



BAYFIRST

BayFirst Financial Corp.
(NASDAQ:BAFN)

2024 - Third Quarter Results
(Unaudited)

Cautionary Statement Concerning Forward-Looking Information

In addition to the historical information contained herein, this presentation includes "forward-looking statements" within the meaning of such term in the Private Securities Litigation Reform Act of 1995. These statements are subject to many risks and uncertainties, including, but not limited to, the effects of health crises, global military hostilities, weather events, or climate change, including their effects on the economic environment, our customers and our operations, as well as any changes to federal, state or local government laws, regulations or orders in connection with them; the ability of the Company to implement its strategy and expand its banking operations; changes in interest rates and other general economic, business and political conditions, including changes in the financial markets; changes in business plans as circumstances warrant; risks related to mergers and acquisitions; changes in benchmark interest rates used to price loans and deposits, changes in tax laws, regulations and guidance; and other risks detailed from time to time in filings made by the Company with the SEC, including, but not limited to those "Risk Factors" described in our most recent Form 10-K and Form 10-Q. Readers should note that the forward-looking statements included herein are not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking statements.

Forward-looking statements generally can be identified by the use of forward-looking terminology such as "will," "propose," "may," "plan," "seek," "expect," "intend," "estimate," "anticipate," "believe," "continue," or similar terminology. Any forward-looking statements presented herein are made only as of the date of this document, and we do not undertake any obligation to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

ABOUT BAYFIRST FINANCIAL CORP.

TAMPA BAY'S PREMIER COMMUNITY BANKING FRANCHISE

HOW WE RANK

2 IN THE TAMPA BAY-SARASOTA REGION⁽¹⁾

ASSET SIZE

\$1.25 BILLION TOTAL ASSETS⁽²⁾

GROWTH

134% ASSET GROWTH SINCE DEC 31, 2019⁽²⁾

SBA ORIGINATION

#5 SBA 7(a) ORIGINATOR IN THE NATION BY UNITS⁽³⁾

INITIATIVES

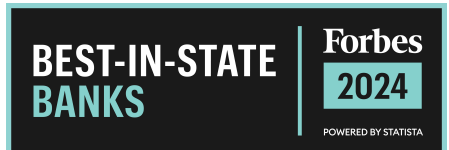
CSR CORPORATE SOCIAL RESPONSIBILITY FOCUSED

DEPOSITS

\$94.4 MILLION IN TOTAL DEPOSIT GROWTH OVER THE PAST YEAR⁽²⁾

COMMUNITY BANKING

Named the Best Bank in Florida in 2024⁽⁴⁾



(1) Deposit ranking of banks with assets less than \$10B headquartered in the Tampa-Sarasota region as of June 30, 2024 from Uniform Bank Performance Reports

(2) Financial data as of September 30, 2024

(3) As of SBA's fiscal year ended September 30, 2024

(4) Forbes America's Best in State Banks list published June 18, 2024

KEY INVESTMENT POINTS

- ✓ Second largest community bank (deposits) based in attractive Tampa Bay-Sarasota region⁽¹⁾
- ✓ Total asset growth of 134% since YE2019
- ✓ Deposit growth of 9% over last twelve months
- ✓ Among the nation's top SBA loan originators
- ✓ Innovative technology driven bank planning for the future of banking
- ✓ Experienced management team with strong insider ownership of 14%
- ✓ The Company has continuously paid quarterly common stock cash dividends since 2016

1. Deposit ranking of banks with assets less than \$10B headquartered in the Tampa-Sarasota region as of June 30, 2024 from Uniform Bank Performance Reports

