

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

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event Reported): October 24, 2025

Stellar Bancorp, Inc.

(Exact Name of Registrant as Specified in Charter)

Texas
(State or Other Jurisdiction of Incorporation)

001-38280
(Commission File Number)

20-8339782
(I.R.S. Employer Identification Number)

9 Greenway Plaza, Suite 110
Houston, Texas 77046
(Address of Principal Executive Offices) (Zip Code)

(713) 210-7600
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.01 per share	STEL	New York Stock Exchange NYSE Texas

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 2.02. Results of Operations and Financial Condition.

On October 24, 2025 Stellar Bancorp, Inc. (the "Company") issued a press release announcing its financial results for the third quarter of 2025. A copy of the press release, as well as a copy of the accompanying earnings presentation, are furnished as Exhibit 99.1 and Exhibit 99.2 hereto, respectively, and incorporated herein by reference.

In accordance with General Instruction B.2 to Form 8-K, the information furnished in this Item 2.02, Exhibit 99.1 and Exhibit 99.2 of this Current Report on Form 8-K shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, and such information shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, (the "Securities Act"), except as shall be expressly set forth by specific reference in such filing.

Item 7.01 Regulation FD Disclosure

On Friday, October 24, 2025, at 8:00 a.m., Central Time, the Company will host an investor conference call and webcast to review its third quarter 2025 financial results. The earnings release and earnings presentation will be posted on the Company's website. The earnings release and presentation materials are attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively, and are incorporated herein by reference.

In accordance with General Instruction B.2 to Form 8-K, the information furnished in this Item 7.01, including Exhibit 99.2 of this Current Report on Form 8-K shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, and such information shall not be deemed incorporated by reference in any filing under the Securities Act, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

Exhibits. The following are furnished as exhibits to this Current Report on Form 8-K:

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Q3 2025 Earnings Release
99.2	Q3 2025 Earnings Presentation
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements anticipated in such statements. Forward-looking statements speak only as of the date they are made and, except as required by law, the Company does not assume any duty to update forward-looking statements. Such forward-looking statements include, but are not limited to, statements concerning the Company's plans, objectives, strategies, expectations, intentions and other statements that are not statements of historical fact, and may be identified by words such as "anticipates," "believes," "building," "continue," "could," "drive," "estimates," "expects," "extent," "focus," "forecasts," "goal," "guidance," "intends," "may," "might," "outlook," "plan," "position," "probable," "progressing," "projects," "prudent," "seeks," "should," "target," "view," "will" or "would" or the negative of these words and phrases or similar words or phrases. For a list of factors that could cause actual results to differ materially from those set forth in the forward-looking statements, see the risk factors described in the Company's most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q and other reports that are filed with the Securities and Exchange Commission. All forward-looking statements are qualified in their entirety by this cautionary statement.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

STELLAR BANCORP, INC.

Date: October 24, 2025

By: /s/ Paul P. Egge
Paul P. Egge
Chief Financial Officer

stellar BANCORP, INC.

PRESS RELEASE

STELLAR BANCORP, INC. REPORTS THIRD QUARTER 2025 RESULTS

HOUSTON, October 24, 2025 - Stellar Bancorp, Inc. (the "Company" or "Stellar") (NYSE: STEL) today reported net income of \$25.7 million, or diluted earnings per share of \$0.50, for the third quarter of 2025, compared to net income of \$26.4 million, or diluted earnings per share of \$0.51, for the second quarter of 2025.

"We are pleased to report strong third quarter results for 2025, highlighted by improved net interest income and margin. We also saw growth in deposits and tangible book value, which further strengthened our balance sheet to support our future," said Robert R. Franklin, Jr., Stellar's Chief Executive Officer.

"Our team has continued to reposition the loan portfolio, reducing our exposure to non-relationship real estate commitments and moving toward a more balanced mix of C&I and real estate loans. Our real estate portfolio remains within regulatory guidance, and we intend to stay within those parameters. While loan payoffs persisted during the quarter, we believe this strategic portfolio shift will help moderate payoff activity over the longer term," Mr. Franklin continued.

"Credit quality remains good, and the Texas markets we serve continue to perform well. Stellar is increasingly recognized as a strong, locally-managed bank focused on serving small-to-medium sized businesses, and we are well-positioned to capitalize on merger-related disruption in our markets. We remain confident in our ability to deepen customer relationships and deliver long-term value for our shareholders," Mr. Franklin concluded.

Financial Highlights

- *Strong Net Interest Margin:* Tax equivalent net interest margin for the third quarter of 2025 was 4.20% compared to 4.18% for the second quarter of 2025. The tax equivalent net interest margin, excluding purchase accounting accretion ("PAA"), was 4.00%⁽¹⁾ for the third quarter of 2025 compared to 3.95%⁽¹⁾ for the second quarter of 2025.
- *Solid Profitability:* Net income for the third quarter of 2025 was \$25.7 million, or diluted earnings per share of \$0.50, which translated into an annualized return on average assets of 0.97%, an annualized return on average equity of 6.30% and an annualized return on average tangible equity of 11.45%⁽¹⁾.
- *Strong Capital Position and Book Value Build:* Total risk-based capital ratio increased to 16.33% at September 30, 2025 from 15.98% at June 30, 2025, while book value per share increased to \$32.27 at September 30, 2025 from \$31.20 at June 30, 2025 and tangible book value per share increased to \$21.08⁽¹⁾ at September 30, 2025 from \$19.94⁽¹⁾ at June 30, 2025.
- *Paydown of Subordinated Debt:* On October 1, 2025, the Company completed the previously announced redemption of \$30 million of its \$60 million of subordinated debt outstanding as of September 30, 2025.

Third Quarter 2025 Results

Net interest income in the third quarter of 2025 increased \$2.3 million, or 2.3%, to \$100.6 million from \$98.3 million for the second quarter of 2025. The net interest margin on a tax equivalent basis increased to 4.20% for the third quarter of 2025 from 4.18% for the second quarter of 2025. The increase in net interest income from the prior quarter was primarily due to the increase in average securities, average yield on securities and deposits in other financial institutions. Net interest income for the third quarter of 2025 benefited from \$4.8 million of income from PAA compared to \$5.3 million in the second quarter of 2025. Excluding PAA, net interest income (tax equivalent) for the third quarter of 2025 would have been \$95.9 million⁽¹⁾ and the tax equivalent net interest margin would have been 4.00%⁽¹⁾.

⁽¹⁾ Refer to the calculation of this non-GAAP financial measure on page 10 of this earnings release. The calculation of returns on average tangible equity and the efficiency ratio have been adjusted from prior period disclosures.

Noninterest income for the third quarter of 2025 was \$5.0 million, a decrease of \$805 thousand, or 13.9%, compared to \$5.8 million for the second quarter of 2025. Noninterest income decreased in the third quarter of 2025 compared to the second quarter of 2025 primarily due to losses on sales and write-downs on foreclosed assets recorded during the third quarter.

Noninterest expense for the third quarter of 2025 increased \$3.1 million, or 4.5%, to \$73.1 million compared to \$70.0 million for the second quarter of 2025. The increase in noninterest expense during the third quarter of 2025 compared to the second quarter of 2025 was primarily due to an increase in salaries and employee benefits of \$2.2 million, an increase in professional fees of \$314 thousand and a \$258 thousand increase in advertising expense. Salaries and benefits during the third quarter of 2025 included \$464 thousand in severance expense related to planned upcoming branch closures.

The efficiency ratio was 63.69%⁽¹⁾ for the third quarter of 2025 compared to 61.87%⁽¹⁾ for the second quarter of 2025. Annualized returns on average assets, average equity and average tangible equity were 0.97%, 6.30% and 11.45%⁽¹⁾ for the third quarter of 2025, respectively, compared to 1.01%, 6.62% and 12.16%⁽¹⁾ for the second quarter of 2025, respectively.

Financial Condition

Total assets at September 30, 2025 were \$10.63 billion, an increase of \$135 million compared to \$10.49 billion at June 30, 2025. The increase in total assets was largely due to an increase in interest-bearing deposits at other financial institutions and securities, all of which were funded largely by core deposit growth, partially offset by a decrease in loans.

Total loans at September 30, 2025 decreased \$119.5 million to \$7.17 billion compared to \$7.29 billion at June 30, 2025. At September 30, 2025, the remaining balance of the PAA on loans was \$58.1 million.

Total deposits at September 30, 2025 increased \$143.8 million to \$8.82 billion compared to \$8.67 billion at June 30, 2025 primarily due to increases in money market and savings deposits.

Asset Quality

Nonperforming assets totaled \$54.2 million, or 0.51% of total assets, at September 30, 2025, compared to \$58.2 million, or 0.55% of total assets, at June 30, 2025. The allowance for credit losses on loans as a percentage of total loans was 1.10% at September 30, 2025 compared to 1.14% at June 30, 2025.

The provision for credit losses was \$305 thousand for the third quarter of 2025 compared to \$1.1 million for the second quarter of 2025. Net charge-offs for the third quarter of 2025 were \$3.3 million, or 0.18% (annualized) of average loans, compared to net charge-offs of \$206 thousand, or 0.01% (annualized) of average loans, for the second quarter of 2025.

GAAP Reconciliation of Non-GAAP Financial Measures

Stellar's management uses certain non-GAAP financial measures to evaluate its performance. Please refer to the GAAP Reconciliation and Management's Explanation of Non-GAAP Financial Measures on page 10 of this earnings release for a reconciliation of these non-GAAP financial measures.

Conference Call

Stellar's management team will host a conference call and webcast on Friday, October 24, 2025 at 8:00 a.m. Central Time (9:00 a.m. Eastern Time) to discuss its results for the third quarter of 2025. Participants may register for the conference call at <https://registrations.events/direct/Q416358688> conference ID 63586 to receive the dial-in numbers and unique PIN to access the call. If you need assistance in obtaining a dial-in number, please contact ir@stellar.bank. A simultaneous webcast is available at <https://registrations.events/direct/Q416358688> and requires pre-registration. If you are unable to participate during the live webcast, the webcast will be accessible via the Investor Relations section of the Company's website at ir.stellar.bank.

