	3,573
Municipal bonds	—	—	—	—
Available-for-sale securities	\$ —	\$ 68,869	\$ 11,123	\$ 79,992
Interest rate swap receivable	\$ —	\$ 83	\$ —	\$ 83
Interest rate swap liability	\$ —	\$ 83	\$ —	\$ 83

Patriot measures certain financial assets and financial liabilities at fair value on a non-recurring basis. When circumstances dictate (e.g., impairment of long-lived assets, other than temporary impairment of collateral value), the carrying values of such financial assets and financial liabilities are adjusted to fair value or fair value less costs to sell, as may be appropriate.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
Notes to consolidated financial statements

As of December 31, 2025, four corporate bonds were classified as Level 3 instruments. The fair values of these securities were determined using a present value approach. The discount rate assumed was determined based on unobservable inputs in a pricing model. During the years ended December 31, 2025, 2024, and 2023, the Company had no transfers into or out of Levels 1, 2 or 3.

The reconciliation of the beginning and ending balances for Level 3 available-for-sale securities for the years ended December 31, 2025, 2024, and 2023 is as follows:

<i>(In thousands)</i>	Year Ended December 31,		
	2025	2024	2023
Level 3 fair value, beginning of period	\$ 11,123	\$ 10,262	\$ 9,427
Purchases	—	—	—
Realized gain (loss)	—	—	—
Unrealized gain (loss)	604	861	835
Transfers in and /or out of Level 3	—	—	—
Level 3 fair value, end of period	<u>\$ 11,727</u>	<u>\$ 11,123</u>	<u>\$ 10,262</u>

The table below presents the valuation methodology and unobservable inputs for level 3 assets measured at fair value on a non-recurring basis as of December 31, 2025 and 2024:

<i>(In thousands)</i>	Fair Value	Valuation Methodology	Unobservable Inputs	Range of Inputs		
December 31, 2025:						
Individually evaluated loans, net	\$ 10,394	Real Estate Appraisals	Discount for appraisal type	8%	-	14%
Servicing assets	652	Discounted Cash Flows	Market discount rates	10%	-	15%
Retained beneficial interest(a)	\$ 518	Discounted Cash Flows	Market discount rates	10%	-	15%
			Loss projections (% exposure)	10%	-	20%
			Claim timing (months)	9 months	-	18 months
December 31, 2024:						
Individually evaluated loans, net	\$ 24,552	Real Estate Appraisals	Discount for appraisal type	5.8%	-	20%
Servicing assets	852	Discounted Cash Flows	Market discount rates	14.73 %	-	14.90 %

(a) Loss projections applied in the discounted cash flow analysis ranged from approximately 10% to 20%, with lower loss assumptions applied to stronger credits and higher loss assumptions applied to loans with elevated credit risk, weighted average of approximately 15%. Claim timing assumptions ranged from approximately 9 to 18 months, with shorter timeframes applied to loans expected to resolve more quickly and longer timeframes applied to loans requiring extended workout or recovery periods, weighted average of approximately 12 months.

Patriot discloses fair value information about financial instruments, whether or not recognized in the consolidated balance sheet, for which it is practicable to estimate that value. Certain financial instruments are excluded from disclosure requirements and, accordingly, the aggregate fair value amounts presented do not necessarily represent the complete underlying value of financial instruments included in the consolidated financial statements.

The estimated fair value amounts have been measured as of December 31, 2025 and 2024 and have not been reevaluated or updated for purposes of these consolidated financial statements subsequent to those respective dates. As such, the estimated fair values of the financial instruments measured may be different than if they had been subsequently valued.

The information presented should not be interpreted as an estimate of the total fair value of Patriot's assets and liabilities, since only a portion of Patriot's assets and liabilities are required to be measured at fair value for financial reporting purposes. Due to the wide range of valuation techniques and the degree of subjectivity used in making the estimates, comparisons between Patriot's fair value disclosures and those of other bank holding companies may not be meaningful.

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
Notes to consolidated financial statements

Note 22. Parent Company-only Financial Statements

The following represent the condensed stand-alone financial statements of the Company, which is the sole owner and parent company of the Bank, its operating bank subsidiary.

CONDENSED BALANCE SHEETS
December 31, 2025 and 2024

<i>(In thousands)</i>	As of December 31,	
	2025	2024
ASSETS		
Cash and due from banks	\$ 11,500	\$ 252
Investment in subsidiary	102,226	34,705
Other assets	132	68
Total assets	\$ 113,858	\$ 35,025
LIABILITIES AND SHAREHOLDERS' EQUITY		
Borrowings	\$ 16,446	\$ 29,906
Accrued expenses and other liabilities	2,732	854
Shareholders' equity	94,680	4,265
Total liabilities and shareholders' equity	\$ 113,858	\$ 35,025

CONDENSED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
Years Ended December 31, 2025, 2024, and 2023

<i>(In thousands)</i>	Year ended December 31,		
	2025	2024	2023
Expenses:			
Interest on subordinated debt	\$ 1,375	\$ 1,617	\$ 1,502
Interest on senior debt	610	1,159	1,159
Total interest expense	1,985	2,776	2,661
Other expenses	8,185	188	105
Loss before benefit for income taxes	10,171	2,964	2,766
Benefit for income taxes	—	(764)	(737)
Loss before equity in undistributed net income of subsidiary	10,171	2,200	2,029
Equity in undistributed net (loss) income of subsidiary	(2,539)	(37,682)	(2,150)
Net (loss) income	(12,710)	(39,882)	(4,179)
Equity in subsidiary other comprehensive (loss) income, net of subsidiary	3,562	(420)	384
Total comprehensive loss	\$ (9,148)	\$ (40,302)	\$ (3,795)

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES
Notes to consolidated financial statements

CONDENSED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2025, 2024, and 2023

<i>(In thousands)</i>	Year ended December 31,		
	2025	2024	2023
Cash Flows from Operating Activities:			
Net (loss) income	\$ (12,710)	\$ (39,882)	\$ (4,179)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Equity in undistributed net loss (income) of subsidiary	2,539	37,682	2,150
Dividends received from Patriot Bank, N.A.	—	950	2,500
Share-based compensation expense	5,233	184	105
Amortization of debt issuance costs	193	177	177
Change in assets and liabilities:			
(Increase) decrease in other assets	(64)	(4)	(14)
Increase (decrease) in accrued expenses and other liabilities	(1,207)	148	247
Net cash (used in) provided by operating activities	(6,016)	(745)	986
Cash Flows from Investing Activities:			
Net increase in investment in Patriot Bank N.A.	(66,500)	—	—
Net cash used in investing activities	(66,500)	—	—
Cash Flows from Financing Activities:			
Proceeds from capital raise	86,648	—	—
Repayments of senior notes	(2,884)	—	—
Net cash used in financing activities	83,764	—	—
Net (decrease) increase in cash and cash equivalents	11,248	(745)	986
Cash and cash equivalents at beginning of year	\$ 252	\$ 997	\$ 11
Cash and cash equivalents at end of year	\$ 11,500	\$ 252	\$ 997
Supplemental Disclosures of Cash Flow Information:			
Cash paid for interest	\$ 839	\$ 2,232	\$ 2,034
Supplemental Disclosure of Non-cash Activity:			
Net change in unrealized (gain) loss on available-for-sale securities	\$ 3,562	\$ (420)	\$ (384)
Deferred debt issuance costs	\$ (23)	\$ —	\$ 56
Senior debt conversion to common stock	\$ (9,705)	\$ —	\$ —
Subordinated debt conversion to common stock	\$ (2,000)	\$ —	\$ —
Accrued interest capitalized into principal	\$ 1,098	\$ —	\$ —
Retained earnings adjustment - ASC 326 adoption	\$ —	\$ —	\$ 11,510

PATRIOT NATIONAL BANCORP, INC. AND SUBSIDIARIES

Notes to consolidated financial statements

Note 23. Segment Information

The Company's reportable segment is determined by the Chief Executive Officer, who is the designated chief operating decision maker ("CODM"), based upon information provided about the Company's products and services offered. Patriot's only business segment is Banking. The accounting policies of the segment are the same as those described in the summary of significant accounting policies. The segment is also distinguished by the level of information provided to the CODM, who uses such information to review performance of various components of the business, which are then aggregated and financial performance is evaluated on a company-wide basis, as presented in the Company's Consolidated Statements of Income. The CODM will evaluate the financial performance of the Company's business such as by evaluating revenue streams, significant expenses, and budget to actual results in assessing the Company's segment and in the determination of allocating resources. The CODM uses consolidated net income to benchmark the Company against its competitors. The benchmarking analysis coupled with monitoring of budget to actual results on a consolidated basis are used in assessment performance and in establishing compensation. Interest earning assets consist of commercial and consumer loans, investment securities and cash and provide the majority of interest income in the Banking segment. Interest bearing liabilities consist of non-maturity and time deposits, FHLB and FRB advances and other borrowings and generate the majority of interest expense. The consolidated results of operations also include provisions for credit losses, non-interest income and expenses. All operations are domestic.

The Company's segment assets represent its total assets as presented in the Consolidated Balance Sheet.

Note 24. Subsequent Event

The Company has evaluated all events or transactions that occurred through the date the Company issued these financial statements. During this period, the Company did not have any material recognizable or non-recognizable subsequent events.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

ITEM 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of December 31, 2025, the Company carried out an evaluation, under the supervision and with the participation of its Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934. Based on that evaluation, and in light of the findings described below, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were not effective as of December 31, 2025.

Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal controls over financial reporting ("ICFR"), as defined in rules 13a-15(f) and 15d-15f under the Exchange Act. Management has based its assessment of the effectiveness of ICFR on the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO 2013").

During 2025, the Company and the Bank experienced significant changes in leadership, responsibilities, and processes—including turnover in key operational, finance, information technology, and credit roles, and the previously disclosed death of the Bank's Chief Information Officer in December 2025.

In connection with its evaluation of ICFR as of December 31, 2025, management considered the results of an internal audit review of ICFR performed with the assistance of an independent third-party firm, as well as observations from the Company's independent registered public accounting firm made in the course of the audit of the Company's 2025 consolidated financial statements. That review and other procedures identified deficiencies concentrated in documentation, evidential support, and consistent execution of controls—including information technology general controls, financial close and reconciliation controls, and controls over certain third party and digital payments activities. Although no single deficiency rose to a material weakness, due to the breadth and extent of these deficiencies, management concluded that the deficiencies collectively constituted a material

weakness in the Company's internal control over financial reporting existed as of December 31, 2025 and, therefore the Company's internal control over financial reporting was not effective as of that date.

Notwithstanding this conclusion, management believes that the Company's consolidated financial statements as of and for the year ended December 31, 2025, are fairly presented in all material respects, and the Company's independent registered public accounting firm has issued an unqualified opinion on those financial statements.

Remediation of Findings

Management has initiated and is executing remediation efforts designed to address the identified material weakness, including enhancing documentation, evidencing, and monitoring of information technology general controls, financial close and reconciliation controls, and controls over certain third party and digital payments activities. While many of these efforts have already been implemented, management will continue to monitor and test the effectiveness of these enhancements, will continue to assess the need for any additional steps to remediate the underlying causes that gave rise to the material weakness, and will not consider the material weakness remediated until controls have operated effectively for a sufficient period and management has obtained evidence to support such a conclusion. Although we believe that the foregoing measures will result in the remediation of the identified material weakness, there can be no assurances that additional remedial steps will not be necessary.

Changes in Internal Control Over Financial Reporting

As discussed above under "Management's Report on Internal Control Over Financial Reporting" and "Remediation of Findings," the Company implemented and is implementing certain changes to its internal control over financial reporting during 2025 in connection with the material weakness described therein. Other than such changes, there were no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934) that occurred during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 9B. Other Information

None

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

None

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance

The information required by this Item will be included in the Company's definitive proxy statement to be filed with the SEC no later than April 30, 2026, in connection with the solicitation of proxies for the Company's 2026 annual meeting of shareholders ("2026 Proxy Statement"), and is incorporated herein by reference.