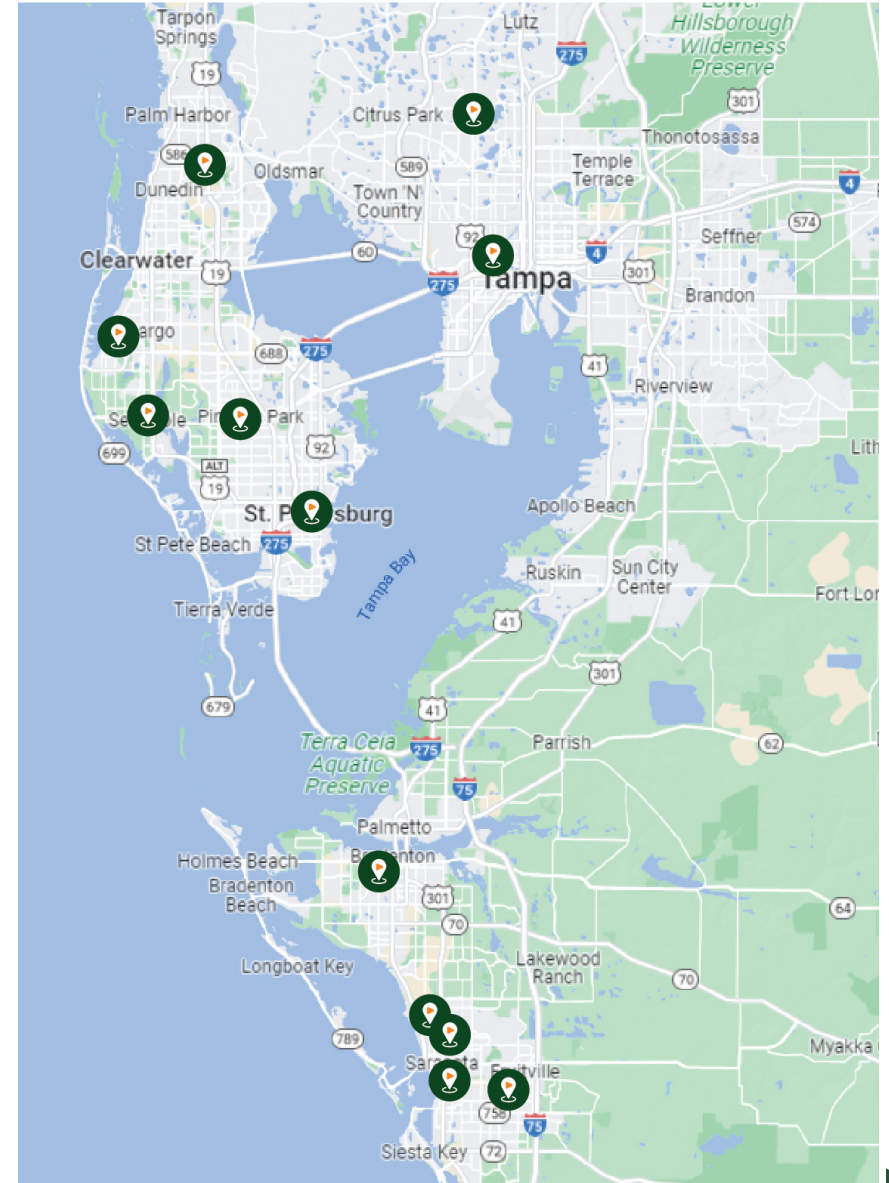
ABOUT BAYFIRST FINANCIAL CORP.

BAYFIRST



CURRENT BANKING CENTER LOCATION

*CONVENIENT AND ATTRACTIVE BANKING CENTER
FRANCHISE IN
TAMPA BAY-SARASOTA REGION*



Technology focused community bank with diversified revenue streams

COMMUNITY BANKING

- 12 banking centers in Tampa Bay-Sarasota region
- Full suite of commercial and consumer loan and deposit products to meet the needs of Tampa Bay individuals, families and small businesses

TECHNOLOGY FOCUSED

- Advanced technology platform to support innovative products and services while improving efficiencies
- PowerLOS is an automated, highly scalable SBA and commercial loan origination system
- Working with FinTechs to offer new and innovative services through Mulesoft API platform