About Stellar Bancorp, Inc.

Stellar Bancorp, Inc. is a bank holding company headquartered in Houston, Texas. Stellar's principal banking subsidiary, Stellar Bank, provides a diversified range of commercial banking services primarily to small- to medium-sized businesses and individual customers across Houston, Dallas, Beaumont and surrounding communities in Texas.

⁽¹⁾ Refer to the calculation of this non-GAAP financial measure on page 10 of this earnings release. The calculation of returns on average tangible equity and the efficiency ratio have been adjusted from prior period disclosures.

Investor Relations

ir@stellar.bank

Forward-Looking Statements

Certain statements in this press release which are not historical in nature are intended to be, and are hereby identified as, "forward-looking statements" for purposes of the safe harbor provided by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include, but are not limited to, future financial performance and operating results, the Company's plans, business and growth strategies, objectives, expectations and intentions, and other statements that are not historical facts, including projections of macroeconomic and industry trends, which are inherently unreliable due to the multiple factors that impact economic trends, and any such variations may be material. Forward-looking statements may be identified by terminology such as "may," "will," "should," "could," "scheduled," "plans," "intends," "projects," "anticipates," "expects," "believes," "estimates," "potential," "would," or "continue" or negatives of such terms or other comparable terminology.

All forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors that may cause the actual results, performance or achievements of Stellar to differ materially from any results expressed or implied by such forward-looking statements. Such factors include, among others: changes in the interest rate environment, the value of Stellar's assets and obligations and the availability of capital and liquidity; general competitive, economic, political and market conditions; and other factors that may affect future results of Stellar including changes in asset quality and credit risk; the inability to sustain revenue and earnings growth; changes in interest rates and capital markets; inflation; customer borrowing, repayment, investment and deposit practices; the impact, extent and timing of technological changes; capital management activities; disruptions to the economy and the U.S. banking system; risks associated with uninsured deposits and responsive measures by federal or state governments or banking regulators; legislative changes, executive orders, regulatory actions and reforms of the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation and Texas Department of Banking.

Additional factors which could affect the Company's future results can be found in the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, in each case filed with the SEC and available on the SEC's website at www.sec.gov. We disclaim any obligation and do not intend to update or revise any forward-looking statements contained in this communication, which speak only as of the date hereof, whether as a result of new information, future events or otherwise, except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

Stellar Bancorp, Inc.
Financial Highlights
(Unaudited)

	2025			2024	
	September 30	June 30	March 31	December 31	September 30
	(Dollars in thousands)				
ASSETS:					
Cash and due from banks	\$ 99,407	\$ 136,060	\$ 130,932	\$ 419,967	\$ 103,735
Interest-bearing deposits at other financial institutions	629,042	442,044	429,643	491,249	412,482
Total cash and cash equivalents	<u>728,449</u>	<u>578,104</u>	<u>560,575</u>	<u>911,216</u>	<u>516,217</u>
Available for sale securities, at fair value	1,842,268	1,729,684	1,719,371	1,673,016	1,691,752
Loans held for investment	7,167,857	7,287,347	7,283,133	7,439,854	7,551,124
Less: allowance for credit losses on loans	(78,924)	(83,165)	(83,746)	(81,058)	(84,501)
Loans, net	<u>7,088,933</u>	<u>7,204,182</u>	<u>7,199,387</u>	<u>7,358,796</u>	<u>7,466,623</u>
Accrued interest receivable	34,865	35,537	37,669	37,884	39,473
Premises and equipment, net	107,803	108,615	109,750	111,856	113,742
Federal Reserve Bank and Federal Home Loan Bank stock	45,437	47,099	20,902	8,209	20,123
Bank-owned life insurance	109,358	108,726	108,108	107,498	106,876
Goodwill	497,318	497,318	497,318	497,318	497,318
Core deposit intangibles, net	75,929	81,468	87,007	92,546	98,116
Other assets	97,753	102,277	94,800	107,451	79,537
Total assets	<u>\$ 10,628,113</u>	<u>\$ 10,493,010</u>	<u>\$ 10,434,887</u>	<u>\$ 10,905,790</u>	<u>\$ 10,629,777</u>
LIABILITIES AND SHAREHOLDERS' EQUITY					
LIABILITIES:					
Deposits:					
Noninterest-bearing	\$ 3,210,948	\$ 3,183,693	\$ 3,205,619	\$ 3,576,206	\$ 3,303,048
Interest-bearing					
Demand	1,960,857	1,941,156	1,863,752	1,845,749	1,571,504
Money market and savings	2,489,169	2,393,767	2,248,616	2,253,193	2,280,651
Certificates and other time	1,156,489	1,154,998	1,244,726	1,453,236	1,587,398
Total interest-bearing deposits	<u>5,606,515</u>	<u>5,489,921</u>	<u>5,357,094</u>	<u>5,552,178</u>	<u>5,439,553</u>
Total deposits	<u>8,817,463</u>	<u>8,673,614</u>	<u>8,562,713</u>	<u>9,128,384</u>	<u>8,742,601</u>
Accrued interest payable	9,429	7,607	9,856	17,052	16,915
Borrowed funds	—	69,925	119,923	—	60,000
Subordinated debt	70,196	70,165	70,135	70,105	110,064
Other liabilities	77,887	67,865	61,428	82,389	74,074
Total liabilities	<u>8,974,975</u>	<u>8,889,176</u>	<u>8,824,055</u>	<u>9,297,930</u>	<u>9,003,654</u>
SHAREHOLDERS' EQUITY:					
Common stock	512	514	521	534	535
Capital surplus	1,182,781	1,185,048	1,202,628	1,240,050	1,238,619
Retained earnings	547,717	529,216	510,072	492,640	474,905
Accumulated other comprehensive loss	(77,872)	(110,944)	(102,389)	(125,364)	(87,936)
Total shareholders' equity	<u>1,653,138</u>	<u>1,603,834</u>	<u>1,610,832</u>	<u>1,607,860</u>	<u>1,626,123</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ 10,628,113</u>	<u>\$ 10,493,010</u>	<u>\$ 10,434,887</u>	<u>\$ 10,905,790</u>	<u>\$ 10,629,777</u>

Stellar Bancorp, Inc.
Financial Highlights
(Unaudited)

	Three Months Ended						Nine Months Ended			
	2025		2024		2024		2025		2024	
	September 30	June 30	March 31	December 31	September 30	September 30	September 30	September 30		
(Dollars in thousands, except per share data)										
INTEREST INCOME:										
Loans, including fees	\$ 122,557	\$ 121,814	\$ 120,640	\$ 128,738	\$ 132,372	\$ 365,011	\$ 402,942			
Securities:										
Taxable	16,278	15,293	16,148	14,789	13,898	47,719	35,114			
Tax-exempt	808	810	812	814	814	2,430	2,448			
Deposits in other financial institutions	5,770	4,782	4,720	5,681	4,692	15,272	11,874			
Total interest income	145,413	142,699	142,320	150,022	151,776	430,432	452,378			
INTEREST EXPENSE:										
Demand, money market and savings deposits	32,376	31,097	27,574	27,877	29,440	91,047	85,369			
Certificates and other time deposits	10,920	11,459	13,527	16,830	18,073	35,966	51,915			
Borrowed funds	56	407	517	235	840	980	4,314			
Subordinated debt	1,417	1,401	1,444	2,123	1,916	4,262	5,745			
Total interest expense	44,769	44,364	43,062	47,065	50,269	132,195	147,343			
NET INTEREST INCOME	100,644	98,335	99,258	102,957	101,507	298,237	305,035			
Provision for (reversal of) credit losses	305	1,090	3,632	942	(5,985)	5,027	(3,822)			
Net interest income after provision for credit losses	100,339	97,245	95,626	102,015	107,492	293,210	308,857			
NONINTEREST INCOME:										
Service charges on deposit accounts	1,545	1,561	1,584	1,590	1,594	4,690	4,840			
(Loss) gain on sale/write-down of assets	(491)	(57)	417	(112)	432	(131)	881			
Bank-owned life insurance	632	618	610	622	614	1,860	1,792			
Debit card and interchange income	572	566	520	570	551	1,658	1,621			
Other	2,728	3,103	2,374	2,362	3,111	8,205	8,880			
Total noninterest income	4,986	5,791	5,505	5,032	6,302	16,282	18,014			
NONINTEREST EXPENSE:										
Salaries and employee benefits	43,175	40,927	41,792	43,797	41,123	125,894	121,560			
Net occupancy and equipment	4,518	4,399	3,926	4,401	4,570	12,843	13,463			
Depreciation	2,015	1,992	1,995	1,984	1,911	6,002	5,823			
Data processing and software amortization	5,882	5,620	5,682	5,551	5,706	17,184	16,101			
Professional fees	1,601	1,287	1,786	3,428	1,714	4,674	5,996			
Regulatory assessments and FDIC insurance	1,688	1,561	1,733	1,636	1,779	4,982	5,932			
Amortization of intangibles	5,554	5,548	5,548	5,581	6,212	16,650	18,639			
Communications	855	861	847	807	827	2,563	2,611			
Advertising	1,425	1,167	782	1,593	878	3,374	2,534			
Other	6,429	6,642	6,075	6,488	6,346	19,146	21,033			
Total noninterest expense	73,142	70,004	70,166	75,266	71,066	213,312	213,692			
INCOME BEFORE INCOME TAXES	32,183	33,032	30,965	31,781	42,728	96,180	113,179			
Provision for income taxes	6,513	6,680	6,263	6,569	8,837	19,456	23,388			
NET INCOME	\$ 25,670	\$ 26,352	\$ 24,702	\$ 25,212	\$ 33,891	\$ 76,724	\$ 89,791			
EARNINGS PER SHARE										
Basic	\$ 0.50	\$ 0.51	\$ 0.46	\$ 0.47	\$ 0.63	\$ 1.48	\$ 1.68			
Diluted	\$ 0.50	\$ 0.51	\$ 0.46	\$ 0.47	\$ 0.63	\$ 1.47	\$ 1.68			

