

INVESTOR PRESENTATION

January 27, 2022



COASTAL
FINANCIAL CORPORATION

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Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures for 2017 to exclude the impact of a deferred tax asset revaluation due to the enactment of the Tax Cuts and Jobs Act of 2017 (the "Tax Cuts and Jobs Act"), including adjusted net income, adjusted earnings per share-diluted, adjusted return on average assets and adjusted return on average shareholders' equity. These non-GAAP financial measures and any other non-GAAP financial measures that we discuss in this presentation should not be considered in isolation, and should be considered as additions to, and not substitutes for or superior to, measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their most directly comparable GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of Coastal's non-GAAP financial measures as tools for comparison. See the Appendix to this presentation for a reconciliation of the non-GAAP financial measures used in (or conveyed orally during) this presentation to their most directly comparable GAAP financial measures.

This presentation also contains certain non-GAAP financial measures in addition to results presented in accordance with GAAP to illustrate and identify the impact of Paycheck Protection Program ("PPP") loans, Paycheck Protection Program Liquidity Facility ("PPPLF") borrowings, customer deposits from PPP loans, and related earnings and expenses. By removing these significant items and show what the results would have been without them we are providing investors with the information to better compare results with periods that did not have these significant items. "Adjusted Tier 1 leverage capital ratio, excluding PPP loans" is a non-GAAP measure that excludes the impact of PPP loans on balance sheet. The most directly comparable GAAP measure is Tier 1 leverage capital ratio. See the Appendix to this presentation for a reconciliation of the non-GAAP financial measures used in (or conveyed orally during) this presentation to their most directly comparable GAAP financial measures.

This presentation contains a non-GAAP measure to illustrate the impact of BaaS credit enhancements, BaaS fraud recovery and reimbursement of expenses on total BaaS fees. "BaaS fee income, net" excludes BaaS credit enhancements, BaaS fraud recovery and reimbursement of expenses. The most directly comparable GAAP measure is total BaaS fees.

LONG-TERM STRATEGIC VERTICALS



The Community Bank "CCB"

- **Best-in-class community bank** that offers lending and deposit products to commercial customers
- Loan portfolio consists **primarily of CRE⁽¹⁾ and C&I loans (82% of loans receivable) 90% of community bank loans originated in the state of Washington**
- Attractive funding mix with **57%⁽²⁾ noninterest-bearing deposits and total deposit cost of 0.09%**
- Conservative credit culture with strong **NCO performance (0.03% YTD)**
- **Asset-sensitive balance** sheet that is well-positioned for rising interest rate environment

Provide Banking as a Service (BaaS) "CCBX"

- **Provides Banking as a Service (BaaS)** to broker dealers and digital financial services providers
- **19 active partners** with 9 more currently in the implementation / onboarding or signed LOI stage
- **Robust sourcing capabilities and thorough due diligence** of potential partner relationships
- **Exceptional growth in BaaS fee⁽³⁾ income, net** of 259% YoY and 26% QoQ
- **Strong deposit generation platform** with total balance of \$716.3 million (18% growth QoQ)

Coastal's Digital Bank "CCDB"

- Shifting from Google banking collaboration to **other opportunities in the digital banking sector**

Note: Data as of three months ended December 31, 2021 unless otherwise indicated

(1) Total CRE loans include commercial real estate loans, multifamily and construction, land and land development loans.

(2) Total consolidated deposits.

(3) Total BaaS fee income, net is a non-GAAP measure and excludes BaaS credit enhancements, BaaS fraud recovery and reimbursement of expenses. Refer to "non-GAAP Reconciliation" in the appendix for additional details.

CONSOLIDATED FINANCIAL HIGHLIGHTS - As of and for the Quarter ended December 31, 2021

Balance Sheet (in millions)

Total Assets	\$2,635.5
Total Loans	\$1,742.7
Total Deposits	\$2,363.8
Total Shareholders' Equity	\$201.2

Earnings and Profitability

Net Income (in millions)	\$7.3
Return on Average Assets ("ROAA") - annualized	1.14%
Return on Average Shareholders' Equity -annualized	16.80%
Net Interest Margin -annualized	3.95%
Efficiency Ratio	54.08%
Loans Receivable to Deposits	73.73%

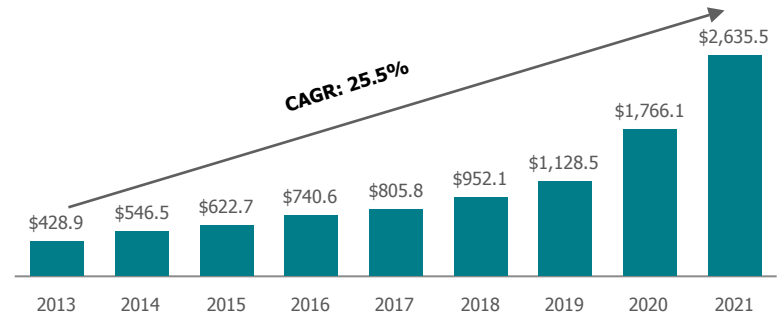
Capital Ratios (Consolidated)

Tangible Equity to Tangible Assets ⁽¹⁾	7.64%
Tier 1 Leverage Capital Ratio	8.07%
Adjusted Tier 1 Leverage Capital Ratio, excluding PPP loans ⁽²⁾	8.56%
Tier 1 Risk-Based Capital Ratio	11.26%
Total Risk-Based Capital Ratio	13.89%

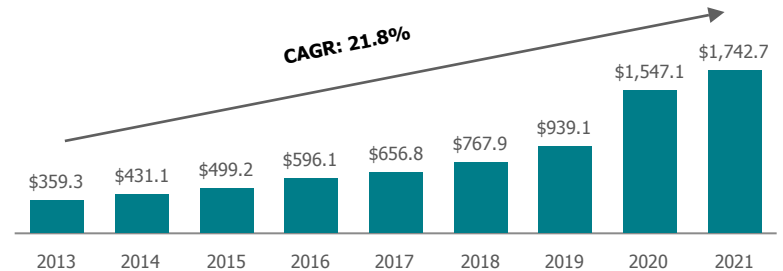
Asset Quality

Total Nonperforming Assets to Total Assets	0.07%
Total Nonperforming Loans to Total Loans	0.10%
Allowance for Loan Losses to Total Loans	1.64%
Net Charge-Offs to Average Loans	0.13 %

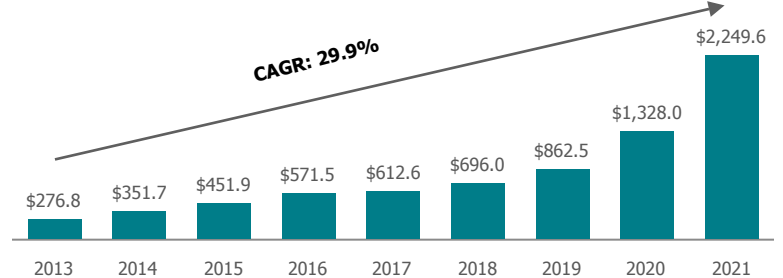
Total Assets



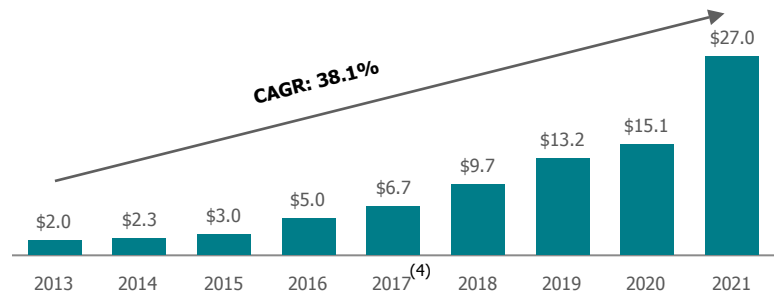
Total Loans



Core Deposits ⁽³⁾



Net Income



Note: Annual data as of or for the year ended December 31 of each respective year

- (1) Tangible equity to tangible assets is a non-GAAP measure. Since there is no goodwill or other intangible assets as of the date indicated, tangible equity to tangible assets is the same as total shareholders' equity to total assets as of the date indicated.
- (2) Adjusted Tier 1 leverage ratio, excluding PPP loans is a non-GAAP measure that excludes the impact PPP loans on the balance sheet. Please refer to non-GAAP reconciliation in the Appendix for additional details.
- (3) Consists of total deposits less all time and brokered deposits.
- (4) 2017 net income is adjusted to exclude the impact of a deferred tax asset revaluation due to the enactment of the Tax Cuts and Jobs Act. Refer to "Non-GAAP Reconciliation" in the Appendix for additional details.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INITIATIVES

ESG Across Coastal

For Coastal, ESG is a complex initiative across the whole organization. Addressing the issue of the 14.1 million unbanked people⁽¹⁾ in the United States cannot be tackled with merely adding products or doing diversity, equity and inclusion training. Nor can real environmental impact happen through mere board level policies and simply changing our investment portfolio. We are choosing to tackle ESG throughout our company with meaningful actions and collaboration.

CCBX – Working with our CCBX partners allows us to provide a broader range of services for different demographics through their offerings. Developing the kind of unique offerings to specific under-served or under-banked populations would be difficult for a bank our size, but by partnering with third-party fintech partners like FAIR, Brigit and Greenwood we are able to use our banking charter to support this effort in a much broader scope.

Coastal Community Bank – Our community bank has always had close ties to the communities we serve and has been recognized as a corporate philanthropist by the Puget Sound Business Journal. We are now evolving to offer affiliated products through our third-party fintech partners that are more inclusive and meet their needs of a broader range of consumers. Once again, our scope and reach is multiplied by collaborating with our third-party fintech partners to offer inclusive products.

Social Responsibility

Financial Inclusion

We see financial inclusion as **providing access to useful and affordable financial products and services to meet the needs of the under-served**. However, overcoming a widespread distrust of banks, lack of financial education, and barriers to entry are all part of the process to bring the underserved in our communities the financial products and services they need to thrive.

We are actively working to address:

- **Accessibility to services**
- **Needs based solution**
- **Education**

Environmental Responsibility

Climate Change

Coastal is approaching our responsibility in many ways from **understanding our carbon footprint and identifying offsets to developing strong partnerships with ESG focused fintechs**.