ITEM 11. Executive Compensation

The information required by this Item will be included in the 2026 Proxy Statement, and is incorporated herein by reference.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters

The information required by this Item will be included in the 2026 Proxy Statement, and is incorporated herein by reference.

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item will be included in the 2026 Proxy Statement, and is incorporated herein by reference.

ITEM 14. Principal Accountant Fees and Services

The information required by this Item will be included in the 2026 Proxy Statement, and is incorporated herein by reference.

Part IV

ITEM 15. Exhibits and Financial Statement Schedules

(a) The consolidated financial statements and exhibits listed below are filed as part of this Annual Report on Form 10-K.

- (1) The Company's Consolidated Financial Statements, the Notes thereto and the Report of the Independent Registered Public Accounting Firm are included in PART II, Item 8. "Financial Statements and Supplementary Data."
- (2) Financial statement schedules have been omitted because they are not applicable, not required, or the required information is included in the Consolidated Financial Statements or Notes thereto.
- (3) Exhibits. Reference is made to Item 15(b) below.

(b) *Exhibits*. The Exhibit Index, which immediately precedes the signature page, is incorporated by reference into this Annual Report on Form 10-K.

(c) *Financial Statement Schedules*. Reference is made to Item 15(a)(2) above.

EXHIBIT INDEX

The exhibits marked with the section symbol (#) are interactive data files.

Exhibits No.	Description
3.1	Certificate of Incorporation of Patriot National Bancorp, Inc. (incorporated by reference to Exhibit 3(i) to the Company's Current Report on Form 8-K filed on December 1, 1999)
3.2	Certificate of Amendment of Certificate of Incorporation of Patriot National Bancorp, Inc. dated July 16, 2004 (incorporated by reference to Exhibit 3(i)(A) to the Company's Annual Report on Form 10-KSB for the year ended December 31, 2004 filed on March 25, 2005)
3.3	Certificate of Amendment of Certificate of Incorporation of Patriot National Bancorp, Inc. dated June 15, 2006 (incorporated by reference to Exhibit 3(i)(B) to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2006 filed on November 14, 2006)
3.4	Certificate of Amendment of Certificate of Incorporation of Patriot National Bancorp Inc., dated October 6, 2010 (incorporated by reference to Exhibit 3.1 to the Company's Current Report Form 8-K filed on October 21, 2010)
3.5	Certificate of Amendment of Certificate of Incorporation of Patriot National Bancorp, Inc. dated March 12, 2025 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on March 19, 2025)
3.6	Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on July 9, 2025)
3.7	Amended and Restated By-Laws (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 19, 2025)
4.1	Form of 6.25% Fixed to Floating Rate Subordinated Note due June 30, 2028 (incorporated by reference to Exhibit 4 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018 filed on August 14, 2018)
4.2	Description of Capital Stock (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on July 9, 2025)

10.1	Patriot National Bancorp, Inc. Amendment and Restatement of the 2020 Restricted Stock Award Plan (incorporated by reference to Exhibit A to the Company's Proxy statement on Schedule 14A filed on November 10, 2022).
10.2	2025 Omnibus Equity Incentive Plan (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed on March 21, 2025).
10.3	Form of Agreement by and between Patriot Bank, National Association and the Office of the Comptroller of the Currency (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 21, 2025).
10.4	Form of Subordinated Note Purchase Agreement due June 2028 (incorporated by reference to Exhibit 10(6) to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2018 filed on August 14, 2018).
10.5	Amendment to the 8.5% Fixed Rate Senior Notes Due 2026, dated February 14, 2025 (incorporated by reference to Exhibit 10.4 to the Company's Annual Report on Form 10-K for the year ended December 31, 2024 filed on April 14, 2025).
10.6	Amendment to the 8.5% Fixed Rate Senior Notes Due 2026, dated March 15, 2025 (incorporated by reference to Exhibit 10.5 to the Company's Annual Report on Form 10-K for the year ended December 31, 2024 filed on April 14, 2025).
10.7	Amendment to the 6.25% Fixed to Floating Subordinated Note due June 30, 2028, dated March 17, 2025 (incorporated by reference to Exhibit 10.6 to the Company's Annual Report on Form 10-K for the year ended December 31, 2024 filed on April 14, 2025).
10.8	Form of Securities Purchase Agreement with Lead Investors (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 20, 2025).
10.9	Form of Securities Purchase Agreement (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on March 20, 2025).
10.10	Form of Registration Rights Agreement (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on March 21, 2025).
10.11	Form of Securities Purchase Agreement by and among Patriot National Bancorp, Inc. and the Investors, dated June 3, 2025 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 4, 2025).
10.12	Securities Purchase Agreement dated July 26, 2025, by and between the Company and Unity Bancorp Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on August 5, 2025).
10.13	Securities Purchase Agreement dated July 26, 2025, by and between the Company and American Bank Incorporated (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on August 5, 2025).
10.14	Employment Agreement dated April 30, 2025 with Carlos Salas (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on August 5, 2025).
10.15	Employment Agreement dated April 30, 2025 with William Paul Simmons (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 19, 2025).
10.16	Employment Agreement dated April 30, 2025 with Angie Miranda (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 19, 2025).
14.1*	Code of Business Conduct and Ethics Ver3.2026

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19*	Insider Trading Policy
21.1	Subsidiaries of Bancorp (incorporated by reference to Exhibit 21 to the Company's Annual Report on Form 10-K for the year ended December 31, 2019 filed on April 29, 2020)
23.1*	Consent of Baker Tilly US LLP
23.2*	Consent of RSM US LLP
31.1*	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer
31.2*	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer
32.1*	Section 1350 Certifications
97.1	Patriot National Bancorp, Inc. Clawback Policy (incorporated by reference to Exhibit 97.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023 filed on April 1, 2024)
101.INS#*	Inline XBRL Instance Document
101.SCH#	Inline XBRL Schema Document
101.CAL#	Inline XBRL Calculation Linkbase Document
101.LAB#	Inline XBRL Labels Linkbase Document
101.PRE#	Inline XBRL Presentation Linkbase Document
101.DEF#	Inline XBRL Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Provided herewith.

Item 16. Form 10-K Summary

None

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant has caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 31, 2026

Patriot National Bancorp, Inc. (Registrant)

By: /s/ Carlos P. Salas

Carlos Salas

Executive Vice President and Chief Financial Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in capacities and on the dates indicated.

Signature	Title	Date
/s/ Steven Sugarman Steven Sugarman	Chief Executive Officer and Director (Principal Executive Officer)	March 31, 2026
/s/ Carlos P. Salas Carlos Salas	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	March 31, 2026
/s/ Michael Carrazza Michael Carrazza	Director	March 31, 2026
/s/ Anahit Magzanyan Anahit Magzanyan	Director	March 31, 2026
/s/ Edward N. Constantino Edward N. Constantino	Director	March 31, 2026
/s/ Emile Van den Bol Emile Van den Bol	Director	March 31, 2026
/s/ Mario De Tomasi Mario De Tomasi	Director	March 31, 2026
/s/ Jonathan Roth Jonathan Roth	Director	March 31, 2026
/s/ Jeffrey Seabold Jeffrey Seabold	Director	March 31, 2026

CODE OF BUSINESS CONDUCT AND ETHICS

The Boards of Directors (the “**Board**”) of Patriot National Bancorp, Inc. and Patriot Bank, N.A. (the “**Bank**” and collectively the “**Company**” or “**Patriot**”) have adopted the following Code of Business Conduct and Ethics (the “**Code**” or “**Code of Ethics**”).

I. Overview

The Board expects all directors, officers and employees of the Company (“**Colleagues**”) to be familiar with the Code and to adhere to the principles and procedures provided in the Code that apply to them. The Code represents our shared obligation to operate with the highest level of integrity and ethical conduct. Patriot sets high expectations and holds ourselves accountable at all levels of the Company. We do what’s right, even when that’s not necessarily what’s easy or expedient. We strive to abide by the letter and spirit of the laws and regulations everywhere we do business and do not tolerate for unethical behavior. Personal accountability and ownership are priorities at Patriot.

The Board has adopted the Code in order to promote and ensure:

- i honest and ethical conduct, including fair dealing and the ethical handling of conflicts of interest;
- ii full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to its regulators and in other public communications made by the Company;
- iii compliance with applicable governmental laws, rules and regulations;
- iv protection of the Company’s legitimate business interests, including opportunities, assets and confidential information;
- v deterrence of wrongdoing; and
- vi accountability for adherence to the Code.

The Code and other Company policies, including its Employee Handbook, are designed to encourage exceptional business relationships, enabling us to continually build and grow. Our purpose reminds us that the work we do matters and has significant impact in the communities where we operate. Therefore, we must always act with integrity and be responsible for our actions. Respect for each other as well as those with whom we do business is not only expected but required.

Managers and supervisors have the added responsibility of upholding this Code as an example to the team you oversee. We rely on you to create an open and honest working environment in which Colleagues feel comfortable asking a question about the Code or raising a concern about misconduct. Ethical behavior must be modeled and demonstrated by example.

The Company also expects its business partners, service providers, consultants, contractors, and vendors to comply with the spirit of the Code in all of their dealings with or concerning the Company. The Board intends for this Code to serve as a guide for general decision-making in a variety of circumstances that Colleagues might encounter in conducting the Company’s business. The Code is not intended to be a comprehensive guide to all of the Company’s policies, nor is the Code a contract or agreement between the Company and any Colleagues or other parties. Colleagues are expected to adhere to all applicable policies and procedures.

Our Ethics

Patriot is committed to ensuring employees act with honesty and integrity, treat customers fairly, and exercise sound judgment. This means doing the right thing, and raising concerns, even when it is not easy or expedient. Our commitment to ethical business practices preserves our Company's reputation and creates a safe, healthy, productive, and collaborative work environment.

Personal accountability and ownership are priorities at Patriot. We expect you to hold yourself to the highest standards of ethical conduct. Always conduct yourself appropriately when acting on behalf of the Company - both inside and outside of the workplace. Your actions should reflect the Company's culture of integrity, accountability, respect, and inclusivity.

Compliance with the Law and Bank Policies

The financial industry is highly regulated. Patriot's regulators include the Securities and Exchange Commission (the "**SEC**"), Federal Reserve Board (the "**Fed**"), Federal Deposit Insurance Corporation (the "**FDIC**"), the Office of the Comptroller of the Currency (the "**OCC**"). Being aware of and complying with the laws and regulations under which we operate is not just a critical part of our business, but fundamental to who we are. You are expected to know and comply with the laws, regulations, and Company policies, including foundational risk management policies, that apply to you. It is also important to comply with the spirit and intent of laws, regulations, and Company policies.

Violating the law or engaging in unfair, deceptive, and abusive acts or practices may weaken customer confidence, put our reputation at risk, impact market integrity, or result in regulator criticism, legal action, fines or penalties, or other negative repercussions.

In the event of a conflict with any provision of the Code and local law, you should always follow the law.

Colleagues who violate the standards in this Code or other Company policies will be subject to disciplinary action, including termination and, to the extent violations breach other civil or criminal laws, possible civil or criminal penalties. These consequences may also apply to any Colleague who condones or otherwise knowingly or willfully permits misconduct of a fellow Colleague or fails to report a violation of the Code

Personal Integrity and Ethical Decision Making

The Code will help guide you in making ethical decisions, but you won't find the answer to every possible situation. In the absence of a specific policy or procedure, you have a responsibility to use good judgment, comply with the spirit and the intent of the Code, and seek help from your manager or Compliance Officer.

Always deal fairly and in good faith with our customers, suppliers, competitors, business partners, regulators, and other employees. Never take unfair advantage of anyone through manipulation, concealment, abuse of privileged or confidential information, misrepresentation of material fact, or any other unfair dealings or practices.