Stellar Bancorp, Inc.
Financial Highlights
(Unaudited)

	Three Months Ended						Nine Months Ended	
	2025		2024		2025		2024	
	September 30	June 30	March 31	December 31	September 30	September 30	September 30	September 30
	(Dollars and share amounts in thousands, except per share data)							
Net income	\$ 25,670	\$ 26,352	\$ 24,702	\$ 25,212	\$ 33,891	\$ 76,724	\$ 89,791	
Earnings per share, basic	\$ 0.50	\$ 0.51	\$ 0.46	\$ 0.47	\$ 0.63	\$ 1.48	\$ 1.68	
Earnings per share, diluted	\$ 0.50	\$ 0.51	\$ 0.46	\$ 0.47	\$ 0.63	\$ 1.47	\$ 1.68	
Dividends per share	\$ 0.14	\$ 0.14	\$ 0.14	\$ 0.14	\$ 0.13	\$ 0.42	\$ 0.39	
Return on average assets ^(A)	0.97%	1.01%	0.94%	0.94%	1.27%	0.97%	1.13%	
Return on average equity ^(A)	6.30%	6.62%	6.21%	6.21%	8.49%	6.37%	7.73%	
Return on average tangible equity ^{(A)(B)(D)}	11.45%	12.16%	11.48%	11.53%	15.61%	11.69%	14.75%	
Net interest margin (tax equivalent) ^{(A)(C)}	4.20%	4.18%	4.20%	4.25%	4.19%	4.19%	4.23%	
Net interest margin (tax equivalent) excluding PAA ^{(A)(B)(C)}	4.00%	3.95%	3.97%	3.94%	3.91%	3.97%	3.88%	
Efficiency ratio ^{(B)(E)}	63.69%	61.87%	61.93%	64.46%	60.40%	62.50%	60.54%	
Capital Ratios								
Stellar Bancorp, Inc. (Consolidated)								
Equity to assets	15.55%	15.28%	15.44%	14.74%	15.30%	15.55%	15.30%	
Tangible equity to tangible assets ^{(B)(E)}	10.74%	10.34%	10.42%	9.87%	10.27%	10.74%	10.27%	
Estimated Total capital ratio (to risk-weighted assets)	16.33%	15.98%	15.97%	16.00%	15.85%	16.33%	15.85%	
Estimated Common equity Tier 1 capital (to risk weighted assets)	14.43%	14.06%	14.05%	14.14%	13.57%	14.43%	13.57%	
Estimated Tier 1 capital (to risk-weighted assets)	14.55%	14.18%	14.17%	14.26%	13.69%	14.55%	13.69%	
Estimated Tier 1 leverage (to average tangible assets)	11.60%	11.44%	11.20%	11.31%	11.10%	11.60%	11.10%	
Stellar Bank								
Estimated Total capital ratio (to risk-weighted assets)	15.45%	15.39%	15.40%	15.28%	15.02%	15.45%	15.02%	
Estimated Common equity Tier 1 capital (to risk-weighted assets)	14.27%	14.18%	14.20%	14.13%	13.58%	14.27%	13.58%	
Estimated Tier 1 capital (to risk-weighted assets)	14.27%	14.18%	14.20%	14.13%	13.58%	14.27%	13.58%	
Estimated Tier 1 leverage (to average tangible assets)	11.37%	11.44%	11.22%	11.21%	11.01%	11.37%	11.01%	
Other Data								
Weighted average shares:								
Basic	51,283	51,529	53,146	53,422	53,541	51,979	53,485	
Diluted	51,356	51,569	53,197	53,471	53,580	52,027	53,531	
Period end shares outstanding	51,228	51,398	52,141	53,429	53,446	51,228	53,446	
Book value per share	\$ 32.27	\$ 31.20	\$ 30.89	\$ 30.09	\$ 30.43	\$ 32.27	\$ 30.43	
Tangible book value per share ^(D)	\$ 21.08	\$ 19.94	\$ 19.69	\$ 19.05	\$ 19.28	\$ 21.08	\$ 19.28	
Employees - full-time equivalents	1,065	1,062	1,054	1,037	1,040	1,065	1,040	

(A) Interim periods annualized.

(B) Refer to the calculation of these non-GAAP financial measures on page 10 of this Earnings Release.

(C) Net interest margin represents net interest income divided by average interest-earning assets.

(D) The calculation of return on average tangible equity has been adjusted from prior period disclosures and all periods presented above have been recalculated and disclosed under the same calculation.

(E) The calculation of the efficiency ratio represents total noninterest expense less amortization of core deposits, divided by the sum of net interest income and noninterest income, excluding net gains and losses on the sale/write-down of assets. This calculation has been adjusted from prior period disclosures and all periods presented above have been recalculated and disclosed under the same calculation.

Stellar Bancorp, Inc.
Financial Highlights
(Unaudited)

	Three Months Ended								
	September 30, 2025			June 30, 2025			September 30, 2024		
	Average Balance	Interest Earned/ Interest Paid	Average Yield/Rate	Average Balance	Interest Earned/ Interest Paid	Average Yield/Rate	Average Balance	Interest Earned/ Interest Paid	Average Yield/Rate
(Dollars in thousands)									
Assets									
Interest-earning assets:									
Loans	\$ 7,228,778	\$ 122,557	6.73%	\$ 7,282,609	\$ 121,814	6.71%	\$ 7,627,522	\$ 132,372	6.90%
Securities	1,790,897	17,086	3.79%	1,729,384	16,103	3.73%	1,676,614	14,712	3.49%
Deposits in other financial institutions	505,342	5,770	4.53%	436,596	4,782	4.39%	339,493	4,692	5.50%
Total interest-earning assets	9,525,017	\$ 145,413	6.06%	9,448,589	\$ 142,699	6.06%	9,643,629	\$ 151,776	6.26%
Allowance for credit losses on loans	(82,983)			(83,700)			(94,785)		
Noninterest-earning assets	1,076,831			1,099,268			1,077,422		
Total assets	<u>\$ 10,518,865</u>			<u>\$ 10,464,157</u>			<u>\$ 10,626,266</u>		
Liabilities and Shareholders' Equity									
Interest-bearing liabilities:									
Interest-bearing demand deposits	\$ 1,935,203	\$ 14,356	2.94%	\$ 1,952,004	\$ 14,399	2.96%	\$ 1,606,736	\$ 12,458	3.08%
Money market and savings deposits	2,475,306	18,020	2.89%	2,371,221	16,698	2.82%	2,254,767	16,982	3.00%
Certificates and other time deposits	1,162,461	10,920	3.73%	1,201,903	11,459	3.82%	1,620,908	18,073	4.44%
Borrowed funds	3,156	56	7.04%	34,427	407	4.74%	49,077	840	6.81%
Subordinated debt	70,181	1,417	8.01%	70,151	1,401	8.01%	110,007	1,916	6.93%
Total interest-bearing liabilities	5,646,307	\$ 44,769	3.15%	5,629,706	\$ 44,364	3.16%	5,641,495	\$ 50,269	3.54%
Noninterest-bearing liabilities:									
Noninterest-bearing demand deposits	3,172,054			3,160,791			3,303,726		
Other liabilities	82,993			78,120			93,127		
Total liabilities	8,901,354			8,868,617			9,038,348		
Shareholders' equity	1,617,511			1,595,540			1,587,918		
Total liabilities and shareholders' equity	<u>\$ 10,518,865</u>			<u>\$ 10,464,157</u>			<u>\$ 10,626,266</u>		
Net interest rate spread			2.91%			2.90%			2.72%
Net interest income and margin		<u>\$ 100,644</u>	4.19%		<u>\$ 98,335</u>	4.17%		<u>\$ 101,507</u>	4.19%
Net interest income and margin (tax equivalent)		<u>\$ 100,739</u>	4.20%		<u>\$ 98,427</u>	4.18%		<u>\$ 101,578</u>	4.19%
Cost of funds			2.01%			2.02%			2.24%
Cost of deposits			1.96%			1.97%			2.15%

Stellar Bancorp, Inc.
Financial Highlights
(Unaudited)

	Nine Months Ended September 30,					
	2025			2024		
	Average Balance	Interest Earned/ Interest Paid	Average Yield/Rate	Average Balance	Interest Earned/ Interest Paid	Average Yield/Rate
(Dollars in thousands)						
Assets						
Interest-earning assets:						
Loans	\$ 7,284,805	\$ 365,011	6.70%	\$ 7,790,957	\$ 402,942	6.91%
Securities	1,779,093	50,149	3.77%	1,556,462	37,562	3.22%
Deposits in other financial institutions	457,794	15,272	4.46%	287,960	11,874	5.51%
Total interest-earning assets	<u>9,521,692</u>	<u>\$ 430,432</u>	6.04%	<u>9,635,379</u>	<u>\$ 452,378</u>	6.27%
Allowance for credit losses on loans	(82,623)			(94,236)		
Noninterest-earning assets	1,092,163			1,104,426		
Total assets	<u>\$ 10,531,232</u>			<u>\$ 10,645,569</u>		
Liabilities and Shareholders' Equity						
Interest-bearing liabilities:						
Interest-bearing demand deposits	\$ 1,933,030	\$ 41,148	2.85%	\$ 1,616,313	\$ 36,949	3.05%
Money market and savings deposits	2,361,247	49,899	2.83%	2,211,148	48,420	2.93%
Certificates and other time deposits	1,219,953	35,906	3.94%	1,586,623	51,915	4.37%
Borrowed funds	27,687	980	4.73%	98,374	4,314	5.86%
Subordinated debt	70,151	4,262	8.12%	109,909	5,745	6.98%
Total interest-bearing liabilities	<u>5,612,068</u>	<u>\$ 132,195</u>	3.15%	<u>5,622,367</u>	<u>\$ 147,343</u>	3.50%
Noninterest-bearing liabilities:						
Noninterest-bearing demand deposits	3,225,666			3,379,096		
Other liabilities	84,388			92,527		
Total liabilities	<u>8,922,122</u>			<u>9,093,990</u>		
Shareholders' equity	1,609,110			1,551,579		
Total liabilities and shareholders' equity	<u>\$ 10,531,232</u>			<u>\$ 10,645,569</u>		
Net interest rate spread			2.89%			2.77%
Net interest income and margin		<u>\$ 298,237</u>	4.19%		<u>\$ 305,035</u>	4.23%
Net interest income and margin (tax equivalent)		<u>\$ 298,519</u>	4.19%		<u>\$ 305,266</u>	4.23%
Cost of funds			2.00%			2.19%
Cost of deposits			1.94%			2.09%

