



MONTHLY PERFORMANCE, NET OF FEES

March 2026

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2026	4.75	(1.00)	.90	--	--	--	--	--	--	--	--	--	4.64
2025	1.30	(2.20)	(6.65)	(2.96)	4.60	5.33	1.03	10.74	(1.68)	(2.54)	6.72	2.52	15.98
2024	(5.00)	(5.07)	2.05	(10.44)	4.48	3.47	20.53	(.77)	(1.28)	2.38	11.74	(7.21)	11.68
2023	2.91	.50	(19.28)	(8.10)	(10.03)	6.10	17.36	(7.36)	(5.42)	(4.06)	9.62	17.28	(7.11)
2022	.82	1.86	(3.71)	(7.55)	(.07)	(8.49)	5.20	(.28)	(3.56)	5.51	2.89	(5.86)	(13.55)
2021	3.12	13.97	10.66	1.51	5.78	(4.11)	(2.26)	1.65	3.13	3.81	(.81)	2.57	44.90
2020	(7.2)	(8.74)	(34.61)	8.27	(5.65)	.89	(8.00)	1.94	(4.89)	13.78	19.51	7.41	(25.71)
2019	8.16	4.01	(5.55)	3.79	(4.79)	4.89	2.52	(6.57)	5.10	2.97	4.57	3.10	23.09
2018	1.13	(1.62)	1.28	.22	3.73	(.22)	(1.36)	.61	(3.10)	(10.40)	1.26	(14.87)	(22.36)
2017	1.64	2.13	(.06)	.20	(2.50)	3.19	(.14)	(1.09)	6.06	.65	2.82	(1.88)	11.26
2016	(7.38)	(3.72)	4.99	4.91	1.37	(1.60)	3.82	3.93	(.19)	(.09)	12.18	7.51	27.14
2015	(6.42)	4.57	6.43	(.79)	.27	3.23	2.19	1.66	1.61	3.54	4.42	.39	22.54
2014	(.43)	1.34	1.31	(3.39)	.85	1.52	(3.59)	1.08	(2.75)	8.94	(.52)	5.22	9.27
2013	4.58	.74	1.62	(1.65)	1.62	2.45	5.99	(2.10)	2.30	1.38	4.20	1.12	24.30
2012	2.42	.57	3.09	(1.01)	(2.59)	2.59	-.06	1.98	3.12	.37	(.91)	2.49	12.67
2011	--	--	--	--	--	--	--	--	(.64)	3.05	.91	1.66	5.04

OVERVIEW:

The banking sector outperformed the broader market in March. The performance of the sector was affected by the ongoing war in Iran and the fear of contagion around private credit and implications to the banks. The expectation of positive operating leverage into first quarter earnings was overshadowed by the near-term headlines. The banking sector, and the broader market (albeit for different reasons), has played a tug-of-war between improving fundamentals and an unstable macro backdrop. The Iron Bay Fund, amidst the volatility, returned +.90% in March outperforming the Nasdaq Bank Index which declined (1.65%).

After a difficult 2022–2024 period defined by deposit outflows, rapid funding cost inflation, and mark-to-market pressure on securities portfolios, the sector has shifted into a phase of stabilization. However, headlines suggest we are in a “higher-for-longer” rate environment and the probability for a recession have increased. We do see well-managed community banks are rebuilding earnings power through disciplined pricing, deposit retention, and steady loan growth.

The Federal Reserve and the dual mandate remain uncertain. The rate hiking cycle forced banks to reprice liabilities far faster than assets, compressing net interest margins and exposing weak deposit franchises. Deposit betas have plateaued, and many banks are finally seeing the benefit of asset repricing catching up. Loan yields have risen, and the ability to originate credits at higher rates than pre-2022 is improving forward earnings visibility. However, the Fed’s challenge is that policy decisions now carry asymmetric risk. While cuts would help ease funding pressure and reduce further unrealized losses in bond portfolios, this action may also signal deteriorating economic conditions that could pressure credit quality.

Community banks have largely avoided a systemic credit event. The sector is not entering this cycle from a position of weakness as capital ratios are meaningfully stronger than prior downturns, and underwriting standards over the past decade have generally been more conservative than those seen in earlier boom periods. We believe the most likely outcome is the potential for “credit normalization” that will separate strong operators from marginal ones, an environment that should ultimately accelerate industry consolidation and M&A.



*(continued)*

Meanwhile, geopolitical risk has reasserted itself as a legitimate market factor. The ongoing Middle East conflict, particularly surrounding Iran, has contributed to energy price volatility and renewed inflation sensitivity across global markets. For community banks, this matters less through direct exposure and more through market reactions: consumer confidence deteriorates, cost pressures increase, and the Fed’s willingness to cut rates aggressively is impacted. If energy prices remain elevated, inflation could prove stickier, forcing the Fed to keep policy restrictive longer than markets would prefer. That would extend the margin pressure timeline and keep valuation multiples suppressed.