Our competitive advantage comes through our superior products and services, never through unethical or illegal business practices.

Take ownership – help manage the Company's risk by anticipating and identifying the impacts of the decisions you make at work. You are responsible for your actions. No one has the authority to tell you to do something unethical or illegal.

Our Commitment to Non-Retaliation

Don't be afraid to speak up. Patriot's policies and restrictions on disclosing confidential information do not prevent you from reporting concerns to the government, a regulator, your

attorney, or a court under seal. Our Company strictly prohibits intimidation or retaliation against anyone who makes a good faith report about a potential or actual violation of the Code, Company policy, or any law or regulation governing our business. We also strictly prohibit intimidation or retaliation against anyone who assists with an inquiry or investigation of any such violation.

Be assured that the information you provide will be handled discreetly and only shared with those we must inform, such as regulators and those involved in investigating, resolving, and remediating the issue. Employees who have concerns about or are aware of possible retaliatory action must report it, either to their manager, Human Resources, Compliance or Legal.

I. STANDARDS OF CONDUCT

Fair Dealing The Company intends to succeed and grow through honest business competition. It is the Company's policy that it competes for business only on the basis of the quality and price of the services it offers, the overall benefits and the relationship with its customers over time. The Company does not seek competitive advantages through illegal or unethical business practices. Each Colleague should endeavor to deal fairly with the Company's customers, strategic partners, service providers, suppliers, competitors, and Colleague. No Colleague should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any unfair dealing practice. All Colleagues should disclose to the Company, prior to their hire, the existence of any employment agreement, non-compete or non-solicitation agreement, confidentiality agreement or similar agreement with any previous employer that would in any way interfere with the performance of any duties or responsibilities of their positions with the Company. Copies of such agreements should be provided to the Human Resources Department to permit evaluation of the agreement in light of the Colleague's position. In no event shall a Colleague use any trade secrets, proprietary information or other similar property, acquired in the course of the Colleague's prior employment, in the performance of the Colleague's duties for or on behalf of the Company.

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1. Honest, Ethical and Candid Conduct

Each Colleague should always be mindful of the Company's prominence and reputation in the community. Patriot conducts business fairly and responsibly, and we expect the same from our business partners, service providers, consultants, contractors, vendors and other third parties. Banking is a business based on mutual trust, and we demand honesty in all of the Company's affairs, internally and externally. Accordingly, each Colleague must conduct the Company's business in a way that fully justifies the continued goodwill and trust of the Company's customers and prospective customers. It is also extremely important that you conduct your personal affairs in such a way as to avoid discredit or embarrassment to the Company. Each Colleague owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest and candid while still respecting legal and ethical obligations of confidentiality. Deceit and subordination of the principles of this Code are inconsistent with integrity. Drug and alcohol use: Irresponsible and/or illegal use of alcohol or drugs is detrimental to performance and may put others in danger. Colleagues may not use, possess or be under the influence of alcohol or illegal drugs, or legal prescription or non-prescription drugs that may impair performance or safety (including medical or recreational marijuana) on company property, while conducting company business or while operating a company vehicle. The only exception is responsible use of legal substances at business-related functions, provided you remain professional, sober and safe at all times. Each Colleague must: act with integrity, including being honest and candid while still maintaining the confidentiality of information where required or consistent with the Company's policies; observe both the form and spirit of laws and governmental rules and regulations, accounting standards and Company policies; engage in fair and honest practices that are tailored to meet the needs of our customers-under no circumstances should you ever falsify or manipulate records or applications, or engage in any deceptive or high-pressure sales tactics; adhere to a high standard of business ethics; avoid conduct that would or could create an unsafe and unsound condition for the Company; and avoid conduct that creates even the appearance of impropriety.

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Each Colleague owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest and candid while still respecting legal and ethical obligations of confidentiality. Deceit and subordination of the principles of this Code are inconsistent with integrity.

Drug and alcohol use: Irresponsible and/or illegal use of alcohol or drugs is detrimental to performance and may put others in danger. Colleagues may not use, possess or be under the influence of alcohol or illegal drugs, or legal prescription or non-prescription drugs that may impair performance or safety (including medical or recreational marijuana) on company property, while conducting company business or while operating a company vehicle. The only

exception is responsible use of legal substances at business-related functions, provided you remain professional, sober and safe at all times.

Each Colleague must:

- a. act with integrity, including being honest and candid while still maintaining the confidentiality of information where required or consistent with the Company's policies;
- b. observe both the form and spirit of laws and governmental rules and regulations, accounting standards and Company policies;
- c. engage in fair and honest practices that are tailored to meet the needs of our customers-under no circumstances should you ever falsify or manipulate records or applications, or engage in any deceptive or high-pressure sales tactics;
- d. adhere to a high standard of business ethics;
- e. avoid conduct that would or could create an unsafe and unsound condition for the Company; and
- f. avoid conduct that creates even the appearance of impropriety.

1. Conflicts of Interest

A "conflict of interest" occurs when a Colleague's personal interest interferes or appears to interfere with the interests of the Company or its customers. A conflict of interest can arise when you take actions or have interests that may make it difficult to perform your work for the Company or to service a customer objectively and effectively. For example, a conflict of interest would arise if a Colleague, or a member of their family, receives improper personal benefits as a result of their position in the Company. In such a situation, it may be difficult to fulfill your duties and your loyalty to the Company or to our customers could be compromised - or appear to be compromised. Your decisions should always be made in the best interests of the company and our customers, and not personal gain or benefit. So, you may not engage in any activity that creates, or even appears to create, a conflict of interest between you and the Company or its customers. A Colleague should examine their own activities and those of their close family relations to be sure that no condition exists that may create an unlawful or unethical situation or even the appearance of a conflict of interest with respect to the Company's business. With the foregoing general observations in mind, you are expected to take steps to avoid putting yourself in a situation in which you or your family's financial interests and obligations may potentially conflict with your duties and responsibilities with the Company and its customers. Some conflict of interest situations may include the following: holding a financial interest, directly or indirectly, in an actual or potential supplier, customer or competitor of, or lender to, the Company; or transacting any business with the Company yourself, except in a manner available to any Company customer. This does not include holding widely traded stock in a public company through a mutual fund, retirement account or directly, but you must remain aware of the prohibition on trading on non-public material information; any transaction with the Company in which you have a significant financial interest; having a consulting or employment relationship with any service provider, supplier or competitor; any outside business activity that detracts from your ability to devote appropriate time and attention to your responsibilities with the Company; the receipt of other than nominal gifts or excessive entertainment from any company or individual with which the Company has current or prospective business dealings; being in the position of supervising, reviewing or having any influence on the job evaluation, pay or benefit of any immediate family member; and selling anything to the Company or buying

anything from the Company. Anything that would present a conflict for a Colleague would likely also present a conflict if it were related to a member of their family. We encourage you to seek guidance from your manager and the Human Resources, Compliance, or Legal departments if you have any questions or doubts. Colleagues must not represent the Company in any transaction in which they may derive a benefit. To avoid possible conflicts of interest, loan applications submitted to Colleagues by relatives or close personal friends (or entities controlled by relatives or close personal friends) must be submitted to other independent lending officers of equal or higher position for processing and approval. This policy also applies to the processing and approval of overdrafts. Colleagues must not approve their own loans, act as officer on any account on which they are a signatory, process their own transactions, or authorize refunds on any account on which they are a signatory. This prohibition applies also to loans and accounts of relatives, close personal friends and entities owned or controlled by any of them. Colleagues must not accept business opportunities from persons doing business or seeking to do business with the Company if those opportunities are made available to them because of their position with the Company. Colleagues must never use their position with the Company to influence public officials or others for their personal benefit. Likewise, Colleagues must not use their employment with the Company as leverage to gain favors from customers or suppliers. Service to the Company should never be subordinated to personal gain or advantage. Conflicts of interest should be avoided wherever possible. The Company recognizes, however, that it is not practicable or desirable to avoid all relationships that could give rise to conflicts of interest. Accordingly, conflicts of interest, potential conflicts of interest or relationships that are identified as giving rise to potential conflicts of interest that are approved as described in the following paragraph are permitted. The Company will disclose actual potential conflicts of interest as required under the rules of the SEC when required and when appropriate. Any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest should be discussed with the Company's Compliance and/or Legal departments if not previously approved as described in the following paragraph. We will abide by the securities laws that govern conflicts of interest by our executive officers and directors.

A "conflict of interest" occurs when a Colleague's personal interest interferes or appears to interfere with the interests of the Company or its customers. A conflict of interest can arise when you take actions or have interests that may make it difficult to perform your work for the Company or to service a customer objectively and effectively. For example, a conflict of interest would arise if a Colleague, or a member of their family, receives improper personal benefits as a result of their position in the Company. In such a situation, it may be difficult to fulfill your duties and your loyalty to the Company or to our customers could be compromised - or appear to be compromised. Your decisions should always be made in the best interests of the company and our customers, and not personal gain or benefit. So, you may not engage in any activity that creates, or even appears to create, a conflict of interest between you and the Company or its customers.

A Colleague should examine their own activities and those of their close family relations to be sure that no condition exists that may create an unlawful or unethical situation or even the appearance of a conflict of interest with respect to the Company's business. With the foregoing general observations in mind, you are expected to take steps to avoid putting yourself in a situation in which you or your family's financial interests and obligations may potentially conflict with your duties and responsibilities with the Company and its customers. Some conflict of interest situations may include the following:

- a. holding a financial interest, directly or indirectly, in an actual or potential supplier, customer or competitor of, or lender to, the Company; or transacting any business with the Company yourself, except in a manner available to any Company customer. This does not include holding widely traded stock in a public company through a mutual fund, retirement account or directly, but you must remain aware of the prohibition on trading on non-public material information;
- b. any transaction with the Company in which you have a significant financial interest;
- c. having a consulting or employment relationship with any service provider, supplier or competitor;
- d. any outside business activity that detracts from your ability to devote appropriate time and attention to your responsibilities with the Company;
- e. the receipt of other than nominal gifts or excessive entertainment from any company or individual with which the Company has current or prospective business dealings;
- f. being in the position of supervising, reviewing or having any influence on the job evaluation, pay or benefit of any immediate family member; and
- g. selling anything to the Company or buying anything from the Company.

Anything that would present a conflict for a Colleague would likely also present a conflict if it were related to a member of their family. We encourage you to seek guidance from your manager and the Human Resources, Compliance, or Legal departments if you have any questions or doubts.

Colleagues must not represent the Company in any transaction in which they may derive a benefit. To avoid possible conflicts of interest, loan applications submitted to Colleagues by relatives or close personal friends (or entities controlled by relatives or close personal friends) must be submitted to other independent lending officers of equal or higher position for processing and approval. This policy also applies to the processing and approval of overdrafts.

Colleagues must not approve their own loans, act as officer on any account on which they are a signatory, process their own transactions, or authorize refunds on any account on which they are a signatory. This prohibition applies also to loans and accounts of relatives, close personal friends and entities owned or controlled by any of them.

Colleagues must not accept business opportunities from persons doing business or seeking to do business with the Company if those opportunities are made available to them because of their position with the Company. Colleagues must never use their position with the Company to influence public officials or others for their personal benefit. Likewise, Colleagues must not use their employment with the Company as leverage to gain favors from customers or suppliers.

Service to the Company should never be subordinated to personal gain or advantage. Conflicts of interest should be avoided wherever possible. The Company recognizes, however, that it is not practicable or desirable to avoid all relationships that could give rise to conflicts of interest. Accordingly, conflicts of interest, potential conflicts of interest or relationships that are identified as giving rise to potential conflicts of interest that are approved as described in the following paragraph are permitted. The Company will disclose actual potential conflicts of

interest as required under the rules of the SEC when required and when appropriate. Any material transaction or relationship that could reasonably be expected to give rise to a conflict of interest should be discussed with the Company's Compliance and/or Legal departments if not previously approved as described in the following paragraph.