Stellar Bancorp, Inc.
Financial Highlights
(Unaudited)

	Three Months Ended					
	2025			2024		
	September 30	June 30	March 31	December 31	September 30	
(Dollars in thousands)						
Loan Portfolio:						
Commercial and industrial	\$ 1,332,795	\$ 1,346,744	\$ 1,362,266	\$ 1,362,260		
Real estate:						
Commercial real estate (including multi-family residential)	3,733,293	3,840,981	3,854,607	3,868,218	3,976,296	
Commercial real estate construction and land development	753,381	762,911	721,488	845,494	890,316	
1-4 family residential (including home equity)	1,142,614	1,126,523	1,125,837	1,115,484	1,112,235	
Residential construction	121,197	137,855	141,283	157,977	161,494	
Consumer and other	84,577	72,333	77,652	90,421	60,030	
Total loans held for investment	<u>\$ 7,167,857</u>	<u>\$ 7,287,347</u>	<u>\$ 7,283,133</u>	<u>\$ 7,439,854</u>	<u>\$ 7,551,124</u>	
Deposits:						
Noninterest-bearing	\$ 3,210,948	\$ 3,183,693	\$ 3,205,619	\$ 3,576,206	\$ 3,303,048	
Interest-bearing						
Demand	1,960,857	1,941,156	1,863,752	1,845,749	1,571,504	
Money market and savings	2,489,169	2,393,767	2,248,616	2,253,193	2,280,651	
Certificates and other time	1,156,489	1,154,998	1,244,726	1,453,236	1,587,398	
Total interest-bearing deposits	<u>5,606,515</u>	<u>5,489,921</u>	<u>5,357,094</u>	<u>5,552,178</u>	<u>5,439,553</u>	
Total deposits	<u>\$ 8,817,463</u>	<u>\$ 8,673,614</u>	<u>\$ 8,562,713</u>	<u>\$ 9,128,384</u>	<u>\$ 8,742,601</u>	
Asset Quality:						
Nonaccrual loans	\$ 46,250	\$ 50,505	\$ 54,518	\$ 37,212	\$ 32,140	
Accruing loans 90 or more days past due	—	—	—	—	—	
Total nonperforming loans	<u>46,250</u>	<u>50,505</u>	<u>54,518</u>	<u>37,212</u>	<u>32,140</u>	
Foreclosed assets	7,939	7,652	5,154	1,734	2,984	
Total nonperforming assets	<u>\$ 54,189</u>	<u>\$ 58,157</u>	<u>\$ 59,672</u>	<u>\$ 38,946</u>	<u>\$ 35,124</u>	
Net charge-offs (recoveries)	\$ 3,323	\$ 206	\$ 163	\$ 2,016	\$ 3,933	
Nonaccrual loans:						
Commercial and industrial	\$ 5,594	\$ 13,395	\$ 11,471	\$ 8,500	\$ 9,718	
Real estate:						
Commercial real estate (including multi-family residential)	25,156	23,359	26,383	16,459	10,695	
Commercial real estate construction and land development	2,899	3,412	2,027	3,061	4,183	
1-4 family residential (including home equity)	12,083	9,965	14,550	9,056	7,259	
Residential construction	457	176	—	—	121	
Consumer and other	61	198	87	136	164	
Total nonaccrual loans	<u>\$ 46,250</u>	<u>\$ 50,505</u>	<u>\$ 54,518</u>	<u>\$ 37,212</u>	<u>\$ 32,140</u>	
Asset Quality Ratios:						
Nonperforming assets to total assets	0.51%	0.55%	0.57%	0.36%	0.33%	
Nonperforming loans to total loans	0.65%	0.69%	0.75%	0.50%	0.43%	
Allowance for credit losses on loans to nonperforming loans	170.65%	164.67%	153.61%	217.83%	262.92%	
Allowance for credit losses on loans to total loans	1.10%	1.14%	1.15%	1.09%	1.12%	
Net charge-offs to average loans (annualized)	0.18%	0.01%	0.01%	0.11%	0.21%	

Stellar Bancorp, Inc.
GAAP Reconciliation and Management's Explanation of Non-GAAP Financial Measures
(Unaudited)

Stellar's management uses certain non-GAAP (generally accepted accounting principles) financial measures to evaluate its performance. Stellar believes that these non-GAAP financial measures provide meaningful supplemental information regarding its performance and that management and investors benefit from referring to these non-GAAP financial measures in assessing Stellar's performance and when planning, forecasting, analyzing and comparing past, present and future periods. Specifically, Stellar reviews pre-tax, pre-provision income, pre-tax pre-provision ROAA, tangible book value per share, return on average tangible equity, tangible equity to tangible assets and net interest margin (tax equivalent) excluding PAA for internal planning and forecasting purposes. Stellar has included in this earnings release information relating to these non-GAAP financial measures for the applicable periods presented. These non-GAAP measures should not be considered in isolation or as a substitute for the most directly comparable or other financial measures calculated in accordance with GAAP. Moreover, the manner in which Stellar calculates the non-GAAP financial measures may differ from that of other companies reporting measures with similar names.

	Three Months Ended						Nine Months Ended			
	2025			2024			2025		2024	
	September 30	June 30	March 31	December 31	September 30	September 30	September 30			
	(Dollars and share amounts in thousands, except per share data)									
Net income	\$ 25,670	\$ 26,352	\$ 24,702	\$ 25,212	\$ 33,891	\$ 76,724	\$ 89,791			
Add: Provision for (reversal of) credit losses	305	1,090	3,632	942	(5,985)	5,027	(3,822)			
Add: Provision for income taxes	6,513	6,680	6,263	6,569	8,837	19,456	23,388			
Pre-tax, pre-provision income	\$ 32,488	\$ 34,122	\$ 34,597	\$ 32,723	\$ 36,743	\$ 101,207	\$ 109,357			
Total average assets	\$ 10,518,865	\$ 10,464,157	\$ 10,611,691	\$ 10,649,175	\$ 10,626,266	\$ 10,531,232	\$ 10,645,569			
Pre-tax, pre-provision return on average assets^(A)	1.23%	1.31%	1.32%	1.22%	1.38%	1.28%	1.37%			
Total shareholders' equity	\$ 1,653,138	\$ 1,603,834	\$ 1,610,832	\$ 1,607,860	\$ 1,626,123	\$ 1,653,138	\$ 1,626,123			
Less: Goodwill and core deposit intangibles, net	573,247	578,786	584,325	589,864	595,434	573,247	595,434			
Tangible shareholders' equity	\$ 1,079,891	\$ 1,025,048	\$ 1,026,507	\$ 1,017,996	\$ 1,030,689	\$ 1,079,891	\$ 1,030,689			
Shares outstanding at end of period	51,228	51,398	52,141	53,429	53,446	51,228	53,446			
Tangible book value per share	\$ 21.08	\$ 19.94	\$ 19.69	\$ 19.05	\$ 19.28	\$ 21.08	\$ 19.28			
Average shareholders' equity	\$ 1,617,511	\$ 1,595,540	\$ 1,614,242	\$ 1,614,762	\$ 1,587,918	\$ 1,609,110	\$ 1,551,579			
Less: Average goodwill and core deposit intangibles, net	575,836	581,438	586,895	592,471	598,866	581,349	604,890			
Average tangible shareholders' equity	\$ 1,041,675	\$ 1,014,102	\$ 1,027,347	\$ 1,022,291	\$ 989,052	\$ 1,027,761	\$ 946,689			
Net income	\$ 25,670	\$ 26,352	\$ 24,702	\$ 25,212	\$ 33,891	\$ 76,724	\$ 89,791			
Add: Core deposit intangibles amortization, net of tax	4,388	4,383	4,383	4,409	4,907	13,154	14,725			
Adjusted net income	\$ 30,058	\$ 30,735	\$ 29,085	\$ 29,621	\$ 38,798	\$ 89,878	\$ 104,516			
Return on average tangible equity^{(A)(B)}	11.45%	12.16%	11.48%	11.53%	15.61%	11.69%	14.75%			
Total assets	\$ 10,628,113	\$ 10,493,010	\$ 10,434,887	\$ 10,905,790	\$ 10,629,777	\$ 10,628,113	\$ 10,629,777			
Less: Goodwill and core deposit intangibles, net	573,247	578,786	584,325	589,864	595,434	573,247	595,434			
Tangible assets	\$ 10,054,866	\$ 9,914,224	\$ 9,850,562	\$ 10,315,926	\$ 10,034,343	\$ 10,054,866	\$ 10,034,343			
Tangible equity to tangible assets	10.74%	10.34%	10.42%	9.87%	10.27%	10.74%	10.27%			
Net interest income (tax equivalent)	\$ 100,739	\$ 98,427	\$ 99,353	\$ 103,039	\$ 101,578	\$ 298,519	\$ 305,266			
Less: Purchase accounting accretion	4,800	5,344	5,397	7,555	6,795	15,541	25,444			
Adjusted net interest income (tax equivalent)	\$ 95,939	\$ 93,083	\$ 93,956	\$ 95,484	\$ 94,783	\$ 282,978	\$ 279,822			
Average earning assets	\$ 9,525,017	\$ 9,448,589	\$ 9,592,205	\$ 9,653,162	\$ 9,643,629	\$ 9,521,692	\$ 9,635,379			
Net interest margin (tax equivalent) excluding PAA^(A)	4.00%	3.95%	3.97%	3.94%	3.91%	3.97%	3.88%			
Noninterest expense	\$ 73,142	\$ 70,004	\$ 70,166	\$ 75,266	\$ 71,066	\$ 213,312	\$ 213,692			
Less: Core deposit intangibles amortization	5,554	5,548	5,548	5,581	6,212	16,650	18,639			
Adjusted noninterest expense	\$ 67,588	\$ 64,456	\$ 64,618	\$ 69,685	\$ 64,854	\$ 196,662	\$ 195,053			
Net interest income	\$ 100,644	\$ 98,335	\$ 99,258	\$ 102,957	\$ 101,507	\$ 298,237	\$ 305,035			
Noninterest income	4,986	5,791	5,505	5,032	6,302	16,282	18,014			
Less: (Loss) gain on sale of assets	(491)	(57)	417	(112)	432	(131)	881			
Adjusted noninterest income	5,477	5,848	5,088	5,144	5,870	16,413	17,133			
Net interest income plus adjusted noninterest income	\$ 106,121	\$ 104,183	\$ 104,346	\$ 108,101	\$ 107,377	\$ 314,650	\$ 322,168			
Efficiency ratio^(C)	63.69%	61.87%	61.93%	64.46%	60.40%	62.50%	60.54%			

(A) Interim periods annualized.