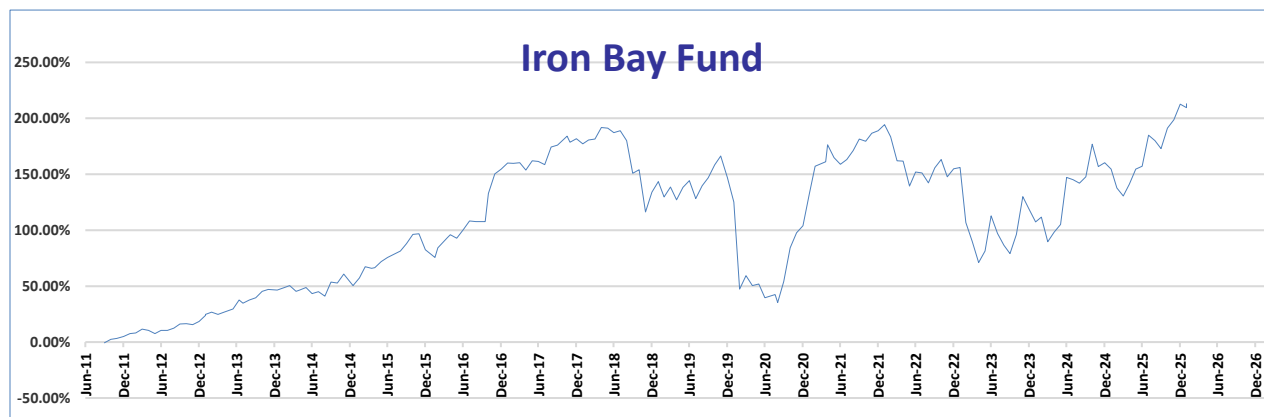
Ultimately, community bank performance today is defined by resilience rather than growth. The sector is working through a typical cyclical reset, but one that has created meaningful dispersion. Banks with stable core deposits, conservative CRE concentrations, and strong expense discipline are positioned to emerge stronger. For investors and management teams alike, this environment is less about chasing near-term upside and more about recognizing that uncertainty, both monetary and geopolitical often produces the best long-term entry points.

A material event at our largest position, Carter Bank (CARE), drove a meaningful portion of our outperformance this month. In late March, the bank completed the sale of a large portfolio of non-performing loans that had previously been placed in judgment. For several years, these loans had represented a persistent drag on the bank’s reported credit quality and investor perception. The bank sold the loans on an “as-is, where-is” basis to an unaffiliated third party. Carter received approximately \$289.5 million in cash for loans with a principal balance of roughly \$209.5 million, supported by a specific reserve of approximately \$18 million as of year-end 2025. The transaction materially reduces CARE’s nonperforming loan levels and removes a concentrated legacy credit issue that had weighed on the company for an extended period. Importantly, management expects the sale to increase tangible book value per share by approximately \$3.50, reflecting both the cash proceeds and the elimination of a major source of uncertainty. By exiting these problem credits, Carter Bank significantly improves its asset quality metrics and strengthens the overall clarity of its balance sheet, positioning the company for a more normalized earnings profile and improved market confidence going forward.

While geopolitical developments remain fluid, we believe a de-escalation in the Middle East could provide a constructive tailwind for broader market sentiment and energy-related activity.

If you would like to hear more about our outlook, please contact us.

**GRAPH:**





RETURN DATA:

	<b>IRON BAY FUND, LP</b>	<b>NASDAQ BANK</b>	<b>RUSSELL 2000</b>
<i>March 2026</i>	+90%	(1.65%)	(5.17%)
<i>Year-to-Date</i>	+4.64%	(.34%)	+58%
<i>Last 12-Months</i>	+31.22%	+10.74%	+24.08%
<i>Last 3-Year</i>	+14.67%	+13.16%	+11.47%
<i>Last 5-Year</i>	+3.93%	+19%	+2.37%
<i>Inception to Date Annualized</i>	+8.12%	+7.76%	+8.84%

<i>Total Return Since Inception</i>	+212.30%
<i>Annualized Return from Inception</i>	+8.12%
<i>Average Monthly Return</i>	+.85%
<i>Std. Deviation of Monthly Return</i>	+6.21%
<i>Sharpe Ratio Since Inception</i>	.30
<i>Beta Since Inception vs. S&amp;P 500</i>	.54

\* Iron Bay Fund, LP returns are reported net of all fees.



**SERVICE PROVIDERS & INVESTMENT TERMS**

Fund Manager	Robert Bolton
Management Fee	1.75%
Performance Fee	20%
Lock Up	None
Redemptions	Quarterly with 60 Days Notice
Administrator	FIS Global/Virtus Partners
Auditor	KPMG
Prime / Custodian	Jones Trading/ Pershing
Legal	Woods Oviatt Gilman, LLP

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**Partnership Overview:** Iron Bay Fund, LP is a limited partnership that focuses on investing in the securities of U.S. domiciled, publicly traded financial services companies, particularly community banks. The Partnership has the ability to sell short securities and may utilize moderate leverage in an effort to enhance returns. Iron Bay Fund, LP seeks to invest in companies that have attractive valuations based on fundamentals, merger and acquisition opportunities, increasing dividend payouts and above average capital deployment opportunities. Investments are selected using in-depth fundamental research, supported by robust trading discipline and risk management techniques.

*Past performance of the funds is no guarantee of future returns. The return data presented in our monthly letter is representative of our day-one investor returns. Specific investor returns may vary due to the time they came into the fund. This report is for informational purposes only and does not constitute an offer to sell or solicitation of an offer to buy limited partnership interests or shares. Offers can only be made via an offering memorandum, which is available to qualified investors. The respective offering memoranda include a more complete discussion of the various risk factors associated with an investment in the Fund. The limited partnership interests and shares, as applicable, of the Fund have not been registered under the Securities Act of 1933 or applicable state securities laws and are being offered and sold pursuant to an exemption available under such Act for securities issued in a private placement and corresponding provisions of state law. The information contained in this presentation is confidential, proprietary to Iron Bay Capital GP and may be used by the recipient for the sole purpose of considering an investment in the Iron Bay Fund LP.*