In 2022, we will **complete a Sustainable Impact Survey with Aspiration** to understand our GHG impact and ways we can offset it. Working with Aspiration, we are exploring ways to develop customer facing-solutions that enable climate action.

Additionally, we have and will continue to consider climate change and **its impact on our loan portfolio and customers**.

(1) Source: National Survey of Unbanked and Underbanked Households by the Federal Deposit Insurance Corporation (FDIC) in June 2021.

CCB OVERVIEW

Dedication to Community Banking

Coastal Community Bank was established in 1997 with a focus on serving small to medium-sized businesses within the Puget Sound region.

Offers traditional lending and deposit products to commercial and retail customers

- Lending products: Commercial real estate, Small Business Administration ("SBA"), business lines of credit and term, residential mortgage, and credit card and other consumer loans
- Deposit products: Checking, savings, money market, CD's & IRA's

Provides business services such as treasury management, remote deposit capture and credit card processing

Notable Employers



CCB's Core Markets

Largest community bank by deposit market share in Snohomish County

- Headquartered in Everett, Washington - the largest city in and county seat of Snohomish County

14 full-service banking locations

- 12 in Snohomish County
- 1 in Island County
- 1 in King County

Accolades and Recognitions

PIPER | SANDLER

"Bank and Thrift Sm-All Stars"
2019 - 2021 - Piper Sandler

RAYMOND JAMES

Raymond James
"Community Bankers Cup
Award" 2019-2020



2014-2021 Recipient of the
prestigious "5-Star Rating" from
Bauer Financial, Inc.



Everett Herald –
2014 - 2019
Readers Choice – "Best
Bank"



Stanwood & Camano News
"Best Bank" 2013 - 2021



2019 - 2021 American
Banker Top 200
Community Bank"

Business Overview

CCBX provides banking as a service (BaaS) that enables broker dealers and digital financial services partners to offer their customers banking services

19 active partners with 9 more currently in the implementation / onboarding or signed LOI stage as of December 31, 2021

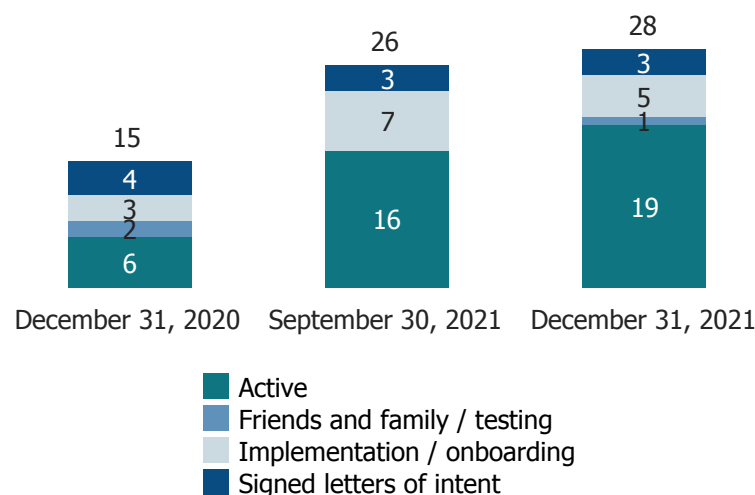
- Robust sourcing capabilities and intensive due diligence process

Fee-based business model primarily driven by:

- Servicing and other BaaS fees
- Interchange fees
- Fraud, credit enhancement and expense recovery

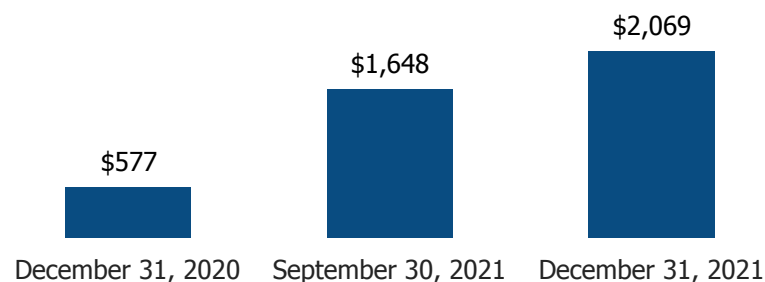
- **BaaS Fees includes \$10.3 million in fraud loss reimbursement and credit enhancement recovery** for the three months ended December 31, 2021, compared to \$306,000 for the three months ended September 30, 2021 and \$0 for the three months ended December 31, 2020
- **Reimbursement for partner fraud loss and any credit enhancement** provided by the partner is included in noninterest income. Partner fraud loss represents non-credit fraud losses on partner's customer loan and deposit accounts and is recognized in noninterest expense.
- BaaS Fees includes \$368,000 in **interchange income** for the three months ended December 31, 2021 compared to \$188,000 in interchange income for the three months ended September 30, 2021 and \$10,000 for the three months ended December 31, 2020

CCBX Partner Growth



BaaS Fee Income, net ⁽¹⁾

As of and for the three month period indicated
(Dollars in thousands)



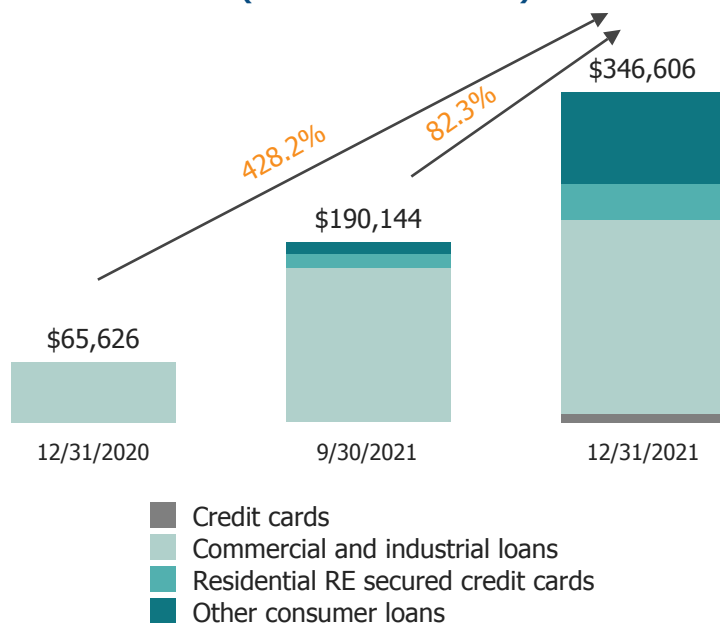
Note: Data as of and for the quarter ended December 31, 2021, unless otherwise indicated

(1) BaaS fee income, net is a non-GAAP measure that excludes BaaS credit enhancements, BaaS fraud recovery and reimbursement of expenses. Refer to "Non-GAAP Reconciliation" in the Appendix for additional details.



CCBX Loans Receivable

(Dollars in thousands)

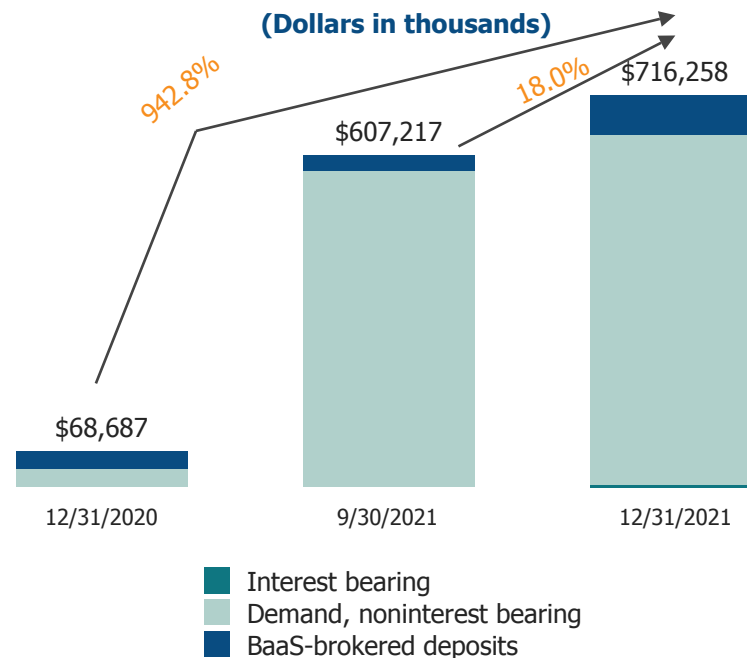


Partner loan origination diversifies loan portfolio

- As of December 31, 2021, loan growth of \$156.5 million, or 82.3%, compared to September 30, 2021, and \$281.0 million or 428.2%, compared to December 31, 2020
- Commercial and industrial capital call line commitments increased \$68.6 million, or 19.7%, to \$416.0 million as of December 31, 2021, compared to \$347.4 million as of September 30, 2021