(B) The calculation of return on average tangible equity has been adjusted from prior period disclosures and all periods presented above have been recalculated and disclosed under the same calculation.

(C) The calculation of the efficiency ratio has been adjusted from prior period disclosures and all periods presented above have been recalculated and disclosed under the same calculation.

Exhibit 99.2

The background of the slide features a photograph of modern glass skyscrapers at dusk. The buildings are illuminated from within, and their glass facades reflect the ambient light. The sky is a deep blue. The text 'stellar BANCORP, INC.' is overlaid on the left side of the image. The word 'stellar' is in a lowercase, sans-serif font, while 'BANCORP, INC.' is in an uppercase, sans-serif font. The text is white and stands out against the dark blue background of the slide.

stellar BANCORP, INC.

Third Quarter 2025
Earnings Presentation

Forward-Looking Statements and Non-GAAP Financial Measures

Certain statements in this press release which are not historical in nature are intended to be, and are hereby identified as, “forward-looking statements” for purposes of the safe harbor provided by Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended.

These statements include, but are not limited to, statements about future financial performance of Stellar Bancorp, Inc. (the “Company”), operating results, plans, business and growth strategies, objectives, expectations and intentions, and other statements that are not historical facts, including projections of macroeconomic and industry trends, which are inherently unreliable due to the multiple factors that impact economic trends, and any such variations may be material. Forward-looking statements may be identified by terminology such as “may,” “will,” “should,” “could,” “scheduled,” “plans,” “intends,” “projects,” “anticipates,” “expects,” “believes,” “estimates,” “potential,” “would,” or “continue” or negatives of such terms or other comparable terminology.

All forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company.

Such factors include, among others: changes in the interest rate environment, the value of the Company’s assets and obligations and the availability of capital and liquidity; general competitive, economic, political and market conditions; and other factors that may affect future results of the Company including changes in asset quality and credit risk; the inability to sustain revenue and earnings growth; changes in interest rates and capital markets; inflation; customer borrowing, repayment, investment and deposit practices; the impact, extent and timing of technological changes; capital management activities; disruptions to the economy and the U.S. banking system; risks associated with uninsured deposits and responsive measures by federal or state governments or banking regulators; legislative changes, executive orders, regulatory actions and reforms of the Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation and Texas Department of Banking.

Additional factors which could affect the Company’s future results can be found in the Company’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, in each case filed with the SEC and available on the SEC’s website at www.sec.gov. We disclaim any obligation and do not intend to update or revise any forward-looking statements contained in this communication, which speak only as of the date hereof, whether as a result of new information, future events or otherwise, except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

GAAP Reconciliation of Non-GAAP Financial Measures

The Company’s management uses certain non-GAAP (generally accepted accounting principles) financial measures to evaluate its performance. The Company believes that these non-GAAP financial measures provide meaningful supplemental information regarding its performance and that management and investors benefit from referring to these non-GAAP financial measures in assessing the Company’s performance and when planning, forecasting, analyzing and comparing past, present and future periods. Specifically, the Company reviews pre-tax, pre-provision income, pre-tax pre-provision ROAA, tangible book value per share, return on average tangible equity, tangible equity to tangible assets and net interest margin (tax equivalent) excluding PAA for internal planning and forecasting purposes. The Company has included in this earnings release information relating to these non-GAAP financial measures for the applicable periods presented. These non-GAAP measures should not be considered in isolation or as a substitute for the most directly comparable or other financial measures calculated in accordance with GAAP. Moreover, the manner in which the Company calculates the non-GAAP financial measures may differ from that of other companies reporting measures with similar names.

Houston's Largest Regionally Focused Bank

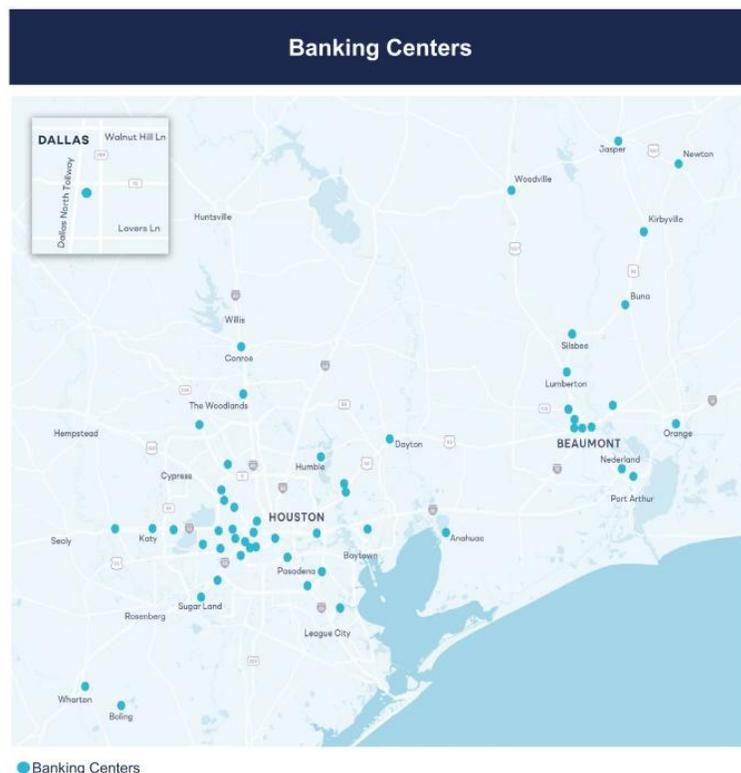
➤ Valuable franchise in one of the best markets in the U.S.

- 6th in deposit market share for Houston region⁽¹⁾⁽²⁾
- 1st in deposit market share for Texas-based banks in the Houston region⁽¹⁾⁽²⁾
- 9th in deposit market share for Texas-based banks in the State of Texas⁽¹⁾
- Noninterest-bearing deposits to total deposits of 36.4% at September 30, 2025

➤ Strong core earnings power and capital position for third quarter 2025

- Net interest margin (tax equivalent) of 4.20%
- Net interest margin (tax equivalent) excluding purchase accounting adjustments of 4.00%⁽³⁾
- Total capital ratio (to risk weighted-assets) of 16.33%

	9/30/2025	6/30/2025
	<i>(Dollars in thousands)</i>	
Total assets	\$10,628,113	\$10,493,010
Total loans	7,167,857	7,287,347
Total deposits	8,817,463	8,673,614
Total loans to total deposits	81.29%	84.02%
Net interest margin (tax equivalent)	4.20%	4.18%
Net interest margin (tax equivalent) excluding PAA ⁽³⁾	4.00%	3.95%
Noninterest-bearing deposits to total deposits	36.42%	36.71%
Estimated Total capital ratio (to risk-weighted assets)	16.33%	15.98%



(1) Deposit market share based on FDIC data as of June 30, 2025.

(2) Houston Region defined as the Houston-Pasadena-The Woodlands and Beaumont-Port Arthur MSAs; Excludes non-retail branches.

(3) Purchase accounting accretion ("PAA"). Refer to the calculation of this non-GAAP financial measure and a reconciliation to its most directly comparable GAAP financial measure in the appendix.

Focused on Serving the Houston Region

Houston Region Market Share⁽¹⁾

Deposits (dollars in billions)



Name	Total Assets (\$B)	Houston Region ⁽¹⁾ Deposits (\$B)	Percent of Company Deposits (%)	Houston Region Market Share (%)
JPMorgan	4,552	177.0	6.9	50.1
Wells Fargo	1,981	31.6	2.4	8.9
BofA	3,441	24.6	1.2	7.0
Zions	89	12.9	17.5	3.7
PNC	559	10.3	2.4	2.9
Stellar	10	8.4	96.9	2.4
Frost	51	8.0	19.2	2.3
Cadence	50	7.5	18.4	2.1
Woodforest	10	5.9	71.4	1.7
Prosperity	38	5.7	20.9	1.6
Capital One	659	5.0	1.1	1.4
Third Coast	5	3.7	86.6	1.0
Truist	544	3.2	0.8	0.9
Comerica	78	3.2	5.3	0.9
East West	78	3.1	4.8	0.9
Texas Capital	32	2.4	9.3	0.7
Regions	159	2.4	1.8	0.7
BOK	51	2.3	5.9	0.6

Note: Deposit market share based on FDIC data as of June 30, 2025.

1) Houston Region defined as the Houston-Pasadena-The Woodlands and Beaumont-Port Arthur MSAs; Excludes non-retail branches.