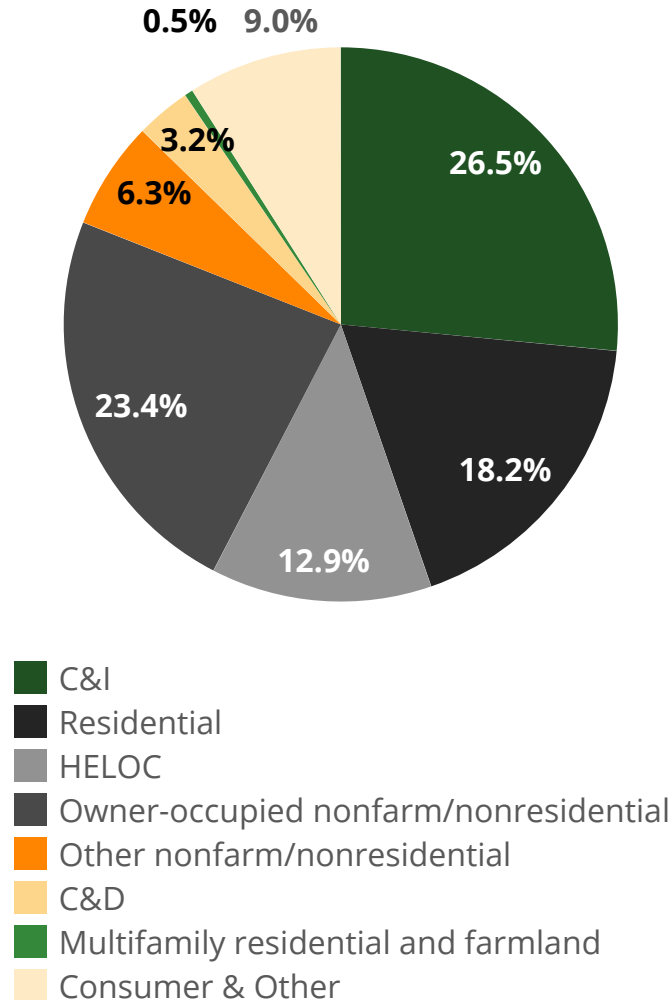


GOVERNMENT GUARANTEED LENDING

- BayFirst's in-house government guaranteed lending platform
- #5 in units and #11 SBA lender in dollars as of SBA's fiscal year ended 9/30/24
- Small Loan Balance program:
 - Includes our **Bolt loans up to \$150K**, with up to 85% SBA government guarantee
- Core program:
 - Traditional SBA loans over \$150K and up to \$5 million
 - Supports organic loan generation through sales team and partners