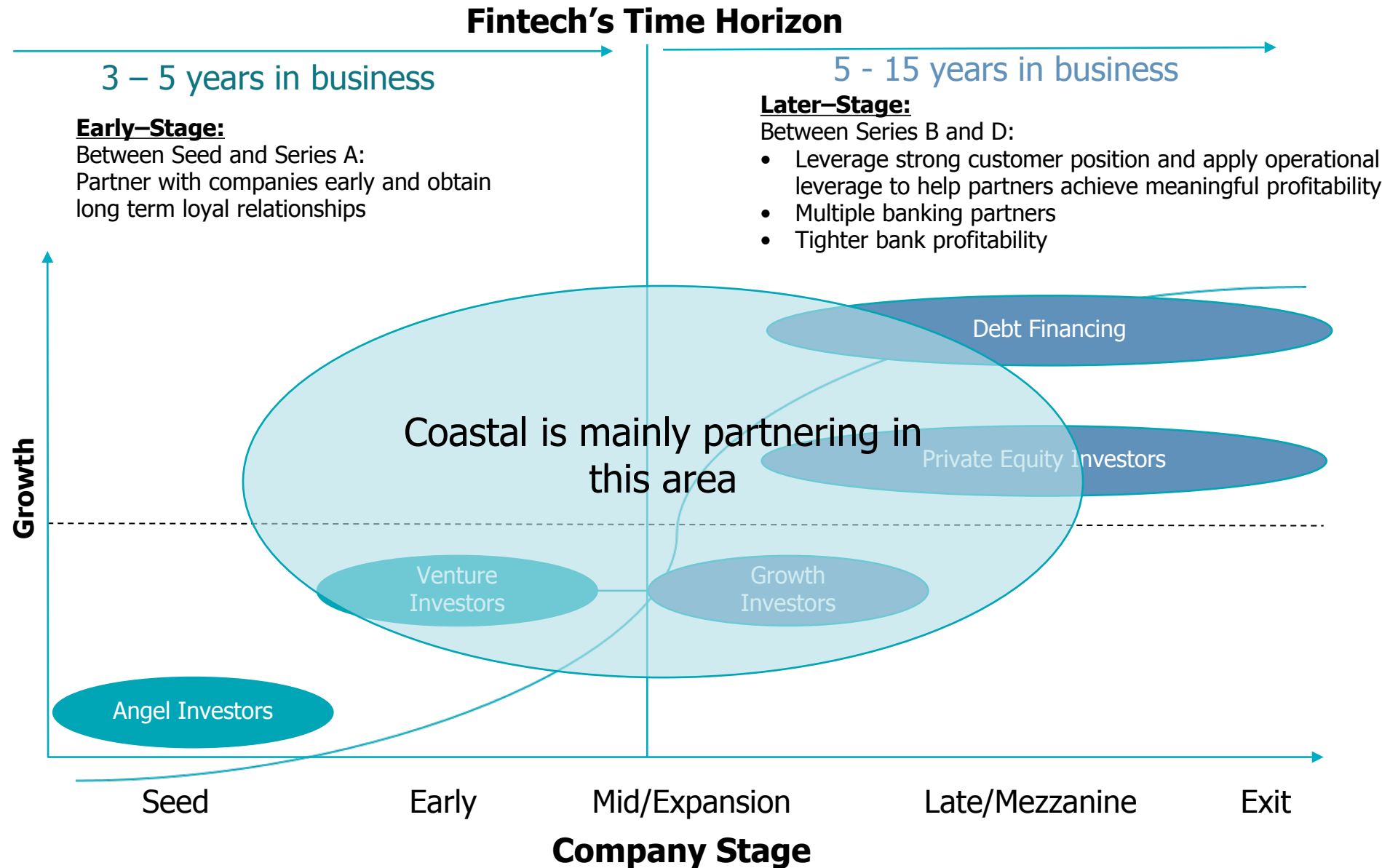
CCBX Deposits

(Dollars in thousands)



Growing platform for low-cost deposit generation

- Deposit growth of \$109.0 million, or 18.0%, as of December 31, 2021, compared to September 30, 2021, and \$647.6 million, or 942.8%, compared to December 31, 2020
- Access to \$252.4 million in CCBX deposits that are transferred off the balance sheet as of December 31, 2021



Thesis-Driven Sourcing

- Focused points of view and research with experts
- Proactive market mapping and product identification
- Diversity and inclusion

Intensive Filtering

- Visionary management teams
- Strong execution teams
- Compelling unit economics
- Bankable size (scalable)

Due Diligence

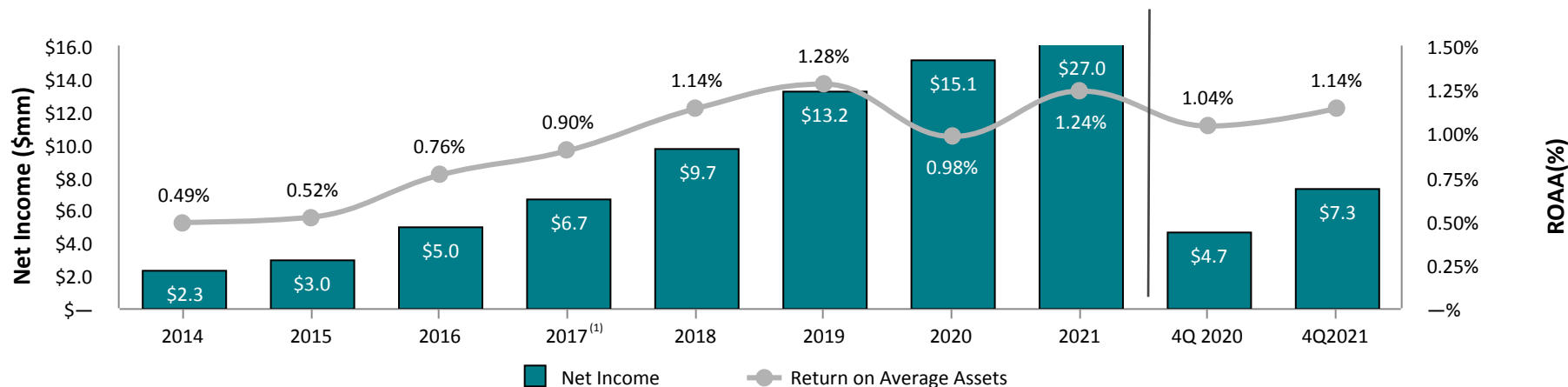
- Rigorous vendor process of review
- Proud of “slow and thorough” approach – SPA risk based
- Leverage advisors and network for diverse insights
- Integrate/leverage strategic eco-system partners

Onboarding to Date

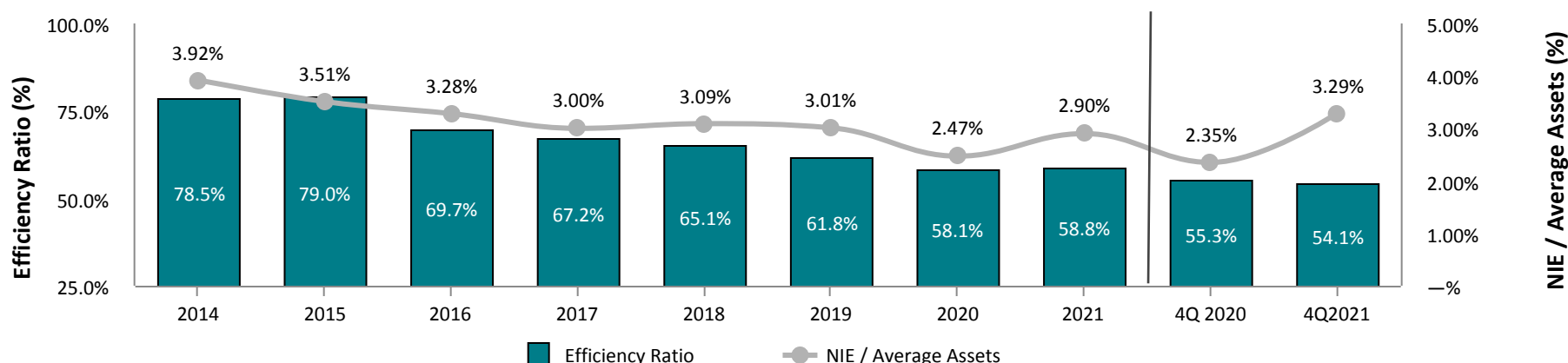
- Involve board members
- Fintech experts and partners
- Integrate Coastal LPs

HISTORIC PROFITABILITY AND EFFICIENCY

Net Income and Return on Average Assets (average assets for QE December 31, 2021 includes \$186.3 million in average PPP loans)



Efficiency Ratio (%) and Noninterest Expense ("NIE") to Average Assets (%) (average assets for QE December 31, 2021 includes \$186.3 million in average PPP loans)



Note: Annual data is as of and for the year ended December 31 of each respective year.

(1) Adjusted to exclude the impact of deferred tax asset revaluation due to the enactment of the Tax Cuts and Jobs Act. Refer to "Non-GAAP Reconciliation" in the Appendix for additional details.

LOAN COMPOSITION

Overall Loan Portfolio

- 2.44 years weighted average reprice
- 6.33 years weighted average maturity

Commercial & Industrial ("C&I") Portfolio

- \$419.3 million total C&I loans
 - \$111.8 million in PPP Small Business Administration ("SBA") C&I loans
 - \$202.9 million in capital call lines
 - \$99.0 million in other C&I loans
 - \$5.6 million in other SBA C&I loans

Commercial Real Estate ("CRE") Portfolio

- \$1.02 billion total CRE loans⁽¹⁾
- 305% regulatory aggregate CRE to total risk-based capital⁽²⁾
- \$51.6 million of SBA 504 loans in portfolio

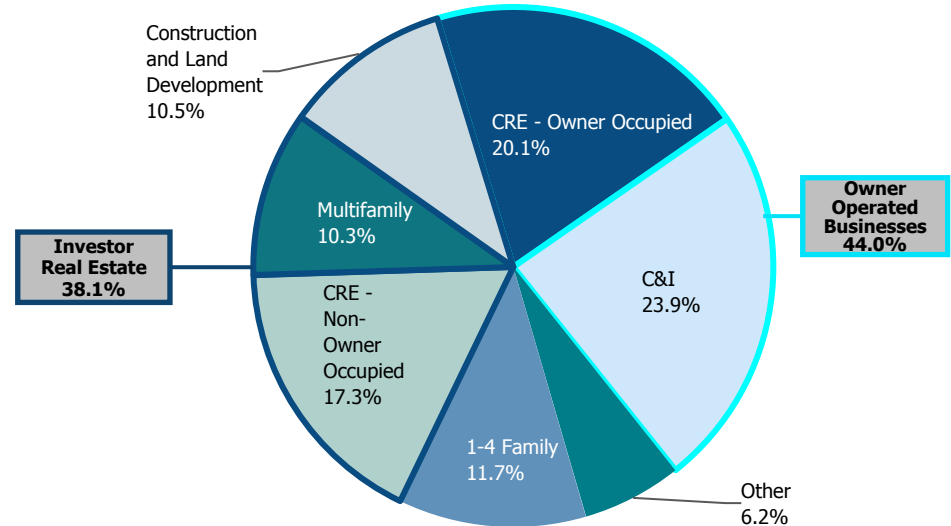
1-4 Family Real Estate Portfolio

- \$204.4 million total 1-4 family loans
 - \$11.9 million purchased from financial institutions, all of which were individually re-underwritten

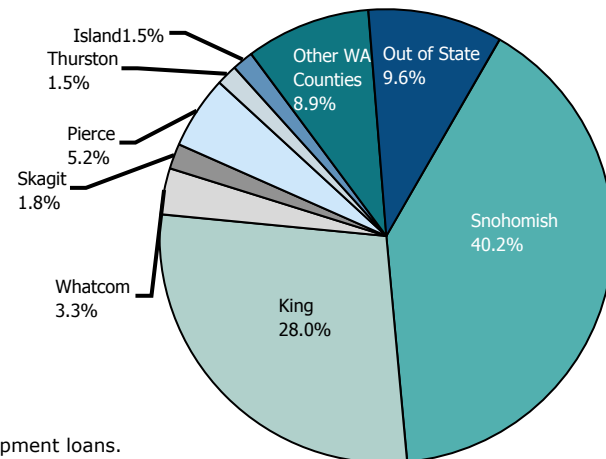
Legal Lending Limit

- \$46.1 million as of December 31, 2021

Consolidated Loan Composition



Community Bank Loan Concentrations by County



(1) Total CRE loans include commercial real estate loans, multifamily and construction, land and land development loans.