Source: S&P Capital IQ Pro

Third Quarter 2025 Highlights

- ✓ **Strong Net Interest Margin:** Tax equivalent net interest margin for the third quarter of 2025 was 4.20% compared to 4.18% for the second quarter of 2025. The tax equivalent net interest margin, excluding PAA, was 4.00%⁽¹⁾ for the third quarter of 2025 compared to 3.95%⁽¹⁾ for the second quarter of 2025.
- ✓ **Solid Profitability:** Net income for the third quarter of 2025 was \$25.7 million, or diluted earnings per share of \$0.50, which translated into an annualized return on average assets of 0.97%, an annualized return on average equity of 6.30% and an annualized return on average tangible equity of 11.45%⁽¹⁾.
- ✓ **Strong Capital Position and Book Value Build:** Total risk-based capital ratio increased to 16.33% at September 30, 2025 from 15.98% at June 30, 2025, while book value per share increased to \$32.27 at September 30, 2025 from \$31.20 at June 30, 2025 and tangible book value per share increased to \$21.08⁽¹⁾ at September 30, 2025 from \$19.94⁽¹⁾ at June 30, 2025.
- ✓ **Paydown of Subordinated Debt:** On October 1, 2025, the Company completed the previously announced redemption of \$30 million of its \$60 million of subordinated debt outstanding as of September 30, 2025.



⁽¹⁾ Refer to the calculation of these non-GAAP financial measures and a reconciliation to their most directly comparable GAAP financial measures in the appendix. The calculation of return on average tangible equity has been adjusted from prior period disclosures.

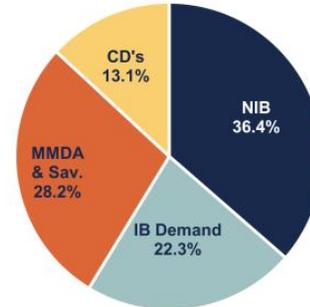
Deposit Summary

Maintaining Discipline Navigating Competitive Deposit Market

As of September 30, 2025:

- Noninterest-bearing deposits to total deposits: 36.4%
- Cost of deposits: 1.96%
- Cost of funds: 2.01%
- Loan to deposit ratio: 81.29%
- Brokered deposits: \$150.2 million at September 30, 2025 down from \$163.2 million at June 30, 2025

Deposit Portfolio Composition



Deposits (in millions)⁽¹⁾



(1) Other includes changes in IB Demand and MMDA & Sav. deposits.

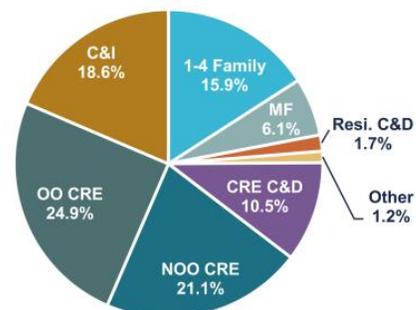
Noninterest-bearing ("NIB")
Interest-bearing demand ("IB Demand")
Money market and savings ("MMDA & Sav.")
Certificates and other time ("CD's")
Total deposits

	Q3 2025	Q2 2025
	<i>(Dollars in thousands)</i>	
Noninterest-bearing ("NIB")	\$3,210,948	\$3,183,693
Interest-bearing demand ("IB Demand")	1,960,857	1,941,156
Money market and savings ("MMDA & Sav.")	2,489,169	2,393,767
Certificates and other time ("CD's")	1,156,489	1,154,998
Total deposits	\$8,817,463	\$8,673,614

Loan Summary

Loan Portfolio Composition

	Q3 2025	Q2 2025
	<i>(In thousands)</i>	
Commercial and Industrial ("C&I")	\$ 1,332,795	\$ 1,346,744
Nonowner-occupied Commercial Real Estate ("NOO CRE")	1,513,338	1,579,848
Owner-occupied CRE ("OO CRE")	1,782,405	1,805,487
Multifamily Real Estate ("MF")	437,550	455,646
Total Commercial Real Estate	<u>3,733,293</u>	<u>3,840,981</u>
CRE Construction & Development ("CRE C&D")	753,381	762,911
1-4 Family Residential ("1-4 Family")	1,142,614	1,126,523
Residential Construction ("Resi. C&D")	121,197	137,855
Consumer and other ("Other")	84,577	72,333
Total	<u>\$ 7,167,857</u>	<u>\$ 7,287,347</u>

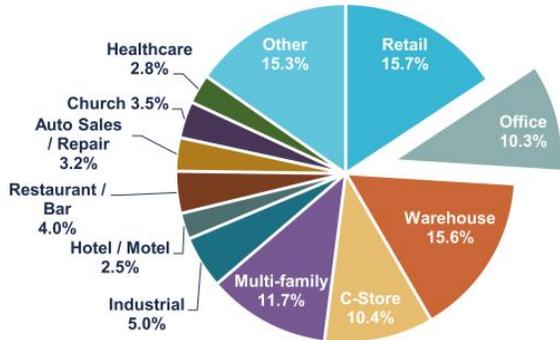


	Q3 2025				Q2 2025			
	Average Outstanding Balance	Interest Earned	Average Yield	Excl. PAA ⁽¹⁾	Average Outstanding Balance	Interest Earned	Average Yield	Excl. PAA ⁽¹⁾
	<i>(Dollars in thousands)</i>							
Interest-Earning Assets:								
Loans	\$ 7,228,778	\$ 122,557	6.73%	6.46%	\$ 7,282,609	\$ 121,814	6.71%	6.41%
Securities	1,790,897	17,086	3.79%		1,729,384	16,103	3.73%	
Deposits in other financial institutions	505,342	5,770	4.53%		436,596	4,782	4.39%	
Total interest-earning assets	<u>\$ 9,525,017</u>	<u>\$ 145,413</u>	6.06%	5.86%	<u>\$ 9,448,589</u>	<u>\$ 142,699</u>	6.06%	5.83%

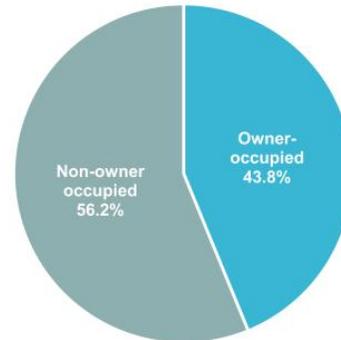
(1) Refer to the calculation of these non-GAAP financial measures and a reconciliation to their most directly comparable GAAP financial measures in the appendix.

CRE and Office Detail: Q3 2025

CRE (incl. multifamily) by Property Type



CRE - Office

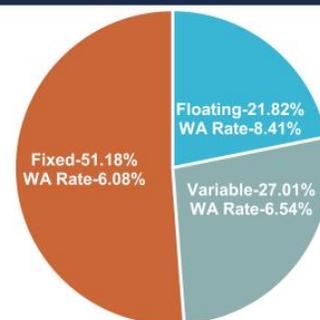


Property Type	Balance	Average Loan Size	% of Total	CRE - Office - Collateral Type	Number	Balance	% of Total	Average Loan Size
<i>(Dollars in thousands)</i>				<i>(Dollars in thousands)</i>				
Retail	\$ 586,164	\$ 1,266	15.7%	Multi-Story Office Building	127	\$ 216,488	55.8%	\$ 1,705
Warehouse	582,559	797	15.6%	Single Story Office Building	284	122,822	32.4%	432
Multi-family	437,550	2,145	11.7%	Flex Office Space	68	42,981	11.8%	632
Convenience Store ("C-Store")	388,543	1,340	10.4%	Total	479	\$ 382,291	100.0%	798
Office	382,291	798	10.3%	CRE - Office - Maturity				
Industrial	184,939	1,796	5.0%	<i>(Dollars in thousands)</i>				
Restaurant / Bar	149,352	1,059	4.0%	0 - 12 months	86	\$ 51,733	13.5%	\$ 602
Church	131,713	948	3.5%	13 - 24 months	95	112,461	29.4%	1,184
Auto Sales / Repair	119,922	674	3.2%	25 - 36 months	36	21,372	5.6%	594
Healthcare	105,093	1,106	2.8%	37 - 48 months	23	15,217	4.0%	662
Hotel / Motel	94,704	3,266	2.5%	49 + months	239	181,508	47.5%	759
Other	570,463	1,199	15.3%	Total	479	\$ 382,291	100.0%	798
Total	\$ 3,733,293	1,122	100.0%					

Loans – Repricing and Maturity: Q3 2025

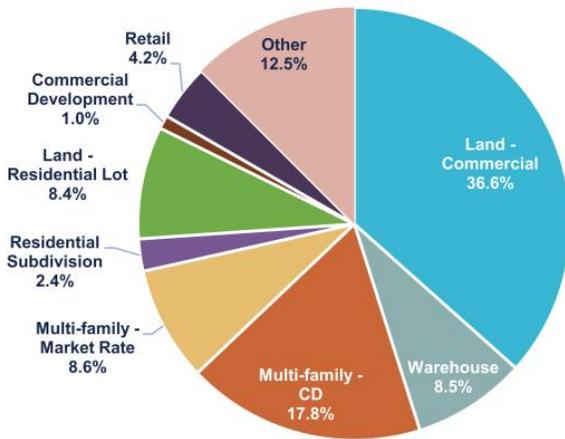
	Repricing Term							Total
	3 Months or Less	3-12 Months	1-3 Years	3-5 Years	5-10 Years	10-15 Years	Over 15 Years	
	(Dollars in thousands)							
Commercial and industrial	\$ 724,406	\$ 104,006	\$ 210,094	\$ 206,068	\$ 60,201	\$ 28,020	\$ -	\$ 1,332,795
Real Estate:								
Commercial real estate (including multi-family residential)	964,217	505,609	1,403,064	479,667	217,660	148,323	14,753	3,733,293
Commercial real estate construction and land development	415,545	96,826	136,249	83,362	10,685	10,714	-	753,381
1-4 family residential (including home equity)	109,946	122,184	248,238	279,033	79,263	25,335	278,615	1,142,614
Residential construction	69,106	13,705	2,095	12,411	23,671	209	-	121,197
Consumer and other	24,949	31,947	13,089	12,468	2,114	-	10	84,577
Total Loans	\$ 2,308,169	\$ 874,277	\$ 2,012,829	\$ 1,073,009	\$ 393,594	\$ 212,601	\$ 293,378	\$ 7,167,857
% Total Loans	32.20%	12.20%	28.08%	14.97%	5.49%	2.97%	4.09%	100.00%
Wtg Avg Rate	7.98%	6.19%	5.75%	7.24%	5.56%	5.17%	5.59%	6.31%

	Rate Structure			
	Floating Rate	Variable Rate	Fixed Rate	Total
	(In thousands)			
Commercial and industrial	\$ 526,351	\$ 255,963	\$ 550,481	\$ 1,332,795
Real Estate:				
Commercial real estate construction and land development	629,598	1,137,939	1,965,756	3,733,293
Commercial real estate (including multi-family residential)	259,047	164,752	329,582	753,381
1-4 family residential (including home equity)	70,022	342,586	730,006	1,142,614
Residential construction	63,903	34,702	22,592	121,197
Consumer and other	14,757	-	69,820	84,577
Total Loans	\$ 1,563,678	\$ 1,935,942	\$ 3,668,237	\$ 7,167,857



(1) Rates are as of September 30, 2025 and do not include purchase accounting accretion or fee income on loans.