We will abide by the securities laws that govern conflicts of interest by our executive officers and directors.

1. Commitments with Third Parties

In order to avoid liability and protect the Company's reputation, Colleagues may not make any actual or apparent, formal or informal, contracts or other commitments that purport to obligate the Company without prior proper authorization in accordance with the Company's policies and procedures.

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1. Outside Business Relationships and Activities

The Company encourages Colleagues to be active and engaged in civic, charitable, educational and political activities, provided that they do not interfere with the performance of the Colleague's duties at the Company or create a potential conflict of interest. Prior approval of political activities involving Bank time or financial support must be approved in advance by Senior Management and Human Resources.

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Outside Employment Colleagues who are considering seeking outside employment (or engaging in the performance of services in exchange for payment, whether as an employee or independent contractor) must request approval from their manager or supervisor in writing. Colleagues in some positions of the Company are prohibited by law from holding outside employment. Managers will review outside employment requests for potential conflicts of interest, and to determine whether such outside employment might interfere with the employee's job performance with the Company. The employee must receive written approval before commencing any outside employment.

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Colleagues who are considering seeking outside employment (or engaging in the performance of services in exchange for payment, whether as an employee or independent contractor) must request approval from their manager or supervisor in writing. Colleagues in some positions of the Company are prohibited by law from holding outside employment.

Managers will review outside employment requests for potential conflicts of interest, and to determine whether such outside employment might interfere with the employee's job performance with the Company. The employee must receive written approval before commencing any outside employment.

Outside Directorships

Colleagues who serve as a director on any third-party board have a fiduciary duty as a director to act in the best interests of that third party. In order to avoid a conflict between that duty and their duty as a Colleague to act in the best interest of the Company, Colleagues should first obtain the approval of their manager or Legal before accepting an outside board position. Colleagues who serve in such a capacity must recuse themselves from any board decision that pertains to the Company. Examples of decisions that Colleagues may be required to recuse themselves from would include, but are not limited to: Whether to borrow money from the Bank; Whether to open or close accounts with the Bank; and Whether to commence, continue, or terminate a banking relationship with the Bank. Colleagues who serve as directors for third parties that are also Bank customers must avoid becoming privy to information regarding the third party that could reasonably impact that party's relationship with the Bank (e.g., a large financial loss, major operational issue or regulatory issue) until such information has been shared with the Company. Colleagues are responsible for informing the third party's management of the need to prevent the accidental disclosure of this information to Colleagues. You must also ensure the third party conducts its affairs lawfully, ethically, and in accordance with prudent management and financial practices. If you cannot, then you must resign. You may also not divulge any confidential or proprietary information of the Company. The Company recognizes that it can be difficult to distinguish what represents a potential conflict of interest. If questions or concerns persist, a manager or the Chief Legal Officer should be consulted.

Colleagues who serve as a director on any third-party board have a fiduciary duty as a director to act in the best interests of that third party. In order to avoid a conflict between that duty and their duty as a Colleague to act in the best interest of the Company, Colleagues should first obtain the approval of their manager or Legal before accepting an outside board position. Colleagues who serve in such a capacity must recuse themselves from any board decision that pertains to the Company. Examples of decisions that Colleagues may be required to recuse themselves from would include, but are not limited to:

- Whether to borrow money from the Bank;
- Whether to open or close accounts with the Bank; and
- Whether to commence, continue, or terminate a banking relationship with the Bank.

Colleagues who serve as directors for third parties that are also Bank customers must avoid becoming privy to information regarding the third party that could reasonably impact that party's relationship with the Bank (e.g., a large financial loss, major operational issue or regulatory issue) until such information has been shared with the Company. Colleagues are responsible for informing the third party's management of the need to prevent the accidental disclosure of this information to Colleagues. You must also ensure the third party conducts its affairs lawfully, ethically, and in accordance with prudent management and financial practices. If you cannot, then you must resign. You may also not divulge any confidential or proprietary information of the Company.

The Company recognizes that it can be difficult to distinguish what represents a potential conflict of interest. If questions or concerns persist, a manager or the Chief Legal Officer should be consulted.

Outside Speaking Engagements

Colleagues may participate in trade association meetings and conferences as long as they observe Company policy and the rules related to fair competition and anti-trust. Colleagues should always be sure to confirm whether they are speaking on their own behalf or being asked to speak on behalf of the Company, and if so, are authorized to do so. In addition, meetings where a customer, vendor or supplier pays for your attendance must be consistent and in compliance with applicable laws and Company policy, including the Bank Bribery Act discussed further herein.

Colleagues may participate in trade association meetings and conferences as long as they observe Company policy and the rules related to fair competition and anti-trust. Colleagues should always be sure to confirm whether they are speaking on their own behalf or being asked to speak on behalf of the Company, and if so, are authorized to do so. In addition, meetings where a customer, vendor or supplier pays for your attendance must be consistent and in compliance with applicable laws and Company policy, including the Bank Bribery Act discussed further herein.

Running for Political Office

All Colleagues must obtain permission from their supervisor and the Office of Legal counsel prior to running for political office to avoid a potential conflict of interest.

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1. Selection of Vendors, and Purchasing Goods and Services

It is the Company's policy that the selection should always be predicated on the quality of a vendor, service, or product, and the ability of the vendor, service or product to meet the Company's need, and competitive pricing for value received. Colleagues must abide by the Company's Third Party Risk Management Policy in the selection and retention of vendors. Under no circumstances should there be any self-dealing or personal advantage (whether real or perceived) regarding the selection of vendors. Any irregularities in the procurement of goods and services are contrary to the Company's ethical standards and may be illegal in some cases. Various federal and state "fair dealing" laws prohibit payments or other benefits to employees or agents of third parties, without the consent of the employer or principal, for the purpose of obtaining business for the Company. If you have any concern about the propriety of such a payment, you must consult with Compliance, Legal or Human Resources. Colleagues should also avoid giving legal, tax, or other professional advice to the Company's customers, prospective customers, contractors, or vendors, unless such advice is part of their regular duties as an employee or officer of the Company. Be careful if customers, prospective customers, suppliers or other others seek your recommendation of a third-party professional who provides these services, such as an attorney, accountant, or real estate agent. If you make such a recommendation, you should provide several candidates in writing and make it clear that the recommendations are in no way sponsored or endorsed by the Company.

It is the Company's policy that the selection should always be predicated on the quality of a vendor, service, or product, and the ability of the vendor, service or product to meet the Company's need, and competitive pricing for value received. Colleagues must abide by the Company's Third Party Risk Management Policy in the selection and retention of vendors. Under no circumstances should there be any self-dealing or personal advantage (whether real or perceived) regarding the selection of vendors. Any irregularities in the procurement of goods and

services are contrary to the Company's ethical standards and may be illegal in some cases. Various federal and state "fair dealing" laws prohibit payments or other benefits to employees or agents of third parties, without the consent of the employer or principal, for the purpose of obtaining business for the Company. If you have any concern about the propriety of such a payment, you must consult with Compliance, Legal or Human Resources.

Colleagues should also avoid giving legal, tax, or other professional advice to the Company's customers, prospective customers, contractors, or vendors, unless such advice is part of their regular duties as an employee or officer of the Company. Be careful if customers, prospective customers, suppliers or other others seek your recommendation of a third-party professional who provides these services, such as an attorney, accountant, or real estate agent. If you make such a recommendation, you should provide several candidates in writing and make it clear that the recommendations are in no way sponsored or endorsed by the Company.

1. Disclosure

The Company's periodic reports and other documents filed under the Exchange Act with the SEC, including all financial statements and other financial information, must comply with applicable federal securities laws and SEC rules. Each Colleague who contributes in any way to the preparation or verification of the Company's financial statements and other financial information must ensure that the Company's books, records and accounts are accurately maintained. Each Colleague must cooperate fully with the Company's accounting and internal audit departments, as well as the Company's independent public accountants and counsel. Each Colleague who is involved in the Company's disclosure process must: be familiar with and comply with the Company's disclosure controls and procedures and its internal control over financial reporting; take all necessary steps to ensure that all Exchange Act filings with the SEC and all other public communications about the general business, results, financial condition and prospects of the Company provide full, fair, accurate, timely and understandable disclosure.

The Company's periodic reports and other documents filed under the Exchange Act with the SEC, including all financial statements and other financial information, must comply with applicable federal securities laws and SEC rules.

Each Colleague who contributes in any way to the preparation or verification of the Company's financial statements and other financial information must ensure that the Company's books, records and accounts are accurately maintained. Each Colleague must cooperate fully with the Company's accounting and internal audit departments, as well as the Company's independent public accountants and counsel.

Each Colleague who is involved in the Company's disclosure process must:

- a. be familiar with and comply with the Company's disclosure controls and procedures and its internal control over financial reporting;
- b. take all necessary steps to ensure that all Exchange Act filings with the SEC and all other public communications about the general business, results, financial condition and prospects of the Company provide full, fair, accurate, timely and understandable disclosure.

2. Compliance with Laws and Regulations

Anti-Bribery, Anti-Corruption and Anti-Money Laundering Policies The Company has implemented an enterprise-wide compliance program designed to comply with applicable laws and regulation related to bribery corruption and anti-money laundering. Bribery is the offer,

promise, or payment of cash, gifts, excessive entertainment, or an inducement of any kind offered or given to a person in a position of trust to influence that person's views or conduct or to obtain an improper advantage. Bribery is prohibited regardless of the amount, whether or not the other party is a government official, and regardless of whether you believe that the bribe will somehow benefit the Company or you. The Company requires that all Colleagues comply with the Company's Bank Secrecy Act and Anti-Money Laundering Policy, which outlines the requirements of the various anti-money laundering and counter-terrorist financing laws and regulations and Treasury's Office of Foreign Assets Control laws and provides management with direction to comply with these requirements. The Company regularly assesses the risks associated with its business, including the risk of potential corruption or bribery in the environments where we do business, and we have designed our management systems to respond accordingly.

Anti-Bribery, Anti-Corruption and Anti-Money Laundering Policies

The Company has implemented an enterprise-wide compliance program designed to comply with applicable laws and regulation related to bribery corruption and anti-money laundering. Bribery is the offer, promise, or payment of cash, gifts, excessive entertainment, or an inducement of any kind offered or given to a person in a position of trust to influence that person's views or conduct or to obtain an improper advantage. Bribery is prohibited regardless of the amount, whether or not the other party is a government official, and regardless of whether you believe that the bribe will somehow benefit the Company or you. The Company requires that all Colleagues comply with the Company's Bank Secrecy Act and Anti-Money Laundering Policy, which outlines the requirements of the various anti-money laundering and counter-terrorist financing laws and regulations and Treasury's Office of Foreign Assets Control laws and provides management with direction to comply with these requirements. The Company regularly assesses the risks associated with its business, including the risk of potential corruption or bribery in the environments where we do business, and we have designed our management systems to respond accordingly.

Colleagues should refrain from providing, or seek pre-approval from the Legal and Compliance Departments for, a payment, loan, gift, entertainment, or anything else of value to labor organizations or their representatives, as these transactions are also subject to strict laws and regulations.

Trading on Material Non-Public Information Prohibited While Colleagues are encouraged to own Bank stock (NASDAQ:PNBK), all trading must be conducted in adherence to all laws and regulations, including trading in Company securities only during "open windows" periods. Colleagues must specifically comply with the Bank's Insider Trading Policy. It is against Company policy and in many circumstances illegal for any Colleague to profit from material, undisclosed information relating to the Company or any other company. Colleagues must not purchase or sell securities of the Company, or any company based on material information that has not been made public. Certain Colleagues have additional restrictions placed on their personal investments under applicable laws that may include reporting and pre-clearing various types of securities transactions. The Company's policies and procedures regarding insider trading are disclosed in the Company's Insider Trading Policy, and each Colleague is expected to become familiar with and to comply with this Policy.