(2) Calculated on Bank-level Tier 1 Capital + Allowance for Loan Losses as of December 31, 2021.

Note: Data as of and for the quarter ended December 31, 2021, unless otherwise indicated.

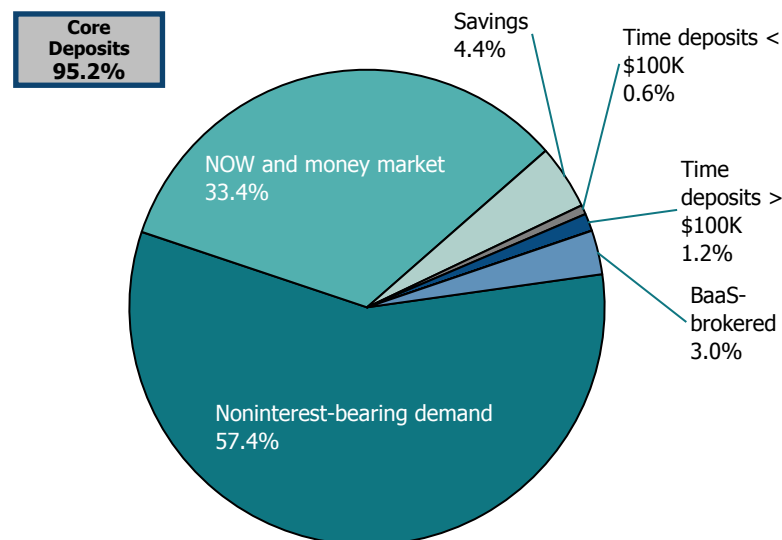
DEPOSIT COMPOSITION

Emphasis on core deposits has helped generate an attractive funding mix

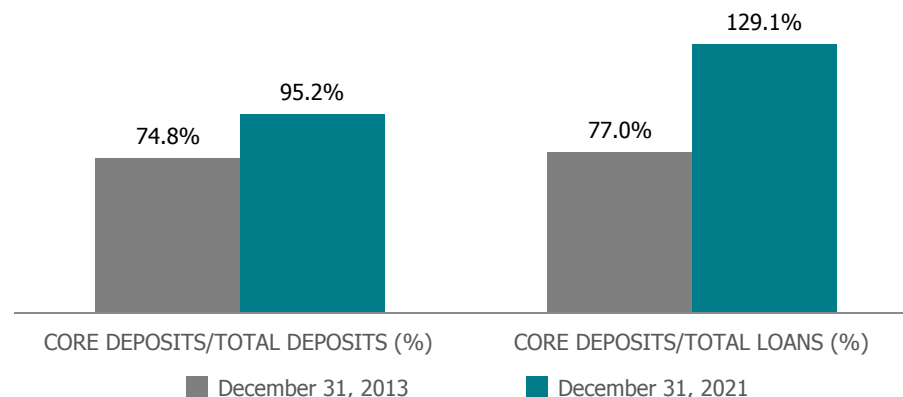
- Core deposits are all deposits excluding time deposits and brokered deposits
- Core deposits were 129.1% of total loans as of December 31, 2021
- Core deposits were 95.2% of total deposits as of December 31, 2021
- Cost of total deposits was 0.09% for the quarter ended December 31, 2021 compared to 0.10% for the quarter ended September 30, 2021, and 0.22% for the quarter ended December 31, 2020
- We continue to focus on managing interest rates, lowering deposit rates when possible, to maintain and/or reduce cost of deposits
- No internet-sourced deposits
- Ability to use funding from BaaS program and to transfer deposits off the balance sheet when not needed.
- Access to \$252.4 million in CCBX deposits that are currently transferred off the balance sheet as of December 31, 2021.

Note: Data as of and for the quarter ended December 31, 2021 unless otherwise indicated.

Deposit Composition

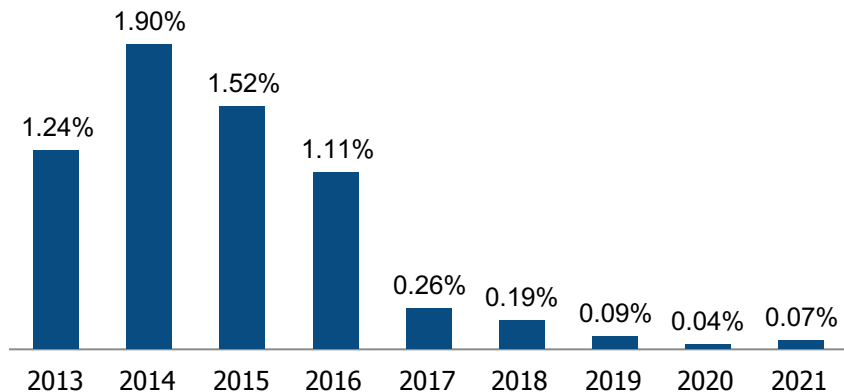


Core Deposit Driven Funding

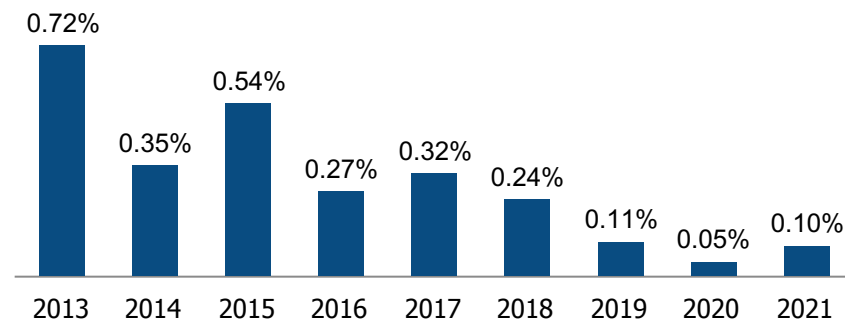


STRONG ASSET QUALITY

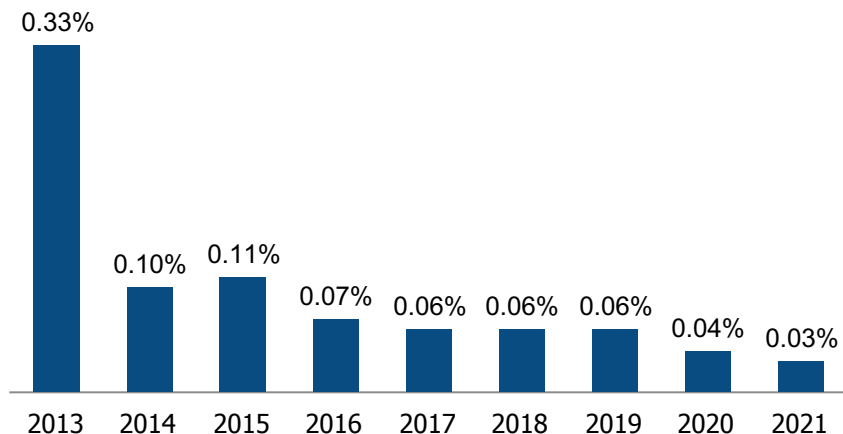
NPAs / Assets



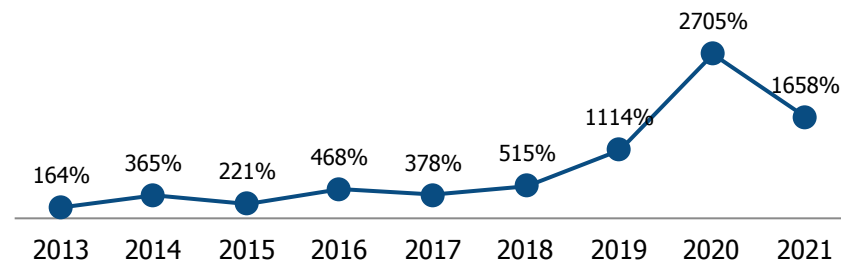
NPLs / Loans



NCOs / Average Loans



ALLL / NPLs

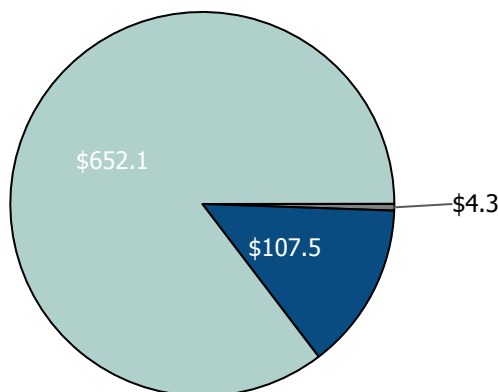


Note: Data as of and for the year ended December 31 of each respective year unless noted otherwise

COVID-19 RESPONSE – PPP LOANS

Status of PPP Loans

As of December 31, 2021
(in millions)



■ Round 1 & 2 Outstanding
 ■ Round 3 Outstanding
 ■ Forgiven

- PPP loans:
 - We funded a total of \$763.9 million in assistance to existing and new small business customers in 2020 and 2021
 - As of December 31, 2021, we have \$111.8 million in PPP loans outstanding
- Repaid the Paycheck Protection Program Liquidity Facility ("PPPLF") as of June 30, 2021, which was utilized to fund PPP loans

Total of Net Deferred Fees on PPP Loans

As of December 31, 2021
(in millions)