CRE Construction and Development: Q3 2025



CRE Construction Lending Highlights

- Total committed exposure for CRE construction loans was \$1.23 billion at September 30, 2025 and \$1.24 billion at June 30, 2025.
- The largest category of CRE construction loans was Land – Commercial at \$276.1 million outstanding, or 36.6%, of CRE construction loans at September 30, 2025.
- Owner-occupied CRE construction loans were 16.8% of CRE construction loans at September 30, 2025.

Loan Type	Q3 2025			Q2 2025		
	Number	Balance	Average Loan Size	Number	Balance	Average Loan Size
	<i>(Dollars in thousands)</i>			<i>(Dollars in thousands)</i>		
Land - Commercial ⁽¹⁾	366	\$ 276,051	\$ 754	391	\$ 280,812	\$ 718
Multi-family - CD ⁽²⁾	14	134,217	9,587	15	137,320	9,155
Other	87	93,700	1,077	87	92,540	1,064
Multi-family - Market Rate	8	64,948	8,119	9	62,518	6,946
Warehouse	28	63,877	2,281	30	71,448	2,382
Land - Residential Lot	210	63,182	301	215	47,969	223
Retail	15	31,601	2,107	13	37,384	2,876
Commercial Development	7	7,704	1,101	6	12,134	2,022
Residential Subdivision	8	18,101	2,263	9	20,786	2,310
Total	743	\$ 753,381	1,014	775	\$ 762,911	984

(1) Includes loans that are secured by commercial properties that are in some stage of construction, land with improvements but valued as and only with intent to remove and construct new structures in the future and raw land.
 (2) Multi-family community development loans ("Multi-family - CD").

Asset Quality Summary

➤ **Nonperforming loans to total loans:**

- 0.65% at September 30, 2025 compared to 0.69% as of June 30, 2025

➤ **Allowance for credit losses on loans to nonperforming loans:**

- 170.65% at September 30, 2025 compared to 164.67% as of June 30, 2025

➤ **Allowance for credit losses on loans:**

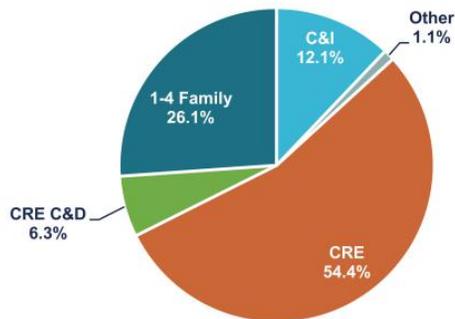
- \$78.9 million, or 1.10% of total loans, at September 30, 2025, compared to \$83.2 million, or 1.14% of total loans, as of June 30, 2025

	Q3 2025	Q2 2025
--	---------	---------

(Dollars in thousands)

Total nonperforming loans	\$ 46,250	\$ 50,505
Nonperforming loans to total loans	0.65%	0.69%
Total nonperforming assets	\$ 54,189	\$ 58,157
Nonperforming assets to total assets	0.51%	0.55%
Net charge-offs (recoveries)	\$ 3,323	\$ 206
Net charge-offs to average loans (annualized)	0.18%	0.01%

Nonperforming Loans by Type



	Nonaccrual Loans with No Related Allowance	Nonaccrual Loans with Related Allowance	Total Nonaccrual Loans
--	--	---	------------------------

(In thousands)

Commercial and industrial	\$ 2,387	\$ 3,207	\$ 5,594
Commercial real estate (including multi-family residential)	15,388	9,768	25,156
Commercial real estate construction and land development	2,622	277	2,899
1-4 family residential (including equity)	8,997	3,086	12,083
Residential construction	457	—	457
Consumer and other	—	61	61
Total	\$ 29,851	\$ 16,399	\$ 46,250

Regulatory Capital Ratios

	September 30, 2025	June 30, 2025	Minimum Required Plus Capital Conservation Buffer
Consolidated Capital Ratios			
Estimated Total Capital Ratio (to risk-weighted assets)	16.33%	15.98%	10.50%
Estimated Common Equity Tier 1 Capital Ratio (to risk-weighted assets)	14.43%	14.06%	7.00%
Estimated Tier 1 Capital Ratio (to risk-weighted assets)	14.55%	14.18%	8.50%
Estimated Tier 1 Leverage Ratio (to average tangible assets)	11.60%	11.44%	4.00%
Tangible Equity to Tangible Assets ⁽¹⁾	10.74%	10.34%	N/A
Bank Capital Ratios			
Estimated Total Capital Ratio (to risk-weighted assets)	15.45%	15.39%	10.50%
Estimated Common Equity Tier 1 Capital Ratio (to risk-weighted assets)	14.27%	14.18%	7.00%
Estimated Tier 1 Capital Ratio (to risk-weighted assets)	14.27%	14.18%	8.50%
Estimated Tier 1 Leverage Ratio (to average tangible assets)	11.37%	11.44%	4.00%

(1) Refer to the calculation of this non-GAAP financial measure and a reconciliation to its most directly comparable GAAP financial measure in the appendix.

Key Takeaways



Strong earnings power and franchise value in one of the best markets in the U.S.



Excellent core funding profile



Significant financial flexibility



Positioned for continued strong internal capital generation



Key success factors: Credit performance and risk management

Diverse and Strong Markets of Operation

Greater Houston Market

- Houston's **GDP has grown at a 2.3% CAGR since '18**
- Houston has the **3rd lowest cost of living** out of the top 20 most populous U.S. metro areas
- **23rd largest economy in the world** – if ranked as a country
 - Ranked as the nation's **4th most populous city**
- Port Houston is the busiest Gulf Coast container port, the Houston Ship Channel is **#1** ranked U.S. port in total foreign and domestic waterborne tonnage
- Houston is home to the Texas Medical Center, the world's largest medical complex, which has over 10 million annual patient encounters
- Business friendly: 26 Fortune 500 companies call Houston home
- Major business clusters in Beaumont-Port Arthur area include chemical and petroleum manufacturing, materials manufacturing and transportation

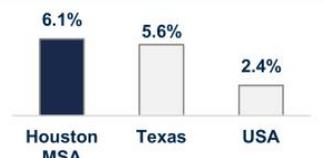
Houston is Diverse, with Significant Economic Tailwinds

Population Change ('20-'25)	Houston MSA: 7.7% Texas: 7.2% / U.S.: 1.9%
Median Household Income ('25)	Houston MSA: \$78,845 Texas: \$76,585 / U.S.: \$78,770
Significant Deposit Share	Stellar has over \$8.4 billion in deposits in the Houston region ⁽¹⁾

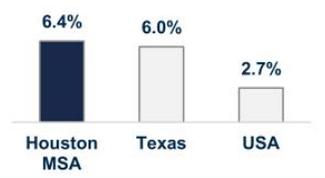
Top 10 Bank by Deposits in Houston Region⁽¹⁾ (\$B)



Est. Population Growth '25-'30



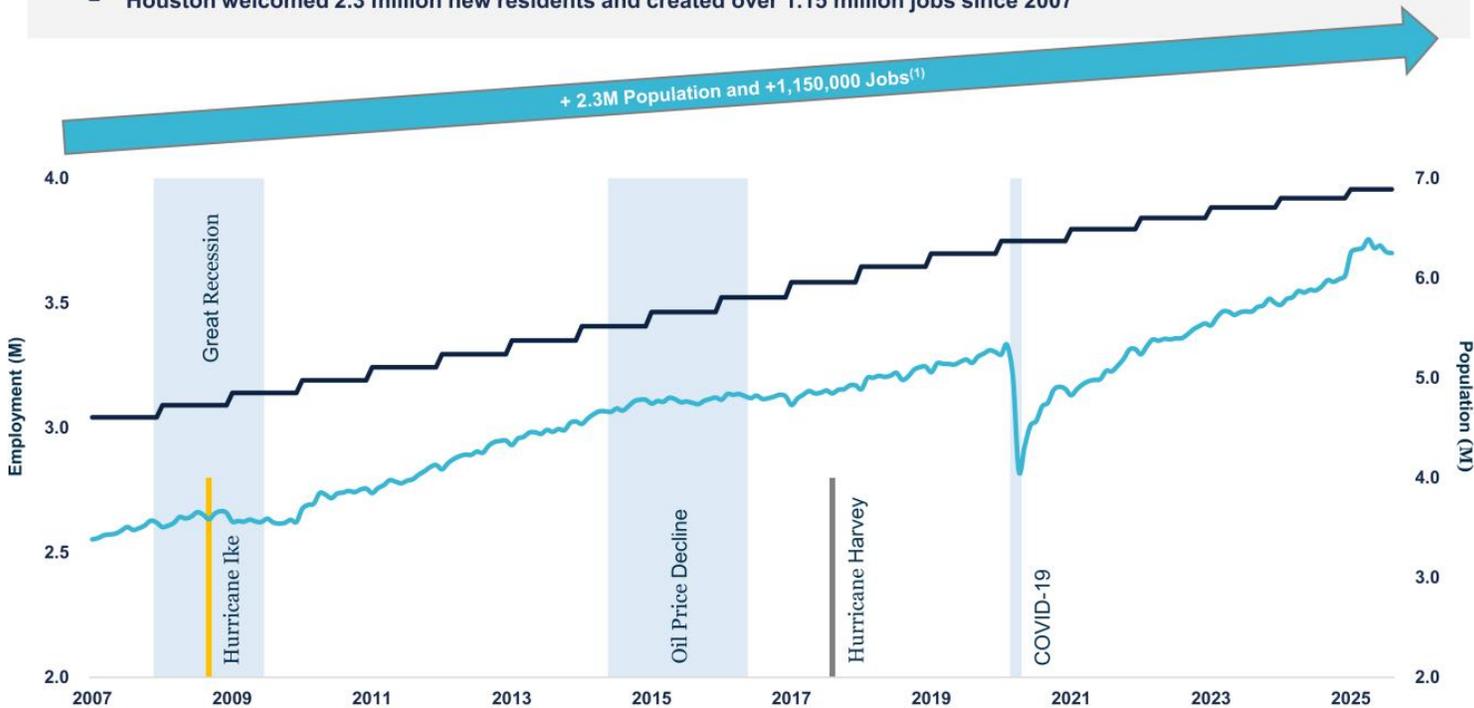
Est. Number of Households Growth '25-'30