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While Colleagues are encouraged to own Bank stock (NASDAQ:PNBK), all trading must be conducted in adherence to all laws and regulations, including trading in Company securities only during “open windows” periods. Colleagues must specifically comply with the Bank’s Insider Trading Policy.

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Personal Investments

Colleagues of the Company, by the nature of their positions, must be particularly circumspect regarding investments that may appear improper to customers, regulatory authorities or the public. You should consult with the Company’s Chief Executive Officer or Chief Financial Officer if you have or are considering any investments that might have even an appearance of impropriety. Colleagues should avoid entering into transactions in which it may appear that they are improperly benefiting from your relationship with the Company. This applies also to investments by members of Colleagues’ immediate family. If you have (or anyone who reports to you has) responsibility for a customer, supplier or vendor relationship in your normal course of employment, you should exercise caution regarding potential investments in that business, or its securities. Under no circumstances should a Colleague use customer information of any kind as a basis for making personal investment decisions. While a complete list of such matters cannot be given, you must refrain from directly or indirectly owning or purchasing any of the following, unless specifically approved in writing by an unrelated executive officer of the Company: Real or personal property in which the Company has or intends to obtain an ownership interest (e.g., through purchase, foreclosure or repossession, or in a fiduciary capacity). Stocks, bonds or other securities about which you have or could be expected to have confidential information (e.g., a proposed merger involving a customer). Security deeds, mortgages or chattel mortgages that create a security interest in property in which the Company has a security interest. An interest in any business entity that is a customer or supplier of the Company. This limitation does not apply to directors who are not officers of the Company or to ownership of the stock of any public company by a Colleague who does not possess confidential information about that company. An interest in a company for which you are the account officer.

Colleagues of the Company, by the nature of their positions, must be particularly circumspect regarding investments that may appear improper to customers, regulatory authorities or the public. You should consult with the Company’s Chief Executive Officer or Chief Financial Officer if you have or are considering any investments that might have even an appearance of impropriety.

Colleagues should avoid entering into transactions in which it may appear that they are improperly benefiting from your relationship with the Company. This applies also to investments by members of Colleagues’ immediate family. If you have (or anyone who reports to you has) responsibility for a customer, supplier or vendor relationship in your normal course of employment, you should exercise caution regarding potential investments in that business, or its

securities. Under no circumstances should a Colleague use customer information of any kind as a basis for making personal investment decisions.

While a complete list of such matters cannot be given, you must refrain from directly or indirectly owning or purchasing any of the following, unless specifically approved in writing by an unrelated executive officer of the Company:

- Real or personal property in which the Company has or intends to obtain an ownership interest (e.g., through purchase, foreclosure or repossession, or in a fiduciary capacity).
- Stocks, bonds or other securities about which you have or could be expected to have confidential information (e.g., a proposed merger involving a customer).
- Security deeds, mortgages or chattel mortgages that create a security interest in property in which the Company has a security interest.
- An interest in any business entity that is a customer or supplier of the Company. This limitation does not apply to directors who are not officers of the Company or to ownership of the stock of any public company by a Colleague who does not possess confidential information about that company.
- An interest in a company for which you are the account officer.

Prohibitions on Discrimination and Harassment

The Company intends to provide a work environment that is pleasant, healthful, comfortable, and free from any form of intimidation, hostility or other offenses that might interfere with work performance. Discrimination or harassment in any form: verbal, physical or visual, including but not limited to harassment and/or discrimination based on race, creed, color, citizenship status, religion, sex, sexual orientation, gender identity, marital status, age or national origin, disability, ethnicity, status as the victim of domestic violence, or any other legally protected status will not be tolerated.

If you observe conduct that violates this Code, including harassment or discrimination, you should report it to Human Resources using either the email address: pnbkhr@bankpatriot.com.

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Political Contributions

Except as specifically authorized in writing by the Chief Executive Officer, neither the Company nor its Political Action Committee will directly or indirectly make any contributions of money, property or services to any government official, political candidate, political party or committee, whether local, state or federally related. Such contributions are subject to federal, state and local laws and regulations that impose strict limits on such contributions and require aggregation and reporting. Therefore, except as specifically provided above, Company personnel may not use or allow the use of any Company funds, services, or property for political purposes. Among other things, this prohibition applies to: Indirect and direct contributions. Loans on preferential terms. Contributions in the form of services, materials, products as well as cash contributions. Offering or allowing the use of its facilities, equipment, supplies, and personnel in connection with any political activity. Purchase of tickets for fund raising events. This prohibition relates only to use of the Company's funds, property and services, and is not intended to discourage Company personnel from making lawful personal contributions to candidates, political parties, committees or other political persons or groups of their choice. However, Directors and certain members of senior management should refer to the Policy on Political Contributions where the Company does business with State or Local Governments regarding specific limitations applying to them.

Except as specifically authorized in writing by the Chief Executive Officer, neither the Company nor its Political Action Committee will directly or indirectly make any contributions of money, property or services to any government official, political candidate, political party or committee, whether local, state or federally related. Such contributions are subject to federal, state and local laws and regulations that impose strict limits on such contributions and require aggregation and reporting. Therefore, except as specifically provided above, Company personnel may not use or allow the use of any Company funds, services, or property for political purposes.

Among other things, this prohibition applies to:

- Indirect and direct contributions.
- Loans on preferential terms.
- Contributions in the form of services, materials, products as well as cash contributions.
- Offering or allowing the use of its facilities, equipment, supplies, and personnel in connection with any political activity.
- Purchase of tickets for fund raising events.

This prohibition relates only to use of the Company's funds, property and services, and is not intended to discourage Company personnel from making lawful personal contributions to candidates, political parties, committees or other political persons or groups of their choice. However, Directors and certain members of senior management should refer to the Policy on Political Contributions where the Company does business with State or Local Governments regarding specific limitations applying to them.

The Bank Bribery Act

Under federal criminal law, a person who has a business relationship with the Company may not give, offer or promise anything of value to a Colleague *with intent to influence corruptly* the conduct of the Colleague. In addition, it is a criminal act for a Colleague to seek, accept, or agree to accept anything of value from a person who has a business relationship with the Company with the intent to influence corruptly the conduct of the Colleague. Note that the Bank Bribery Act makes bribes over \$1000 a felony, punishable by up to 30 years in prison, a fine of up to \$1,000,000.00, or three times the value of the bribe/gratuity, whichever is greater, and bribes under \$1000 a misdemeanor punishable by up to 1 year in prison and a fine. However, not all gifts are unlawful. Colleagues should use their best judgment on determining whether any particular gift is unreasonable. Examples of generally acceptable gifts include: Acceptance of gifts, gratuities, amenities or favors based on obvious family or personal relationships (such as those between the parents, children or spouse of a Company official) where the circumstances make it clear that it is those relationships rather than the business of the Company concerned which are the motivating factors. Acceptance of meals, refreshments, entertainment, accommodations or travel arrangements, all of reasonable value, in the course of a meeting or other occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations, provided that the expense would be paid for by the Company as a reasonable business expense if not paid for by another party. Acceptance of loans from other banks or financial institutions on customary terms to finance proper and usual activities of Company officials, such as home mortgage loans, except where prohibited by law. Acceptance of advertising or promotional material of reasonable value. Acceptance of discounts or rebates on merchandise or services that do not exceed those available to other customers. Acceptance of gifts of reasonable value that are related to commonly recognized events or occasions, such as a

promotion, new job, wedding, retirement, holiday or birthday (however, gifts in the form of cash or cash equivalents should be carefully considered); Acceptance of civic, charitable, educational, or religious organization awards for recognition of service and accomplishment. Acceptance of the foregoing benefits will generally not amount to a corrupting influence on the Company's transactions. On a case-by-case basis, the Company may also approve of other circumstances, not identified above, in which a Company official accepts something of value in connection with the Company's business, provided that such approval is made in writing, through the Compliance department, on the basis of a full written disclosure of all relevant facts and is consistent with the Bank Bribery Law. If a Company official is offered or receives something of value from someone with a business relationship with the Company other than as listed above, the Company official must disclose that fact to the Chief Risk Officer.

Under federal criminal law, a person who has a business relationship with the Company may not give, offer or promise anything of value to a Colleague *with intent to influence corruptly* the conduct of the Colleague. In addition, it is a criminal act for a Colleague to seek, accept, or agree to accept anything of value from a person who has a business relationship with the Company with the intent to influence corruptly the conduct of the Colleague. Note that the Bank Bribery Act makes bribes over \$1000 a felony, punishable by up to 30 years in prison, a fine of up to \$1,000,000.00, or three times the value of the bribe/gratuity, whichever is greater, and bribes under \$1000 a misdemeanor punishable by up to 1 year in prison and a fine.

However, not all gifts are unlawful. Colleagues should use their best judgment on determining whether any particular gift is unreasonable. Examples of generally acceptable gifts include:

- Acceptance of gifts, gratuities, amenities or favors based on obvious family or personal relationships (such as those between the parents, children or spouse of a Company official) where the circumstances make it clear that it is those relationships rather than the business of the Company concerned which are the motivating factors.
- Acceptance of meals, refreshments, entertainment, accommodations or travel arrangements, all of reasonable value, in the course of a meeting or other occasion, the purpose of which is to hold bona fide business discussions or to foster better business relations, provided that the expense would be paid for by the Company as a reasonable business expense if not paid for by another party.
- Acceptance of loans from other banks or financial institutions on customary terms to finance proper and usual activities of Company officials, such as home mortgage loans, except where prohibited by law.
- Acceptance of advertising or promotional material of reasonable value.
- Acceptance of discounts or rebates on merchandise or services that do not exceed those available to other customers.
- Acceptance of gifts of reasonable value that are related to commonly recognized events or occasions, such as a promotion, new job, wedding, retirement, holiday or birthday (however, gifts in the form of cash or cash equivalents should be carefully considered);
- Acceptance of civic, charitable, educational, or religious organization awards for recognition of service and accomplishment.

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Anti-Trust Law

We believe in vigorous competition and freedom of choice for our customers. This includes compliance with all applicable federal, state and international anti-trust or competition laws that seek to protect commerce from restraints, monopolies and unfair business practices that impede healthy competition.

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Compliance with Other Laws and Regulations

The Company's policy is to comply with the laws of federal, state, and local governments applicable to the Company and the rules and regulations of private and public regulatory agencies having jurisdiction over the Company. This includes federal securities laws regarding required disclosure and prohibitions on selective disclosure, federal, state and local laws regarding discrimination and equal opportunity in employment, and applicable banking regulations. Although not all Colleagues are expected to know the details of all applicable laws, rules and regulations, it is important to know enough to determine when to seek advice from managers or other appropriate personnel. Litigation Holds Each Colleague must maintain and preserve any documents or records which are relevant to any current litigation, or to any pending, threatened, or foreseeable regulatory investigation or proceeding, as part of the Company's retention policies. Any acts by a Colleague to deliberately destroy, alter or conceal documents or records in an attempt to delay or slow any investigation or litigation (whether current or merely threatened) will be considered a violation of this Code. Further, such acts may be illegal, even if the Company was not obligated to produce the records at that time.

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Litigation Holds

Each Colleague must maintain and preserve any documents or records which are relevant to any current litigation, or to any pending, threatened, or foreseeable regulatory investigation or proceeding, as part of the Company's retention policies. Any acts by a Colleague to deliberately destroy, alter or conceal documents or records in an attempt to delay or slow any investigation or litigation (whether current or merely threatened) will be considered a violation of this Code. Further, such acts may be illegal, even if the Company was not obligated to produce the records at that time.

1. Facilitation Payments

Facilitation payments are payments made to facilitate or expedite a normal governmental function, such as to expedite processing paperwork or issue permits. This type of practice leads to a vicious circle by undermining the ethical values of the Company. Facilitation payments are thus considered as corruption and are strictly prohibited. If you have concerns whether a payment may be a facilitation payment, please contact the Company's Legal or Compliance offices.