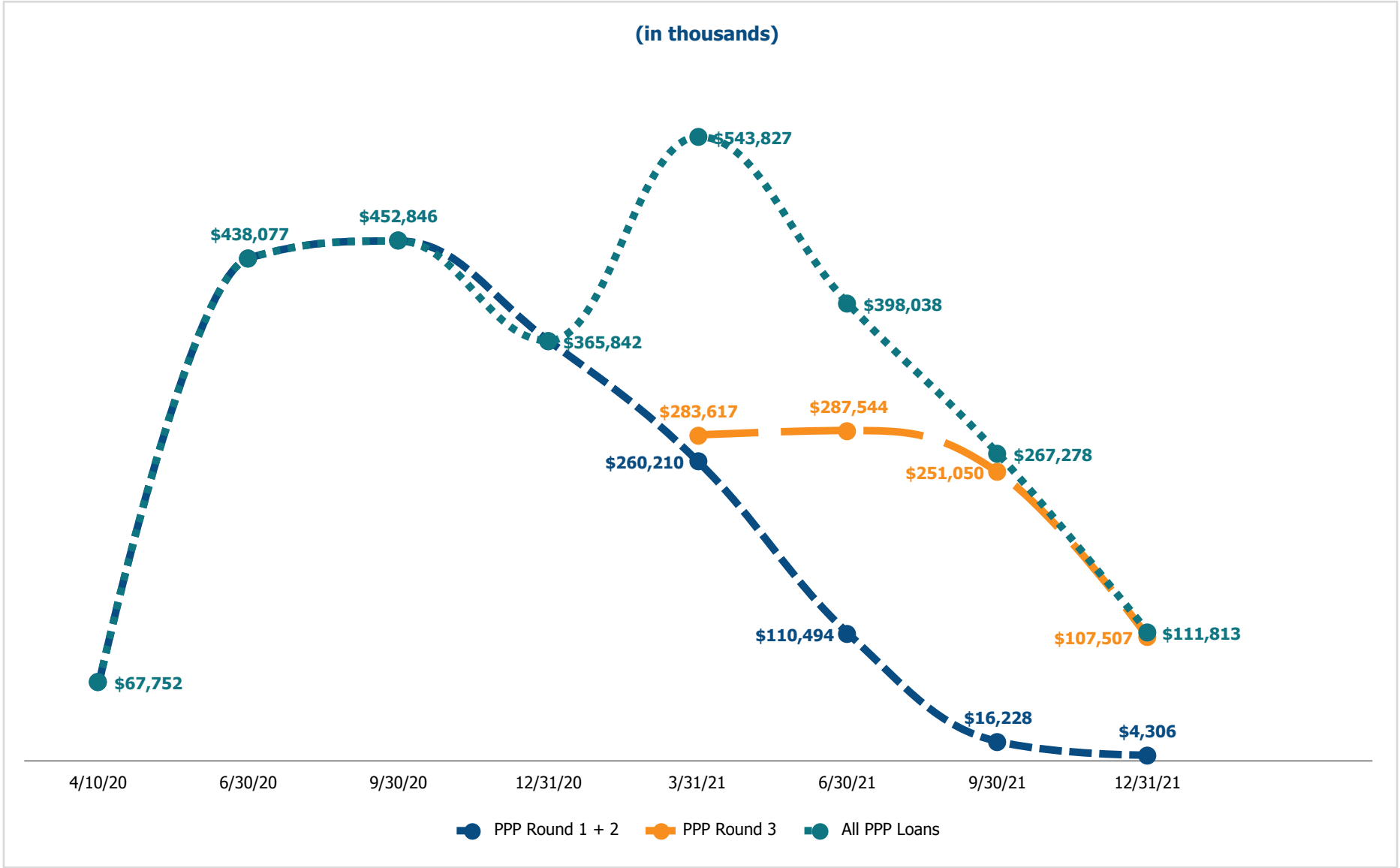
Total

■ Unearned
 ■ Earned 4Q 2021
 ■ Earned 3Q 2021
 ■ Earned 2Q 2021
 ■ Earned 1Q 2021
 ■ Earned 2020

- Net Deferred Fees on PPP loans:
 - Total of \$26.3 million in net deferred fees on all PPP loans originated, as of December 31, 2021
 - Earned \$5.8 million in net deferred fees on PPP loans in the quarter ended December 31, 2021
 - \$3.6 million in these net deferred fees remain as of December 31, 2021, and will be earned over the remaining life of the loans

COVID-19 RESPONSE – PPP LOANS

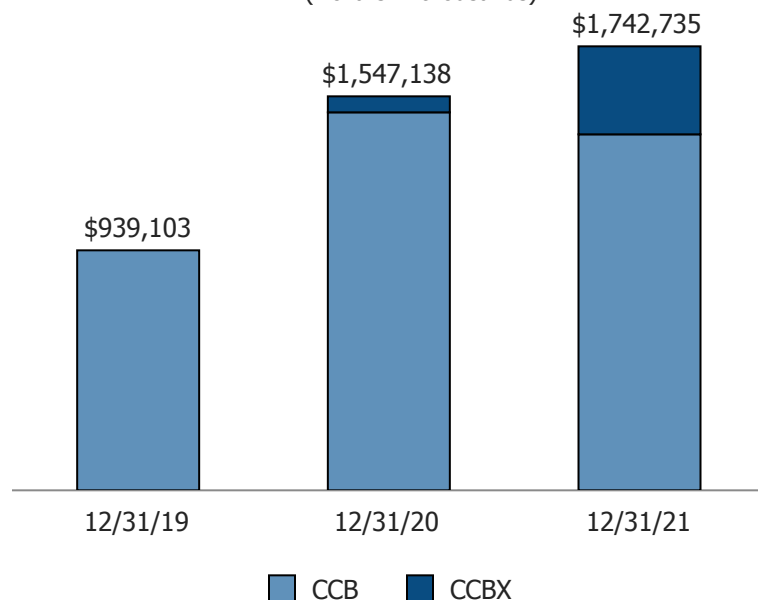
PPP Balances Over Time



CFC LOAN AND DEPOSIT GROWTH

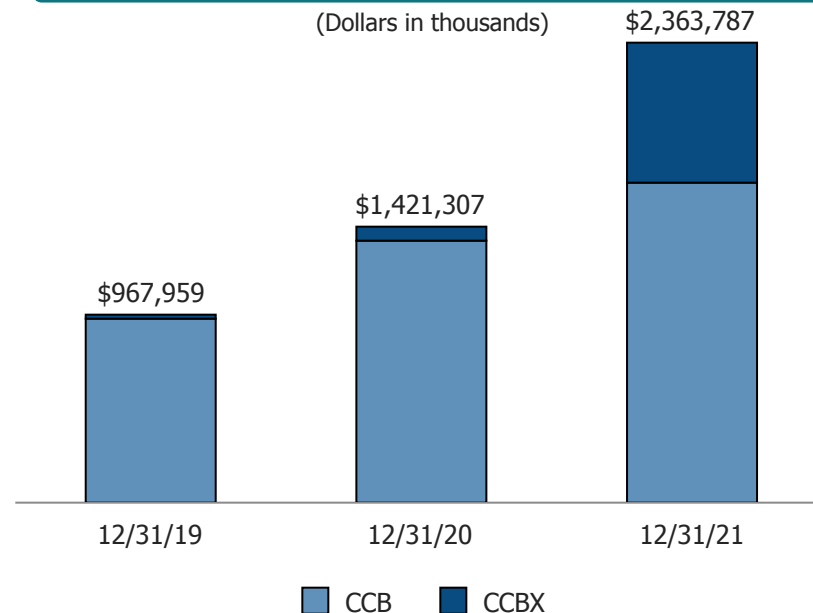
Total Loans

(Dollars in thousands)



Total Deposits

(Dollars in thousands)



Loan Growth of \$195.6 million or 12.6% from December 31, 2020

Credit Quality 99.1% of Portfolio "Pass"

Low 0.07% Nonperforming Loans to Total Assets

CCBX Deposit Growth of \$647.6* million or 942.8% from December 31, 2020

Deposit Growth of \$942.5* million or 66.3% from December 31, 2020

*Does not include \$252.4 million in CCBX deposits as of December 31, 2021, that are transferred off the balance sheet

Note: Data as of and for the quarter ended December 31, 2021, unless otherwise indicated



COASTAL
FINANCIAL CORPORATION

CFC QUARTERLY RESULTS

4Q2021 Financial Results:

Earnings	For the Three Months Ended December 31,		For the Twelve Months Ended December 31,	
	2021	2020	2021	2020
Net Income (Dollars in millions)	\$7.3	\$4.7	\$27.0	\$15.1
Basic Earnings Per Share	\$0.60	\$0.39	\$2.25	\$1.27
Return on Average Assets	1.14%	1.04%	1.24%	0.98%
Provision for Loan Losses (Dollars in thousands)	\$8,942	\$2,600	\$9,915	\$8,308

Balance Sheet	As of the quarter ended (Dollars in millions, except per share amounts)		
	December 31, 2021	September 30, 2021	December 31, 2020
Total Assets	\$2,635.5	\$2,451.60	\$1,766.1
Total Loans	\$1,742.7	\$1,705.70	\$1,547.1
Total Deposits	\$2,363.8	\$2,223.5	\$1,421.3
Total Shareholders' Equity	\$201.2	\$161.1	\$140.2
Book Value Per Share	\$15.63	\$13.41	\$11.73