Note: Deposit market share based on FDIC data as of June 30, 2025.
 1) Houston Region defined as the Houston-Pasadena-The Woodlands and Beaumont-Port Arthur MSAs; Excludes non-retail branches.
 Source: S&P Capital IQ Pro, Houston.org, IMF, and Texas Medical Center.

Houston is a Resilient Market

- Since the Great Recession, Houston has proven its resiliency, weathering economic cycles and natural disasters
 - Houston welcomed 2.3 million new residents and created over 1.15 million jobs since 2007



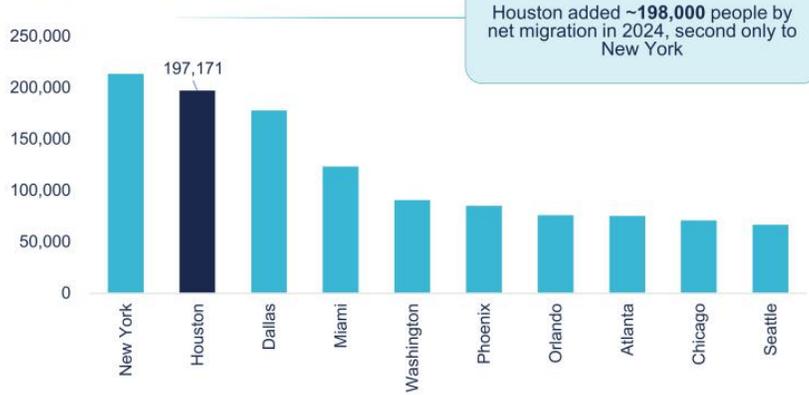
¹) Data is preliminary as of August 2025 not seasonally adjusted, from the U.S. Bureau of Labor Statistics. Source: U.S. Bureau of Labor Statistics, Texas Workforce Commission.

— Employment — Population

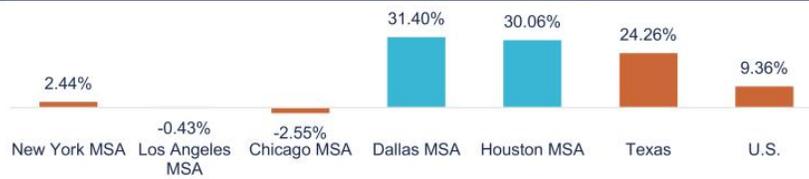
Houston's Growth Projected to Continue

Houston had the second highest net migration in 2024

10 most populated metros



2010-2025 Population Change (%)

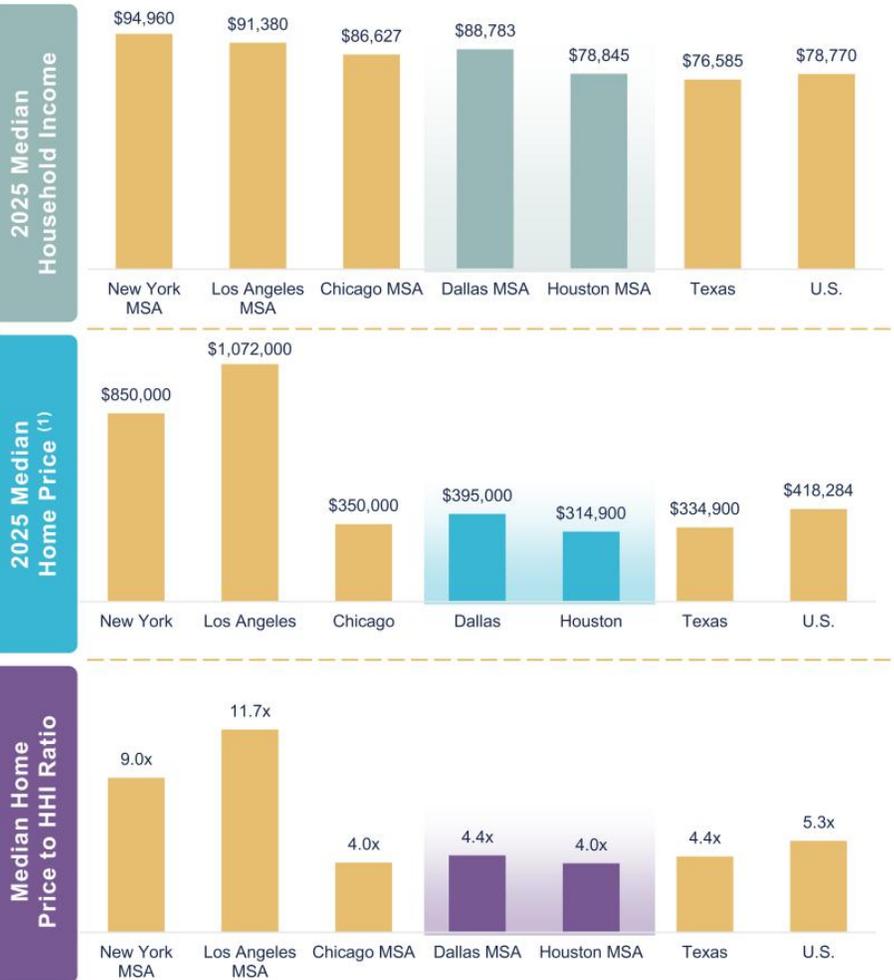


Source: S&P Capital IQ Pro; U.S. Census Bureau.

- Houston has seen tremendous growth over the past ten years, aided by the relocation of multiple Fortune 500 companies
- The continued growth of the Houston metro will strengthen and diversify the greater economy, benefiting the businesses and constituents

Housing Market and Cost of Living

- Cost of living in Houston is 5.3% less than that of the U.S. market average while the median household income is in line with U.S. median
- Houston is #1 in U.S. annual new home construction



(1) Home price shown for each respective city.
Source: S&P Capital IQ Pro; Redfin (March 2025); Houston.org.

Appendix: Non-GAAP Reconciliation⁽¹⁾

	Q3 2025	Q2 2025
	<i>(Dollars in thousands)</i>	
Total shareholders' equity	\$ 1,653,138	\$ 1,603,834
Less: Goodwill and core deposit intangibles, net	573,247	578,786
Tangible shareholders' equity	<u>\$ 1,079,891</u>	<u>\$ 1,025,048</u>
Shares outstanding at end of period	51,228	51,398
Tangible book value per share	\$ 21.08	\$ 19.94
Average shareholders' equity	\$ 1,617,511	\$ 1,595,540
Less: Average goodwill and core deposit intangibles, net	575,836	581,438
Average tangible shareholders' equity	<u>\$ 1,041,675</u>	<u>\$ 1,014,102</u>
Net income	\$ 25,670	\$ 26,352
Add: Core deposit amortization, net of tax	4,388	4,383
Adjusted net income	<u>\$ 30,058</u>	<u>\$ 30,735</u>
Return on average tangible equity⁽²⁾⁽³⁾	11.45%	12.16%
Total assets	\$ 10,628,113	\$ 10,493,010
Less: Goodwill and core deposit intangibles, net	573,247	578,786
Tangible assets	<u>\$ 10,054,866</u>	<u>\$ 9,914,224</u>
Tangible equity to tangible assets	10.74%	10.34%
Net interest income (tax equivalent)	\$ 100,739	\$ 98,427
Less: Purchase accounting accretion	4,800	5,344
Adjusted net interest income (tax equivalent)	<u>\$ 95,939</u>	<u>\$ 93,083</u>
Average earning assets	\$ 9,525,017	\$ 9,448,589
Net interest margin (tax equivalent) ⁽²⁾	4.20%	4.18%
Net interest margin (tax equivalent) excluding PAA⁽²⁾	4.00%	3.95%
Interest on loans, as reported	\$ 122,557	\$ 121,814
Less: Purchase accounting accretion	4,800	5,344
Interest on loans without loan accretion	<u>\$ 117,757</u>	<u>\$ 116,470</u>
Average loans	\$ 7,228,778	\$ 7,282,609
Loan yield, as reported	6.73%	6.71%
Loan yield, without loan accretion	6.46%	6.41%
Interest on interest-earning assets, as reported	\$ 145,413	\$ 142,699
Less: Purchase accounting accretion	4,800	5,344
Interest on interest-earnings assets without loan accretion	<u>\$ 140,613</u>	<u>\$ 137,355</u>
Average interest-earning assets	\$ 9,525,017	\$ 9,448,589
Yield on interest-earnings assets, as reported	6.06%	6.06%
Yield on interest-earnings assets, without loan accretion	5.86%	5.83%

(1) See the disclosure under the heading "GAAP Reconciliation of Non-GAAP Financial Measures" on slide 2 regarding the use of non-GAAP financial measures.

(2) Interim periods annualized.

(3) The calculation of return on average tangible equity has been adjusted from prior period disclosures. The periods presented above have been recalculated and disclosed under the same calculation.



Be Stellar.

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