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1. Corporate Opportunities

Colleagues owe a duty to the Company to advance the Company's business interests when the opportunity to do so arises. Colleagues are prohibited from taking (or directing to a third party) a business opportunity that is discovered through the use of corporate property, information or position, unless the Company has already been offered the opportunity and turned it down definitively. Generally, Colleagues are prohibited from using corporate property, information or position for personal gain and from competing with the Company. Business opportunities that are presented to Colleagues of the Company either in their capacity as such or specifically for the use and benefit of the Company must be first presented to the Company before being directed elsewhere.

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1. Confidentiality

In carrying out the Company's business, Colleagues often learn confidential or proprietary information about the Company, its suppliers or customers and potential customers. Our customers rely on us to use prudence when managing their financial affairs, funds and property amongst other things and various laws and regulations, including the Gramm-Leach Bliley Act, protect customer information. Colleagues must maintain the confidentiality of all information so entrusted to them, except when disclosure is expressly authorized or required or permitted by law. Confidential information includes all nonpublic information that might be of use to competitors or harmful to the Company, our Colleagues and our customers, if disclosed; it also includes information that suppliers and customers have entrusted to the Company. You may not provide any former Company employee with nonpublic information. It is important to note that the obligation to preserve confidential information continues even after employment or service as a director ends. It is the policy of the Company to cooperate with reasonable requests made by

federal, state, governmental and municipal investigators seeking information concerning Company operations. At the same time, the Company and its customers are entitled to all the safeguards provided by law for the benefit of persons under investigation. If a representative of any governmental agency requests an interview with any Company personnel, or seeks data or copies of documents or seeks access to files, such request must be referred to Legal or, for personnel or medical records, to the Human Resources Department. If the request comes from a representative of the FDIC, Fed, OCC or State Official, the request should be cleared with the Chief Risk Officer. Except as specified in this paragraph, Company personnel must not directly provide information, access to documents, or other information sources to any government representative without appropriate approval.

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Similarly, it is the Company's policy to maintain good relations with local and national news media and it tries to accommodate media inquiries. As any statement from a Colleague might be considered an official statement of the Company, Colleagues are prohibits – unless authorized by their job description – from responding to media or public inquiries about the Company. Should the press reach out to you for comment on any matter related to the Company, direct their inquiries to President, CEO or Chairman of the Board.

1. Protection and Proper Use of Company Assets

All Colleagues are expected to protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on our profitability. Our property, such as office supplies, computer equipment and software, records, customer information, and the Company's name and logo, are expected to be used only for legitimate business purposes, although incidental personal use may be permitted. Any misuse or suspected misuse of the Company's assets, including fraud or theft, needs to be immediately reported as set forth in this Code. The obligation of Colleagues to protect the Company's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, service marks and copyrights, as well as business, marketing and service plans, designs, databases, records, and any unpublished financial data and reports. Unauthorized use or distribution of this information violates our corporate policy. It could also be illegal and result in civil or even criminal penalties.

All Colleagues are expected to protect the Company's assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on our profitability.

Our property, such as office supplies, computer equipment and software, records, customer information, and the Company's name and logo, are expected to be used only for legitimate business purposes, although incidental personal use may be permitted. Any misuse or suspected misuse of the Company's assets, including fraud or theft, needs to be immediately reported as set forth in this Code.

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E-mail, Social Media, and the Internet

Electronic mail (e-mail) systems, messaging systems and other electronic communications devices, and internet services in the workplace or provided by the Company ("**Systems**") are the property of the Company and should be used for business purposes; however, reasonable personal use is permitted, consistent with this Code of Ethics and all other policies of the Company so long as such use does not interfere with the efficiency of the Systems and does not interfere or disrupt with the ability of other Colleagues to perform their duties for the Company. Furthermore, emailing Company information documentation or intellectual property to a personal email account is strictly prohibited. Participation in blogs, social media (including any digital channels or applications allowing for the creation, sharing and/or discussion of content), or similar forums will be treated as the equivalent of engaging in public communications. We rely on our Colleagues to exercise good judgment when using social media. Under no circumstances should a Colleagues film any videos that feature any Company and/or branch locations, or that disclose Company information for posting on any social media platform, blog, or other application. Subject to applicable laws and regulations, the Company reserves the right to monitor, review and disclose e-mail, instant messaging, texts, and internet access by Colleagues from Company premises or using Company equipment or assets, as it deems appropriate. Colleagues should have no expectation of privacy with respect to their use of the Company's Systems or Internet portal. You are expected to remain familiar with the

Company's policies on communications, including your use of e-mail and the internet, which are set forth in the Technology Use Agreement. You should contact the Head of Human Resources with any questions you may have regarding the Company's information technology or policies regarding electronic communications or other technology. Our guidelines for protecting information apply to your business use of artificial intelligence (AI), machine learning and generative AI. No Artificial Intelligence applications are allowed to be installed on Bank devices without approval from the Chief Information Security Office (CISO), Chief Technology Officer (CTO) and Chief Risk Officer (CRO). The Company is committed to evaluating these and other emerging technologies in a responsible manner and protecting the data we use for AI by applying best practices for data controls, user permissions and information privacy.

Electronic mail (e-mail) systems, messaging systems and other electronic communications devices, and internet services in the workplace or provided by the Company ("**Systems**") are the property of the Company and should be used for business purposes; however, reasonable personal use is permitted, consistent with this Code of Ethics and all other policies of the Company so long as such use does not interfere with the efficiency of the Systems and does not interfere or disrupt with the ability of other Colleagues to perform their duties for the Company. Furthermore, emailing Company information documentation or intellectual property to a personal email account is strictly prohibited.

Participation in blogs, social media (including any digital channels or applications allowing for the creation, sharing and/or discussion of content), or similar forums will be treated as the equivalent of engaging in public communications. We rely on our Colleagues to exercise good judgment when using social media. Under no circumstances should a Colleagues film any videos that feature any Company and/or branch locations, or that disclose Company information for posting on any social media platform, blog, or other application.

Subject to applicable laws and regulations, the Company reserves the right to monitor, review and disclose e-mail, instant messaging, texts, and internet access by Colleagues from Company premises or using Company equipment or assets, as it deems appropriate. Colleagues should have no expectation of privacy with respect to their use of the Company's Systems or Internet portal.

You are expected to remain familiar with the Company's policies on communications, including your use of e-mail and the internet, which are set forth in the Technology Use Agreement. You should contact the Head of Human Resources with any questions you may have regarding the Company's information technology or policies regarding electronic communications or other technology.

Our guidelines for protecting information apply to your business use of artificial intelligence (AI), machine learning and generative AI. No Artificial Intelligence applications are allowed to be installed on Bank devices without approval from the Chief Information Security Office (CISO), Chief Technology Officer (CTO) and Chief Risk Officer (CRO). The Company is committed to evaluating these and other emerging technologies in a responsible manner and protecting the data we use for AI by applying best practices for data controls, user permissions and information privacy.

1. Loans and Extensions of Credit

Any loan to an executive officer, principal stockholder, or director (or related interest) must comply fully with all laws and regulations including Regulation O (12 C.F.R. §215). Loans to

insiders must be on substantially the same terms as with any other Company customer of comparable credit risk. In this respect, loans cannot contain favorable interest rates and must not involve more than the normal risk of repayment. Executive officers may participate in any employee loan program and receive the same rate of consideration available to all employees under that plan. Again, loans should not be made to any employee, executive officer or other insider that involves more than a normal risk of repayment. Specific limitations on loans to insiders are provided in the Company's Regulation O policy.

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III. RESPONSIBILITIES OF MANAGEMENT AND LEADERS

As Colleagues of a financial institution that strives to be socially responsible, we are all personally responsible for ensuring we make the right choices, and our managers have the added responsibility of demonstrating our values in everything they do. This includes upholding the spirit and intent of our Code of Ethics. Those who manage or supervise others have a special obligation to set an example in doing the right thing and making ethical choices. Some of the ways you're expected to demonstrate this leadership include the following: Maintaining a culture of ethical conduct, respect, and integrity; Reviewing the Code at least annually with your team; Ensuring Colleagues have the resources to understand their job duties; Fostering an environment which encourages Colleagues to raise questions and concerns without fear of retaliation; Working with Colleagues you supervise to support their compliance with the Code, company policies and procedures, including in regard to workplace harassment and discrimination of any kind; Reporting instances of non-compliance through appropriate channels; and Taking appropriate disciplinary action for compliance and ethics violations.

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- i Maintaining a culture of ethical conduct, respect, and integrity;
 - ii Reviewing the Code at least annually with your team;
 - iii Ensuring Colleagues have the resources to understand their job duties;
 - iv Fostering an environment which encourages Colleagues to raise questions and concerns without fear of retaliation;
 - v Working with Colleagues you supervise to support their compliance with the Code, company policies and procedures, including in regard to workplace harassment and discrimination of any kind;
 - vi Reporting instances of non-compliance through appropriate channels; and
-

- vii Taking appropriate disciplinary action for compliance and ethics violations.

Reporting Responsibilities

Always remember that you are not alone. You should not attempt to investigate issues on your own, either. You are required to immediately report if you have a question or concern about what to do in a certain situation or if you believe someone is doing (or may be about to do) something that violates the law, company policy or our Code. If you believe there is a genuine risk, you must alert an appropriate person immediately. Your manager is usually a good place to start, however a compliance officer or personnel in the Human Resources or Legal and Compliance departments may also be good resources.

REPORTING AND ENFORCEMENT Upon hiring or appointment, each Colleague must attest that he/she has read and understood the Company's Code. In addition, each Colleague must attest annually to adherence to the Code. If you have a concern regarding conduct that you believe to be a violation of a law, regulation or Company policy, or you are aware of questionable legal, financial or accounting matters, or simply are unsure whether a situation violates any applicable law, regulation or Company policy, including this Code, please: Discuss the situation with your manager, or another manager with whom you feel comfortable; or You may also contact: the Head of Human Resources, the Company's Chief Risk Officer, the Legal Office, or the Chair of the Audit Committee of the Board.

Always remember that you are not alone. You should not attempt to investigate issues on your own, either. You are required to immediately report if you have a question or concern about what to do in a certain situation or if you believe someone is doing (or may be about to do) something that violates the law, company policy or our Code. If you believe there is a genuine risk, you must alert an appropriate person immediately. Your manager is usually a good place to start, however a compliance officer or personnel in the Human Resources or Legal and Compliance departments may also be good resources.

I. REPORTING AND ENFORCEMENT

Upon hiring or appointment, each Colleague must attest that he/she has read and understood the Company's Code. In addition, each Colleague must attest annually to adherence to the Code.

If you have a concern regarding conduct that you believe to be a violation of a law, regulation or Company policy, or you are aware of questionable legal, financial or accounting matters, or simply are unsure whether a situation violates any applicable law, regulation or Company policy, including this Code, please:

- i. Discuss the situation with your manager, or another manager with whom you feel comfortable; or
- ii. You may also contact: the Head of Human Resources, the Company's Chief Risk Officer, the Legal Office, or the Chair of the Audit Committee of the Board.

The Audit Committee is ultimately responsible for applying this Code to specific situations in which questions are presented to it and has the authority to interpret this Code in any particular situation. The Audit Committee shall take all action it considers appropriate to investigate any violations reported to it and will make all determinations regarding whether a violation has occurred. If a violation has occurred, the Audit Committee will take such disciplinary or preventive action as it deems appropriate (and with consultation with in-house or outside corporate/securities counsel, if necessary or appropriate). In order to best solve the issues raised, if you are asked to participate in an appropriately authorized internal or external investigation, you must: Cooperate fully. Provide accurate and comprehensive information

within your knowledge. Not withhold, tamper with, or fail to communicate relevant information within your knowledge. Not knowingly or intentionally make false statements to internal or external auditors, investigators, legal counsel, Bank representatives, regulators, or other governmental entities. To the extent consistent with applicable law, maintain and safeguard the confidentiality of an investigation to the extent practicable so as not to compromise the integrity of the investigation. We expect you to do your best to comply with this Code. You are personally responsible for any misconduct, including improper or illegal acts committed by you during your relationship with the Company. It is important that you stay vigilant and escalate Code violations of which you become aware. Do not stay silent in the face of a potential violation of which you become aware. If you have knowledge of a potential violation and fail to report it via the process set forth above, you too may be subject to disciplinary action under this Code. All Colleagues must cooperate with any investigation regarding an alleged violation of the Code.