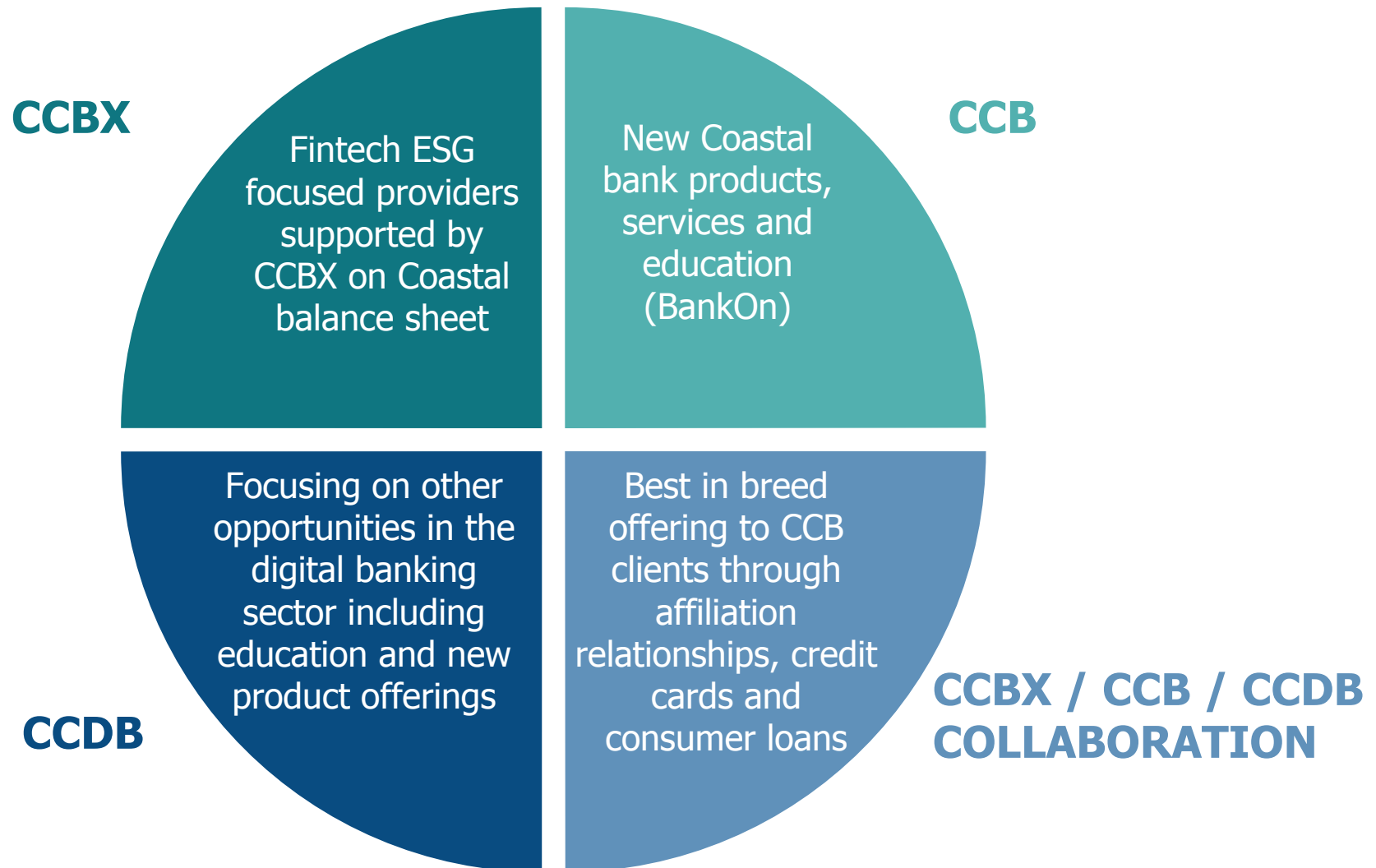
DIVERSITY, EQUITY, AND INCLUSION (DEI) AND ESG INITIATIVES



CORPORATE ESG INITIATIVES



FINANCIAL INCLUSION INITIATIVES



APPENDIX

CFC SELECTED YEAR-END FINANCIALS

	As of and for the Year Ended December 31,									
(Dollars in thousands, except per share data)	2021		2020		2019		2018		2017	
Statement of Income Data:										
Total interest income	\$	83,083	\$	63,038	\$	48,587	\$	38,743	\$	32,113
Total interest expense		3,646		5,652		6,576		3,926		2,875
Provision for loan losses		9,915		8,308		2,544		1,826		870
Net interest income after provision for loan losses		69,522		49,078		39,467		32,991		28,368
Total noninterest income		28,118		8,182		8,258		5,467		4,154
Total noninterest expense		63,263		38,119		31,063		26,216		22,433
Provision for income taxes		7,372		3,995		3,461		2,541		4,653
Net income		27,005		15,146		13,201		9,701		5,436
Adjusted net income ⁽¹⁾		N/A		N/A		N/A		N/A		6,731
Balance Sheet Data:										
Cash and cash equivalents	\$	813,161	\$	163,117	\$	127,814	\$	125,782	\$	89,751
Investment securities		36,623		23,247		32,710		37,922		38,336
Loans		1,742,735		1,547,138		939,103		767,899		656,788
Allowance for loan losses		(28,632)		(19,262)		(11,470)		(9,407)		(8,017)
Total assets		2,635,517		1,766,122		1,128,526		952,110		805,753
Interest-bearing deposits		1,007,879		829,046		596,716		510,089		460,937
Noninterest-bearing deposits		1,355,908		592,261		371,243		293,525		242,358
Total deposits		2,363,787		1,421,307		967,959		803,614		703,295
Total borrowings		52,873		192,292		23,562		33,546		33,529
Total shareholders' equity		201,222		140,217		124,173		109,156		65,711
Share and Per Share Data: ⁽²⁾										
Shares outstanding at end of period		12,875,315		11,954,327		11,913,885		11,893,203		9,248,901
Weighted average common shares outstanding–diluted		12,701,464		12,209,371		12,196,120		10,608,764		9,237,629
Book value per share	\$	15.63	\$	11.73	\$	10.42	\$	9.18	\$	7.11
Tangible book value per share ⁽³⁾		15.63		11.73		10.42		9.18		7.11
Earnings per share – basic		2.25		1.27		1.11		0.93		0.59
Earnings per share – diluted		2.16		1.24		1.08		0.91		0.59
Adjusted earnings per share – diluted ⁽¹⁾		N/A		N/A		N/A		N/A		0.73
Performance Ratios:										
Return on average assets		1.24%		0.98%		1.28%		1.14%		0.73%
Adjusted return on average assets ⁽¹⁾		N/A		N/A		N/A		N/A		0.90%
Return on average shareholders' equity		17.24%		11.44%		11.29%		11.40%		8.27%
Adjusted return on average shareholders' equity ⁽¹⁾		N/A		N/A		N/A		N/A		10.24%
Credit Quality Ratios:										
Nonperforming assets to total assets		0.07%		0.04%		0.09%		0.19%		0.26%
Nonperforming assets to total loans and OREO		0.10%		0.05%		0.11%		0.24%		0.32%
Nonperforming loans to total loans		0.10%		0.05%		0.11%		0.24%		0.32%
Allowance for loan losses to total loans		1.64%		1.25%		1.22%		1.23%		1.22%
Net charge-offs to average loans		0.03%		0.04%		0.06%		0.06%		0.06%

(1) Refer to "Non-GAAP Reconciliation" in this Appendix for additional details.

(2) Share and per share amounts are based on total common shares outstanding, which includes common stock.

(3) Tangible book value per share is a non-GAAP measure. Since there is no goodwill or other intangible assets as of the dates indicated, tangible book value per share is the same as book value per share as of each of the dates indicated.



CFC SELECTED QUARTERLY FINANCIALS

(Dollars in thousands, except per share data)	As of and for the Quarter Ended					
	4Q2021	3Q 2021	2Q 2021	1Q 2021	4Q 2020	
Statement of Income Data:						
Total interest income	\$ 25,546	\$ 19,608	\$ 19,573	\$ 18,328	\$ 18,098	
Total interest expense	843	801	959	1,043	1,165	
Provision for loan losses	8,942	255	361	357	2,600	
Net interest income after provision for loan losses	15,761	18,552	18,251	16,928	14,333	
Total noninterest income	14,220	6,132	4,782	3,013	2,049	
Total noninterest expense	21,050	16,130	13,731	12,352	10,489	
Provision for income taxes	1,641	1,870	2,289	1,572	1,232	
Net Income	7,290	6,684	7,013	6,018	4,661	
Balance Sheet Data:						
Cash and cash equivalents	\$ 813,161	\$ 669,725	\$ 282,889	\$ 204,314	\$ 163,117	
Investment securities	36,623	34,924	27,443	22,894	23,247	
Loans	1,742,735	1,705,682	1,658,149	1,766,723	1,547,138	
Allowance for loan losses	(28,632)	(20,222)	(19,966)	(19,610)	(19,262)	
Total assets	2,635,517	2,451,568	2,007,138	2,029,359	1,766,122	
Interest-bearing deposits	1,007,879	927,097	913,782	903,025	829,046	
Noninterest-bearing deposits	1,355,908	1,296,443	887,896	768,690	592,261	
Total deposits	2,363,787	2,223,540	1,801,678	1,671,715	1,421,307	
Core deposits ⁽¹⁾	2,249,573	2,148,445	1,724,134	1,590,850	1,328,195	
Total borrowings	52,873	52,854	38,584	197,099	192,292	
Total shareholders' equity	201,222	161,086	154,100	146,739	140,217	
Share and Per Share Data: ⁽²⁾						
Shares outstanding at end of period	12,875,315	12,012,107	12,007,669	11,988,636	11,954,327	
Weighted average common shares outstanding–diluted	12,701,464	12,456,674	12,459,467	12,393,493	12,280,191	
Book value per share	\$ 15.63	\$ 13.41	\$ 12.83	\$ 12.24	\$ 11.73	
Tangible book value per share ⁽³⁾	15.63	13.41	12.83	12.24	11.73	
Earnings per share – basic	0.60	0.56	0.59	0.50	0.39	
Earnings per share – diluted	0.57	0.54	0.56	0.49	0.38	
Performance Ratios:						
Return on average assets	1.14%	1.21%	1.36%	1.28%	1.04%	
Return on average shareholders' equity	16.80%	16.77%	18.60%	16.84%	13.36%	
Credit Quality Ratios:						
Nonperforming assets to total assets	0.07%	0.04%	0.03%	0.03%	0.04%	
Nonperforming assets to total loans and OREO	0.10%	0.05%	0.04%	0.04%	0.05%	
Nonperforming loans to total loans	0.10%	0.04%	0.04%	0.04%	0.05%	
Allowance for loan losses to total loans	1.64%	1.19%	1.20%	1.11%	1.25%	
Net charge-offs to average loans	0.13%	0.00%	0.00%	0.00%	0.10%	
Other Key Ratios:						
Yield on Loans Receivable	5.92%	4.57%	4.44%	4.51%	4.64%	
Cost of Deposits	0.09%	0.10%	0.14%	0.16%	0.22%	
Net Interest Margin	3.95%	3.48%	3.70%	3.76%	3.89%	
Efficiency Ratio	54.08%	64.68%	58.69%	60.85%	55.26%	
Loans Receivable to Deposits	73.73%	76.71%	92.03%	105.68%	108.85%	
Cost of Funds	0.14%	0.16%	0.20%	0.24%	0.29%	

(1) Core deposits are defined as all deposits excluding time and brokered deposits.