The Audit Committee is ultimately responsible for applying this Code to specific situations in which questions are presented to it and has the authority to interpret this Code in any particular situation. The Audit Committee shall take all action it considers appropriate to investigate any violations reported to it and will make all determinations regarding whether a violation has occurred. If a violation has occurred, the Audit Committee will take such disciplinary or preventive action as it deems appropriate (and with consultation with in-house or outside corporate/securities counsel, if necessary or appropriate).

In order to best solve the issues raised, if you are asked to participate in an appropriately authorized internal or external investigation, you must:

- i. Cooperate fully.
- ii. Provide accurate and comprehensive information within your knowledge.
- iii. Not withhold, tamper with, or fail to communicate relevant information within your knowledge.
- iv. Not knowingly or intentionally make false statements to internal or external auditors, investigators, legal counsel, Bank representatives, regulators, or other governmental entities.
- v. To the extent consistent with applicable law, maintain and safeguard the confidentiality of an investigation to the extent practicable so as not to compromise the integrity of the investigation.

We expect you to do your best to comply with this Code. You are personally responsible for any misconduct, including improper or illegal acts committed by you during your relationship with the Company. It is important that you stay vigilant and escalate Code violations of which you become aware. Do not stay silent in the face of a potential violation of which you become aware. If you have knowledge of a potential violation and fail to report it via the process set forth above, you too may be subject to disciplinary action under this Code.

All Colleagues must cooperate with any investigation regarding an alleged violation of the Code.

I. NO RETALIATION

The Board believes it to be in the best interests of the Company that Colleagues act in a manner consistent with this Code and not suffer harm for doing so. Accordingly, the Company does not tolerate acts of retaliation against any Colleague who makes a good faith report of known or suspected acts of misconduct or illegality or other violations of this Code.

The Board believes it to be in the best interests of the Company that Colleagues act in a manner consistent with this Code and not suffer harm for doing so. Accordingly, the Company does not tolerate acts of retaliation against any Colleague who makes a good faith report of known or suspected acts of misconduct or illegality or other violations of this Code.

I. WAIVERS OF THIS CODE

A waiver may be granted for any requested exception to the provisions of the Code or any violation thereof by the Chief Executive Officer or the Board of Directors. Any waiver of the Code for executive officers may be made by the Chief Executive Officer or the Board or a Committee of the Board or members of the Board may be made only by the Board or a committee of the Board. Any waiver for a director or an executive officer shall be disclosed as required by SEC and NASDAQ rules. Approvals of conflicts of interest made in accordance with the provisions of this Code will not be deemed a waiver of the provisions of this Code.

A waiver may be granted for any requested exception to the provisions of the Code or any violation thereof by the Chief Executive Officer or the Board of Directors. Any waiver of the Code for executive officers may be made by the Chief Executive Officer or the Board or a Committee of the Board or members of the Board may be made only by the Board or a committee of the Board. Any waiver for a director or an executive officer shall be disclosed as required by SEC and NASDAQ rules. Approvals of conflicts of interest made in accordance with the provisions of this Code will not be deemed a waiver of the provisions of this Code.

I. AFTER YOUR SEPARATION FROM THE COMPANY

Surrender of Company Property and Assets When a Colleague's affiliation or employment with the Company ends (whether voluntarily or involuntarily), the Colleague must return all assets of the Company in their possession or control, including, but not limited to, all confidential and proprietary materials, documents and files related to the Company's business, customers or suppliers. They must surrender all originals and copies of such materials whether maintained electronically or otherwise. The only exception to this rule is if the Head of Human Resources specifically approves their removing and retaining such material.

Surrender of Company Property and Assets

When a Colleague's affiliation or employment with the Company ends (whether voluntarily or involuntarily), the Colleague must return all assets of the Company in their possession or control, including, but not limited to, all confidential and proprietary materials, documents and files related to the Company's business, customers or suppliers. They must surrender all originals and copies of such materials whether maintained electronically or otherwise. The only exception to this rule is if the Head of Human Resources specifically approves their removing and retaining such material.

I. DISTRIBUTION AND MONITORING OF THE CODE OF ETHICS

New Colleagues Each new Colleague of the Company is provided access to this Code of Ethics and an opportunity to read it and ask questions. Each new Colleague must also attest that he or she was given a copy of the Code of Ethics, has read it, understands it, and will comply with it.

1. New Colleagues

Each new Colleague of the Company is provided access to this Code of Ethics and an opportunity to read it and ask questions. Each new Colleague must also attest that he or she was given a copy of the Code of Ethics, has read it, understands it, and will comply with it.

1. Annual Attestation

Each year, every Colleague will receive an updated copy of the Code of Ethics and must attest that they were given a copy of the Code of Ethics, have read it, understand it, will comply with it, and have not knowingly violated it during the prior year.

Each year, every Colleague will receive an updated copy of the Code of Ethics and must attest that they were given a copy of the Code of Ethics, have read it, understand it, will comply with it, and have not knowingly violated it during the prior year.

1. Directors Attestation

Each director, when first appointed and each year following will receive a copy of the current Code of Ethics and must attest that he or she was given a copy of the Code of Ethics, has read it, understands it, will comply with it, and has not knowingly violated it.

Each director, when first appointed and each year following will receive a copy of the current Code of Ethics and must attest that he or she was given a copy of the Code of Ethics, has read it, understands it, will comply with it, and has not knowingly violated it.

1. Reporting

The Human Resources Department and the Legal Department will manage the Code of Ethics. The Legal Department will manage the distribution and monitor the attestations of the Code of Ethics for each Director. The Human Resources Department will manage the distribution and monitor the attestations of the Code of Ethics for each other Colleague. The Head of Human Resources and the Legal Department will report to the Board each year regarding the Code of Ethics annual process. All Colleague inquiries with respect to the Code of Ethics must be initially directed to the Colleague's manager (unless the manager is the source of the concerning behavior), who will consult with the Company's Human Resources Department on the matter to the extent necessary. Executive Officers (SVPs and higher) should consult with the Head of Human Resources, the Chief Legal Officer, or the Chief Executive Officer. The Chief Executive Officer and any Director should consult with the Executive Committee of the Board and may consult with the Company's Chief Legal Officer.

The Human Resources Department and the Legal Department will manage the Code of Ethics. The Legal Department will manage the distribution and monitor the attestations of the Code of Ethics for each Director. The Human Resources Department will manage the distribution and monitor the attestations of the Code of Ethics for each other Colleague.

The Head of Human Resources and the Legal Department will report to the Board each year regarding the Code of Ethics annual process.

All Colleague inquiries with respect to the Code of Ethics must be initially directed to the Colleague's manager (unless the manager is the source of the concerning behavior), who will consult with the Company's Human Resources Department on the matter to the extent necessary. Executive Officers (SVPs and higher) should consult with the Head of Human Resources, the Chief Legal Officer, or the Chief Executive Officer. The Chief Executive Officer and any Director should consult with the Executive Committee of the Board and may consult with the Company's Chief Legal Officer.

IX. PERIODIC UPDATES OF THE CODE OF ETHICS

The Code of Ethics will be reviewed at least annually by both the Human Resources Department and the Legal Department and presented to the Board during the second quarter of

each year. This is to be done in order to ensure that such things as new or revised policies, activities, and laws have been properly updated or included in the Code when required. It is each Colleague's responsibility to be mindful of any changes to the Code of Ethics as they may affect their responsibilities and duties at the Company.

The Code of Ethics will be reviewed at least annually by both the Human Resources Department and the Legal Department and presented to the Board during the second quarter of each year. This is to be done in order to ensure that such things as new or revised policies, activities, and laws have been properly updated or included in the Code when required. It is each Colleague's responsibility to be mindful of any changes to the Code of Ethics as they may affect their responsibilities and duties at the Company.

Patriot Bank, N.A

Insider Trading Policy

Approval Date:	02/25/2026	Control No.:	
Approval Authority:	Board of Directors	Review Frequency:	Annual
Applicable Areas:	Enterprise-Wide	Entity Level:	Patriot Bank, N.A.
Business Owner:	Legal		

Policy Statement

This Insider Trading Policy (the “Policy”) describes the policies and procedures adopted by the Boards of Directors (the “Board”) of Patriot Bank, N.A., (“Bank”) and Patriot National Bancorp, Inc. (“PNBK” and collectively the “Company”) concerning trading (and causing the trading) of the Company’s securities (or securities of other publicly-traded companies) while in possession of confidential information

“Insider trading” occurs when a person uses material nonpublic information obtained through involvement with the Company to make decisions to purchase, sell, give away or otherwise trade the Company’s securities or to provide that information to others outside the Company.

The prohibitions against insider trading apply to trades, tips and recommendations by virtually any person, including all persons associated with the Company, if the information involved is “material” and “nonpublic” as those terms are defined below. The prohibitions apply to any director, officer or employee who buys or sells Company stock on the basis of material nonpublic information that he or she obtained about the Company, its customers, suppliers, or other companies with which the Company has contractual relationships or may be negotiating transactions.

PART I of this Policy prohibits trading in certain circumstances and applies to all directors, officers and employees of the Company and its subsidiaries.

PART II of this Policy imposes special additional trading restrictions and applies only to (i) all directors and executive officers of the Company and its subsidiaries and (ii) the employees listed on Appendix A who are deemed, by virtue of their employment responsibilities, to be likely to come into possession of material nonpublic information (collectively, the “Covered Persons”)

PART I

Applicable to all Directors, Officers and Employees of the Company and its Subsidiaries

Scope and Applicability

This Policy applies to certain transactions in the Company's securities, including common stock, options and any other securities that the Company may issue, such as preferred stock, notes, bonds and convertible securities, as well as to derivative securities relating to any of the Company's securities, whether or not issued by the Company.

This Policy applies to all employees of the Company and its subsidiaries, all officers of the Company and its subsidiaries and all members of the Boards of Directors of the Company and its subsidiaries

No Trading While In Possession of Material Nonpublic Information (MNPI)

No director, officer or employee may purchase or sell any Company security while in possession of material nonpublic information about the Company, other than pursuant to an Approved 10b5-1 Plan (as defined below under PART II). (The terms "material" and "nonpublic" are defined below.)

No director, officer or employee who knows of any material nonpublic information about the Company may communicate that information to any other person, including family and friends.

In addition, no director, officer or employee may purchase or sell any security of any other company, whether or not issued by the Company, while in possession of material nonpublic information about that company that was obtained in the course of his or her involvement with the Company. No director, officer or employee who knows of any such material nonpublic information may communicate that information to any other person, including family and friends.

For compliance purposes, you should never trade, tip or recommend securities (or otherwise cause the purchase or sale of securities) while in possession of information that you have reason to believe is material and nonpublic unless you first consult with, and obtain the advance approval of, the Compliance Officer.

In addition, "Covered Persons" must also "pre-clear" all trading in securities of the Company with the Compliance Officer in accordance with the procedures set forth below under PART II.

Definitions

“Materiality.” Insider trading restrictions apply only if the information you possess is “material.” Information is generally regarded as “material” if it has market significance, that is, if its public dissemination is likely to materially affect the market price of securities, or if it otherwise is information that a reasonable investor would want to know before making an investment decision.