(2) Share and per share amounts are based on total common shares outstanding, which includes common stock and nonvoting common stock.

(3) Tangible book value per share is a non-GAAP measure. Since there is no goodwill or other intangible assets as of the dates indicated, tangible book value per share is the same as book value per share as of each of the dates indicated.



COMMUNITY BANK - DIVERSE LOAN PORTFOLIO

Commercial Real Estate

\$835.6 million
Outstanding Balance

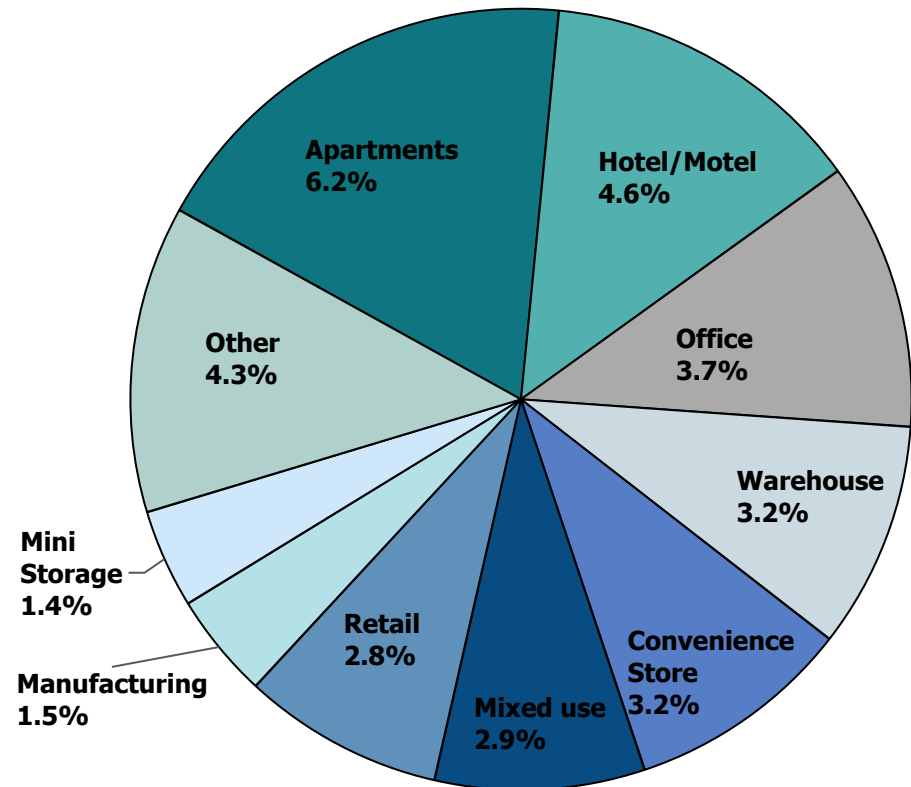
\$23.2 million
Available Loan Commitment

\$1.4 million
Average Loan Balance

33.8%
% of Loans Receivable (Total
Outstanding Balances and Available
Commitments) Excludes PPP Loans

Exposure by Industry

% of Total Loans Receivable
(Total Outstanding Balances and Available Commitments)
Excludes PPP Loans



COMMUNITY BANK - DIVERSE LOAN PORTFOLIO

Commercial and Industrial

\$307.2 million
Outstanding Balance

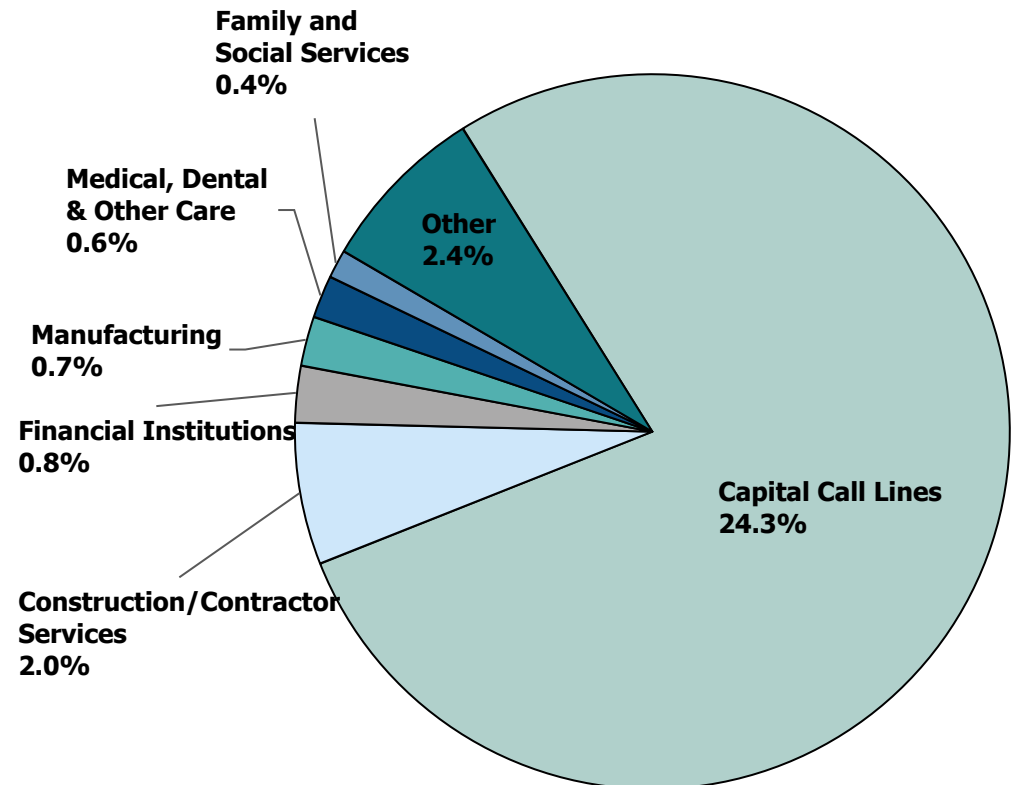
\$486.8 million
Available Loan Commitment

\$437,000
Average Loan Balance

31.2%
% of Loans Receivable (Total
Outstanding Balances and Available
Commitments) Excludes PPP Loans

Exposure by Industry

% of Total Loans Receivable
(Total Outstanding Balances and Available Commitments)
Excludes PPP Loans



COMMUNITY BANK - DIVERSE LOAN PORTFOLIO

Construction, Land and Land Development

\$183.6 million
Outstanding Balance

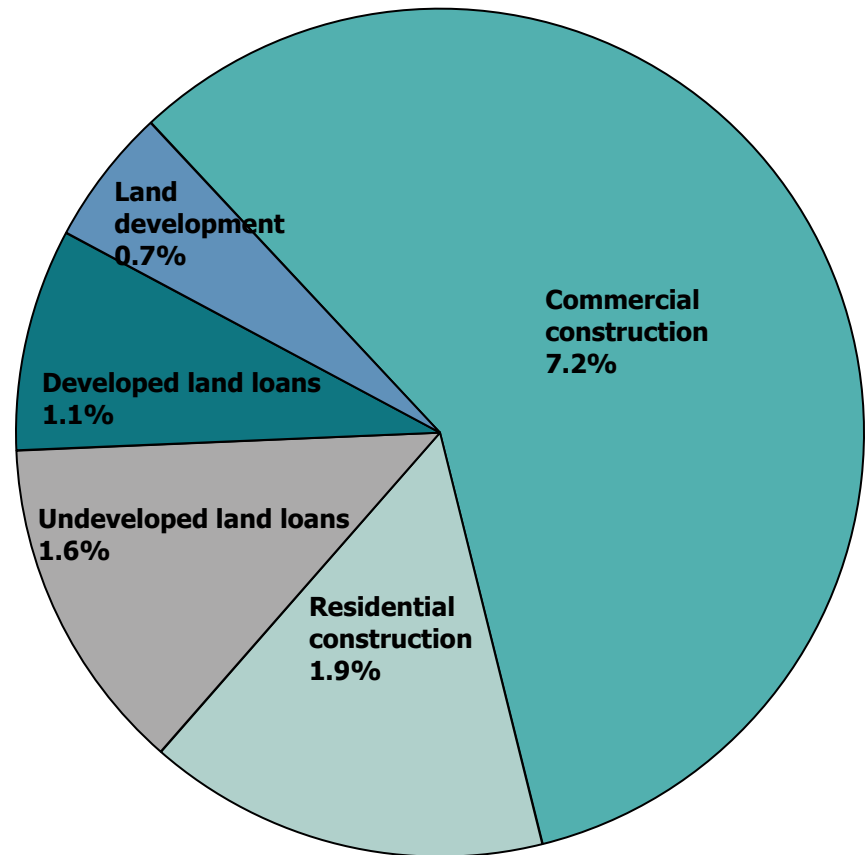
\$134.3 million
Available Loan Commitment

\$1.4 million
Average Loan Balance

12.5%
% of Loans Receivable (Total
Outstanding Balances and Available
Commitments) Excludes PPP Loans

Exposure by Industry

% of Total Loans Receivable
(Total Outstanding Balances and Available Commitments)
Excludes PPP Loans

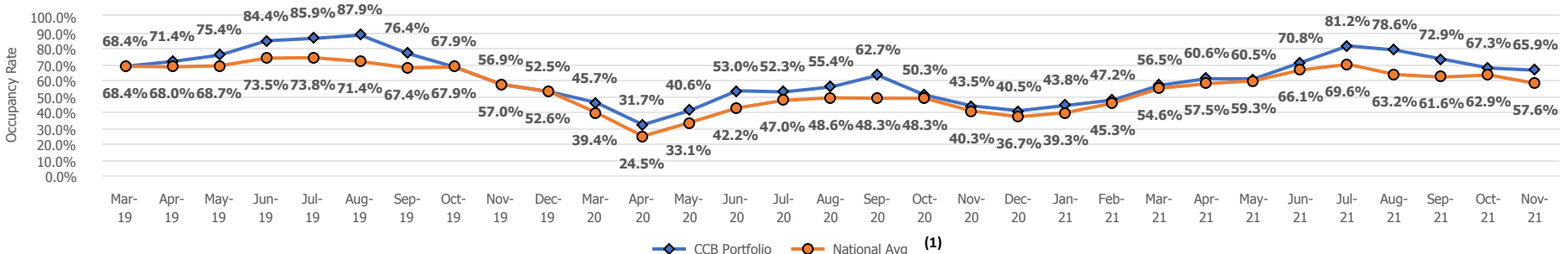


CFC LOAN PORTFOLIO STATISTICS

Significant CRE Loan Sub-Categories	Total Commitments	Weighted Average Seasoning (Months)	Weighted Average FICO Score	Weighted Average LTV	Weighted Average DSCR
Multifamily	\$183,822,334	28.5	769.50	61.10%	2.93x
Hotels	\$116,106,200	38.5	761.91	57.10%	2.15x
Retail	\$85,631,503	34.2	770.53	53.86%	2.03x
Warehouse	\$80,538,437	37.9	774.32	54.70%	3.15x
Convenience Store	\$80,341,593	34.4	779.20	57.87%	2.93x
Mixed Use	\$74,607,496	44.1	759.65	55.41%	2.43x
Office - General	\$63,323,378	44.9	776.46	58.90%	3.34x
Manufacturing	\$37,454,604	52.1	763.30	57.62%	2.67x
Mini Storage	\$35,245,165	20.6	788.84	58.93%	3.70x
Office - Professional	\$31,669,174	29.7	779.42	58.39%	2.33x
Loan Category	Commitments	Weighted Average Seasoning (Months)	Weighted Average FICO Score	Weighted Average LTV	Weighted Average DSCR
Commercial Real Estate	\$858,834,825	36.4	770.93	57%	2.75x
C&I (excludes PPP loans & CCL)	\$175,495,007	40.6	772.19	58%	5.95x
Construction/Land	\$317,878,754	10.7	783.41	49%	3.92x

- (1) Based on best available data. If a loan has multiple guarantors, FICO score represented is highest of the guarantors. FICO scores are based off origination unless updated through annual term loan review or other credit action.
- (2) Loan to Value ("LTV") data is based on best available data. LTV at origination is used unless updated information was made available through an annual term loan review or other credit action.
- (3) Debt Service Coverage Ratio ("DSCR") data is based on best available data. DSCR at origination is used unless updated information was made available through an annual term loan review or other credit action.

Hotel Portfolio Occupancy Rates
(weighted avg)



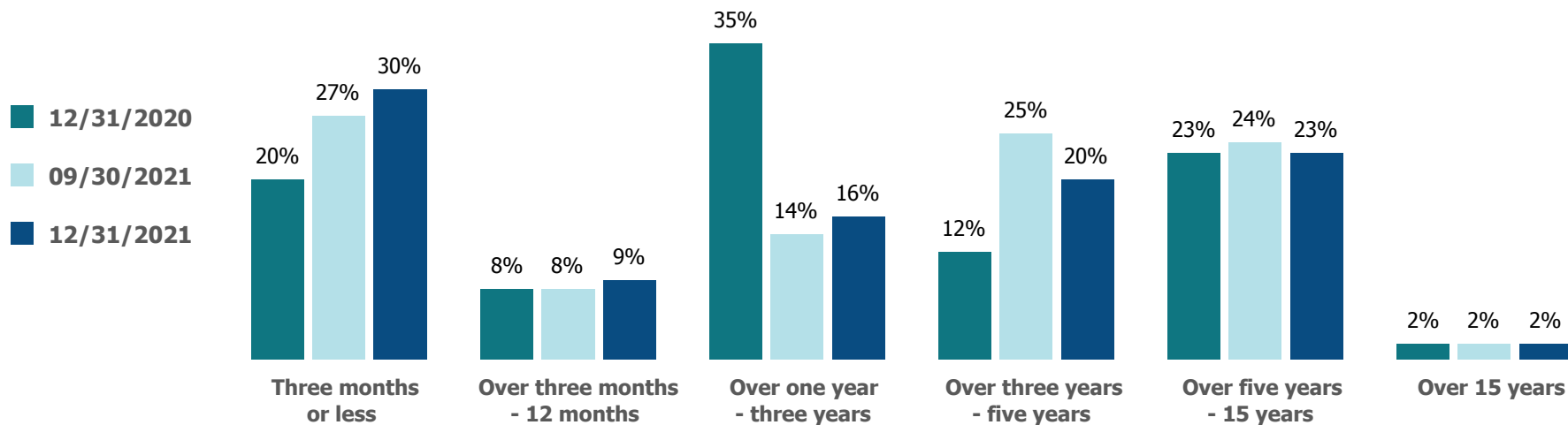
The Bank's hotel portfolio predominantly consists of travel hotels/motels and as such our occupancy rates are higher than the national average.

(1) Source: <https://www.statista.com/statistics/206546/us-hotels-occupancy-rate-by-month/>

Most current data as of December 31, 2021 unless noted otherwise

ASSET-SENSITIVE BALANCE SHEET

Loan Repricing



Bank will Benefit when Rates Increase

- Asset sensitive
- 30% of our assets reprice within 3 months as of December 31, 2021, up from 20% at December 31, 2020
- 2.44 years weighted average reprice
- 6.33 years weighted average maturity

Loan Strategy:

- shorter term loans
- interest rate swaps
- variable loans

Deposit Strategy:

- Funding from noninterest bearing deposits, savings and money markets vs. term deposits (ex. time deposits)

NON-GAAP RECONCILIATION –PPP LOAN IMPACT

The following non-GAAP financial measures are presented to illustrate and identify the impact of PPP loans on Tier 1 Capital, we are providing investors with this information to better compare results with periods that did not have these significant impacts. These measures include the following:

“Adjusted Tier 1 leverage capital ratio, excluding PPP loans” is a non-GAAP measure that excludes the impact of PPP loans on balance sheet. The most directly comparable GAAP measure is Tier 1 leverage capital ratio.

Reconciliations of the GAAP and non-GAAP measures follow.

(Dollars in thousands, unaudited)	As of December 31, 2021	As of September 30, 2021	As of December 31, 2020
Adjusted Tier 1 leverage capital ratio, excluding PPP loans:			
Company:			
Tier 1 capital	\$ 204,585	\$ 164,437	\$ 143,532
Average assets for the leverage capital ratio	\$ 2,536,512	\$ 2,198,406	\$ 1,586,350
Less: Average PPP loans	(186,267)	(322,595)	(424,290)
Plus: Average PPPLF borrowings	—	—	188,222
Adjusted average assets for the leverage capital ratio	\$ 2,350,245	\$ 1,875,812	\$ 1,350,282
Tier 1 leverage capital ratio	8.07%	7.48%	9.05%
Adjusted Tier 1 leverage capital ratio, excluding PPP loans	8.70%	8.77%	10.63%

NON-GAAP RECONCILIATION –PPP LOAN IMPACT

The following non-GAAP financial measures are presented to illustrate the impact of BaaS credit enhancements, BaaS fraud recovery and reimbursement of expenses on total BaaS fees. "BaaS fee income, net" excludes BaaS credit enhancements, BaaS fraud recovery and reimbursement of expenses. The most directly comparable GAAP measure is total BaaS fees.

Reconciliations of the GAAP and non-GAAP measures follow.

(Dollars in thousands, unaudited)	Three months Ended		
	December 31, 2021	September 30, 2021	December 31, 2020
BaaS fee income, net - excluding BaaS credit enhancements, BaaS fraud recovery and reimbursement of expenses			
Total Baas Fees	\$ 12,649	\$ 2,286	\$ 735
Less: BaaS credit enhancements	(9,076)	(10)	—
Less: Baas fraud recovery	(1,209)	(296)	—
Less: Reimbursement of expenses	(295)	(333)	(158)
Total BaaS fee income, net - excluding BaaS credit enhancements, BaaS fraud recovery and reimbursement of expenses	\$ 2,069	\$ 1,647	\$ 577

NON-GAAP RECONCILIATION – 2017 ADJUSTED MEASURES

Some of the financial measures included in this presentation are not measures of financial performance recognized by GAAP. Our management uses the non-GAAP financial measures set forth below in its analysis of our performance for 2017 to exclude the impact of a deferred tax asset revaluation due to the enactment of the Tax Cuts and Jobs Act.

- “Adjusted net income” is a non-GAAP measure defined as net income increased by the additional income tax expense that resulted from the revaluation of deferred tax assets as a result of the reduction in the corporate income tax rate under the recently enacted Tax Cuts and Jobs Act. The most directly comparable GAAP measure is net income.
- “Adjusted earnings per share-diluted” is a non-GAAP measure defined as net income, plus additional income tax expense as noted above, divided by weighted average outstanding shares (diluted). The most directly comparable GAAP measure is earnings per share.
- “Adjusted return on average assets” is a non-GAAP measure defined as net income, plus additional income tax expense as noted above, divided by average assets. The most directly comparable GAAP measure is return on average assets.
- “Adjusted return on average shareholders’ equity” is a non-GAAP measure defined as net income, plus additional income tax expense as noted above, divided by average shareholders’ equity. The most directly comparable GAAP measure is return on average shareholders’ equity.

(Dollars in thousands, except share and per share data)

	As of or for the Year Ended, December 31, 2017
Adjusted net income:	
Net income	\$ 5,436
Plus: additional income tax expense	1,295
Adjusted net income	\$ 6,731
Adjusted earnings per share – diluted	
Net income	\$ 5,436
Plus: additional income tax expense for deferred tax asset revaluation	1,295
Adjusted net income	\$ 6,731
Weighted average common shares outstanding– diluted ⁽¹⁾	9,237,629
Adjusted earnings per share – diluted ⁽¹⁾	\$ 0.73
Adjusted return on average assets	
Net income	\$ 5,436
Plus: additional income tax expense for deferred tax asset revaluation	1,295
Adjusted net income	\$ 6,731
Average assets	\$ 748,940
Adjusted return on average assets	0.90%
Adjusted return on average shareholders’ equity	
Net income	\$ 5,436
Plus: additional income tax expense for deferred tax asset revaluation	1,295
Adjusted net income	\$ 6,731
Average shareholders’ equity	\$ 65,720
Adjusted return on average shareholders’ equity	10.24%

(1) Share and per share amounts are based on total common shares outstanding, which includes common stock and nonvoting common stock. These amounts have been adjusted to give effect to a one-for-five reverse stock split of common shares completed effective May 4, 2018.