Information dealing with the following subjects is reasonably likely to be found material in particular situations:

- Significant changes in the Company’s prospects;
- Significant write-downs in assets or increases in reserves;
- Developments regarding significant litigation or extraordinary regulatory or governmental inquiries or investigations;
- Liquidity problems;
- Changes in earnings estimates or unusual gains or losses in major operations;
- Major changes in management;
- Changes in dividends;
- Extraordinary borrowings;
- Entering into a significant contract;
- Changes in debt ratings;
- Proposals, plans or agreements, even if preliminary in nature, involving mergers, acquisitions, divestitures, recapitalizations, strategic alliances, or purchases or sales of substantial assets; and
- The decision to pursue public or private offerings.

Material information is not limited to historical facts but may also include projections and forecasts. With respect to a future event, such as a merger or acquisition, the point at which negotiations are determined to be material is determined by balancing the probability that the event will occur against the magnitude of the effect the event would have on a company’s operations or stock price should it occur. Thus, information concerning an event that would have a large effect on stock price, such as a merger, may be material even if the possibility that the event will occur is relatively small. If you are unsure whether information is “material,” you should consult the Compliance Officer before making any decision to disclose such information or to trade in or recommend securities to which that information relates.

“Nonpublic Information.” Insider trading prohibitions come into play only when you possess information that is both material and “nonpublic.” However, the fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. To be “public” the information must have been disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information. Even after public disclosure of information about the Company, it is the Company’s policy that you must wait until the close of business on the second trading day after the information was publicly disclosed before you can treat the information as public.

Nonpublic information may include:

- Information available to a select group of analysts or brokers or institutional investors;
- Undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; and
- Information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed for the market to respond to a public announcement of the information (normally two to three business days).

As with questions of materiality, if you are not sure whether information is

considered “public,” you should consult with the Legal or Compliance Officer before making any decision to disclose such information or to trade in or recommend securities to which that information relates.

“Compliance Officer.” The Board has appointed the head of the Company’s Office of Legal Counsel as the Compliance Officer for this Policy. The duties of the Compliance Officer include, but are not limited to, the following:

- Assisting with implementation of this Policy;
 - Circulating this Policy to all employees and ensuring that this Policy is amended as necessary to remain up-to-date with insider trading laws;
 - Pre-clearing all trading in securities of the Company by Covered Persons in accordance with the procedures set forth below;
 - Providing approval of any transactions under Part II below;
 - Advising Covered Persons by means of email communication regarding the commencement and expiration of a blackout period; and
 - Maintaining a list of, and advising Covered Persons from time to time as necessary concerning, restricted securities of other companies with which the Company has confidentiality or non-disclosure obligations.
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Violations of Insider Trading Laws

Penalties for trading on or communicating material nonpublic information can be severe; both for individuals involved in such unlawful conduct and their employers and supervisors, and may include jail terms, criminal fines, civil penalties and civil enforcement injunctions. Given the severity of the potential penalties, compliance with this Policy is mandatory.

Legal Penalties. A person who violates insider trading laws by engaging in transactions in a company's securities when he or she has material nonpublic information can be sentenced to a substantial jail term and required to pay a penalty of several times the amount of profits gained or losses avoided.

- In addition, a person who tips others may also be liable for transactions by the tippees to whom he or she has disclosed material nonpublic information. Tippers can be subject to the same penalties and sanctions as the tippees, and the SEC has imposed large penalties even when the tipper did not profit from the transaction.
- The SEC can also seek substantial penalties from any person who, at the time of an insider trading violation, "directly or indirectly controlled the person who committed such violation," which would apply to the Company and/or its management and supervisory personnel. These control persons may be held liable for up to the greater of \$1 million or three times the amount of the profits gained or losses avoided. Even for violations that result in a small or no profit, the SEC can seek a minimum of \$1 million from a company and/or its management and supervisory personnel as control persons.

Company-imposed Penalties. Employees who violate this Policy may be subject to disciplinary action by the Company, including dismissal for cause. Any exceptions to the Policy, if permitted, may only be granted by the Compliance Officer and must be provided before any activity contrary to the above requirements takes place.

Questions

If you have any questions about this Policy, or whether a specific transaction you are considering falls within the Policy, you should reach out to the Office of General Counsel.

PART II
Applicable Only to "Covered Persons"

Blackout Periods

All Covered Persons are prohibited from trading in the Company's securities during blackout periods.

Quarterly Blackout Periods. Trading in the Company's securities is prohibited during the period beginning at the close of the market on the tenth calendar day prior to the end of each fiscal quarter and ending at the close of the second business day following the date the Company's financial results are publicly disclosed. During these periods, Covered Persons generally possess or are presumed to possess material nonpublic information about the Company's financial results.

Other Blackout Periods. From time to time, other types of material nonpublic information regarding the Company (such as negotiation of mergers or acquisitions) may be pending and not be publicly disclosed. During the period in which such material nonpublic information remains undisclosed, the Company may impose special blackout periods during which Covered Persons are prohibited from trading in the Company's securities. In addition, there may be periods when Covered Persons are prohibited by law, rule, regulation or agreement from trading in the Company's securities without regard to whether material nonpublic information remains undisclosed. If the Company imposes a special blackout period, it will notify the Covered Persons affected. The Compliance Officer will maintain a schedule and periodically advise Covered Persons whether the Company is in a blackout period due to special circumstances.

Exception. These trading restrictions do not apply to transactions under a pre-existing written plan, contract, instruction, or arrangement under Rule 10b5-1 (an "Approved 10b5-1 Plan") that:

- Has been reviewed and approved in advance of entering into such plan, and at least one week (or other reasonable time determined by the Compliance Officer) in advance of any trades thereunder by the Compliance Officer (or, if revised or amended, such revisions or amendments have been reviewed and approved by the Compliance Officer in advance of making such revisions and amendments and at least one week (or other reasonable time determined by the Compliance Officer) in advance of any subsequent trades);
 - Was entered into in good faith by the Covered Person at a time when the Covered Person was not in possession of material nonpublic information about the Company; and
 - Gives a third party the discretionary authority to execute such purchases and sales, outside the control of the Covered Person, so long as such third party does not possess any material nonpublic information about the Company; or explicitly specifies the security or securities to be purchased or sold, the number of shares, the prices and/or dates of transactions, or other formula(s) describing such transactions.
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Trading Windows

Covered Persons are permitted to trade in the Company's securities when no blackout period is in effect. Generally, this means that Covered Persons can trade during the period beginning on the day after a Blackout Period ends, and ending on the day before the next Blackout Period begins. However, even during this trading window, a Covered Person who is in possession of any material nonpublic information should not trade in the Company's securities until the information has been made publicly available or is no longer material.

Pre-Clearance of Securities Transactions

Because Covered Persons are likely to obtain material nonpublic information on a regular basis, the Company requires all such persons to refrain from trading, even during a trading window under Part II, Section 7 above, without first pre-clearing all transactions in the Company's securities.

Subject to the exemption in subsection (d) below, no Covered Person may, directly or indirectly, purchase or sell (or otherwise make any transfer, gift, pledge or loan of) any Company security at any time without first obtaining prior approval from the Compliance Officer. These procedures also apply to transactions by such person's spouse, other persons living in such person's household and minor children and to transactions by entities over which such person exercises control.

The Compliance Officer shall record the date each request is received and the date and time each request is approved or disapproved. Unless revoked, a grant of permission will normally remain valid until the close of trading two business days following the day on which it was granted. If the transaction does not occur during the two-day period, pre-clearance of the transaction must be re-requested.

Pre-clearance is not required for purchases and sales of securities under an Approved 10b5-1 Plan. With respect to any purchase or sale under an Approved 10b5-1 Plan, the third-party effecting transactions on behalf of the Covered Person should be instructed to send duplicate confirmations of all such transactions to the Compliance Officer.

Prohibited Transactions

Directors and executive officers of the Company are prohibited from trading in the Company's equity securities during a blackout period imposed under an "individual account" retirement or pension plan of the Company, during which at least 50% of the plan participants are unable to purchase, sell or otherwise acquire or transfer an interest in equity securities of the Company, due to a temporary suspension of trading by the Company or the plan fiduciary.

A Covered Person, including such person's spouse, other persons living in such person's household and minor children and entities over which such person exercises control, is prohibited from engaging in the following transactions in the Company's securities unless advance approval is obtained from the Compliance Officer:

- Short-term trading. Covered Persons who purchase (or sell) Company securities may not sell (or purchase) any Company securities of the same class for at least six months after the last purchase (or sale);
- Short sales. Covered Persons may not sell the Company's securities short ; and
- Options trading. Covered Persons may not buy or sell puts or calls or other derivative securities on the Company's securities.

Acknowledgement and Certification

All Covered Persons are required annually to sign the acknowledgment and certification attached hereto as Appendix B

Appendix: A
ADDITIONAL “COVERED PERSONS”
[As Designated by the Board of Directors]

In addition to all Section 16 officers and directors, the Board of Directors has designated the following persons as Additional “Covered Persons:”

- Any Discretionary Designee not designated by the Board as a Section 16 officer;
 - Senior accounting and finance staff, as well as personnel involved in SEC compliance and reporting activities, as designated by the Chief Financial Officer;
 - Those persons who are regularly involved in significant transactions, such as in-house lawyers, as designated by the General Counsel;
 - Those persons who are regularly involved in strategic initiatives or material regulatory matters, such senior risk management staff or compliance personnel, as designated by the Chief Risk Officer.
 - Such other individuals, including consultants and administrative support staff, as may be designated by the Chief Executive Officer, the Chief Financial Officer, the Chief Risk Officer or the General Counsel from time to time based upon the nature of their specific roles and responsibilities.
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Appendix B ACKNOWLEDGMENT AND CERTIFICATION

The undersigned does hereby acknowledge receipt of the Patriot Bank N.A., and Patriot National Bancorp, Inc. Insider Trading Policy. The undersigned has read and understands (or has had explained) such Policy and agrees to be governed by such Policy at all times in connection with the purchase and sale of securities and the confidentiality of nonpublic information.

(Signature)

(Signature)

(Please print nam

(Please print nam

Date:

Date:

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement on Form 10-K of our report dated March 31, 2026, relating to the financial statements of Patriot National Bancorp, Inc. as of and for the year ended December 31, 2025, included in Patriot National Bancorp, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on March 31, 2026.

/s/ BAKER TILLY US, LLP

New York, New York

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement Nos. 333-179204 and 333-288612 on Form S-8 and Registration Statement Nos. 333-287283 and 333-287286 on Form S-3 of Patriot National Bancorp, Inc. of our report dated April 15, 2025, relating to the consolidated financial statements of Patriot National Bancorp, Inc., appearing in this Annual Report on Form 10-K of Patriot National Bancorp, Inc. for the year ended December 31, 2025.

/s/ RSM US LLP

Hartford, Connecticut
March 31, 2026

**CERTIFICATION
BY CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13A-14**

I, Steven Sugarman, certify that:

1. I have reviewed this annual report on Form 10-K of Patriot National Bancorp, Inc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States of America;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 31, 2026

/s/ Steven Sugarman

Steven Sugarman

President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION
BY PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13A-14**

I, Carlos Salas, certify that:

1. I have reviewed this annual report on Form 10-K of Patriot National Bancorp, Inc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15(d)-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States of America;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 31, 2026

/s/ Carlos P. Salas

Carlos Salas

Chief Financial Officer

(Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of PATRIOT NATIONAL BANCORP, INC. (the "Company") on Form 10-K for the period ended 12/31/2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Steven Sugarman and Carlos Salas, the Chief Executive Officer and the Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Steven Sugarman

Steven Sugarman

President and Chief Executive Officer (Principal Executive Officer)

/s/ Carlos P. Salas

Carlos Salas

Chief Financial Officer

(Principal Financial Officer)

Date: March 31, 2026

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished to the Securities and Exchange Commission and shall not be considered filed as part of the Report.