ATTRACTIVE LOAN COMPOSITION

Composition of Loans Held for Investment as of September 30, 2024

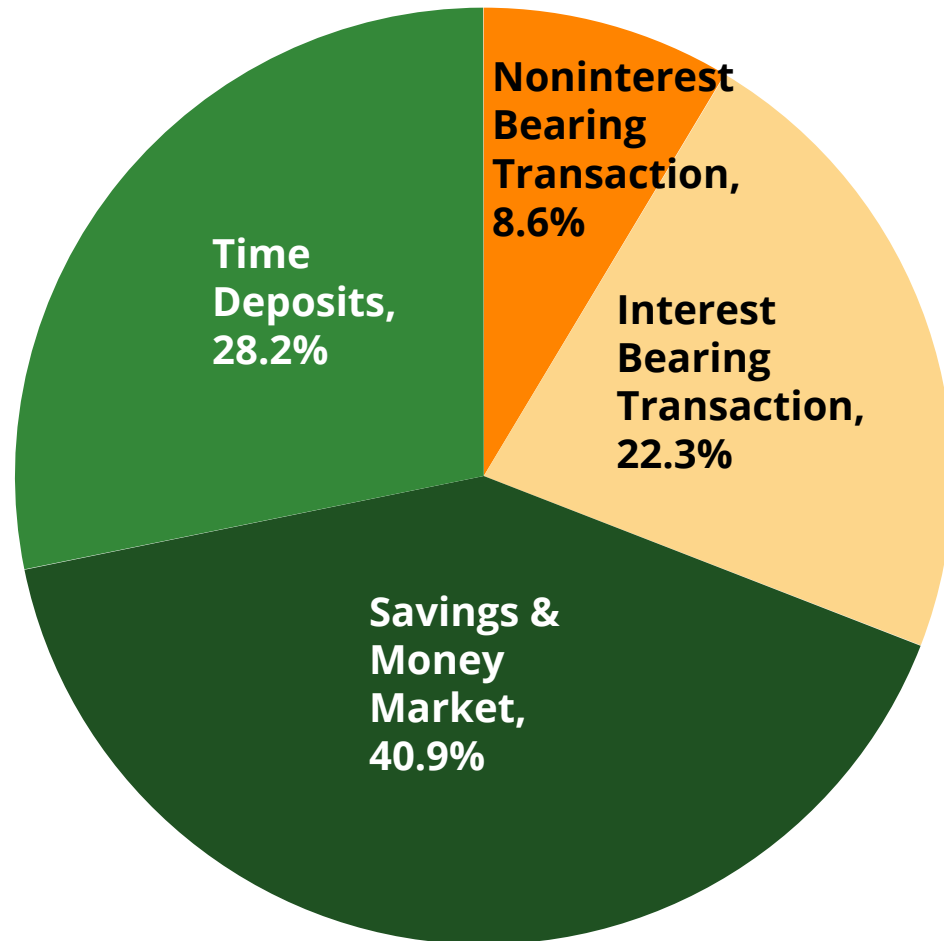


Loan Highlights

- Loan portfolio is well-diversified across major loan types with a low concentration of non owner-occupied commercial real estate loans
- Total loan production of \$167 million during the quarter
- Loans held for investment grew \$34 million during the quarter

SOLID DEPOSIT COMPOSITION

Deposit Portfolio Composition as of September 30, 2024



Deposit Highlights

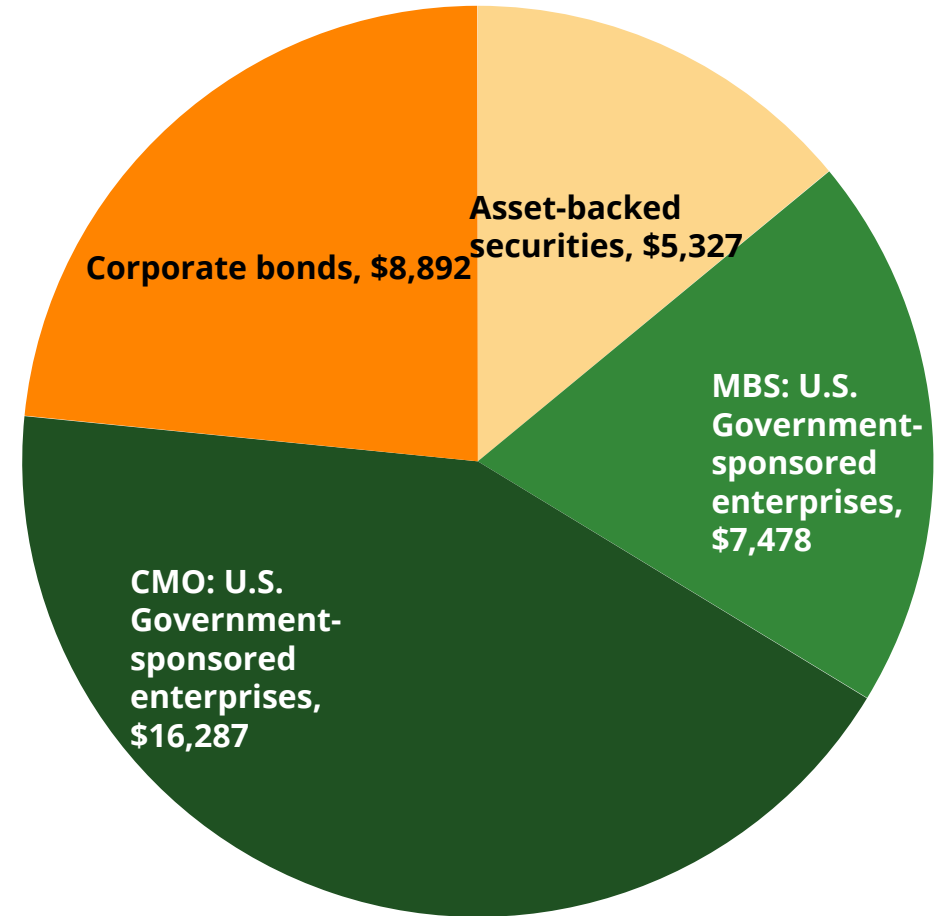
- Total Deposits grew \$127 million during the first nine months of 2024
- Approximately 78% of deposits are insured as of September 30, 2024
- Minimal use of short-term brokered deposits (\$77 million as of September 30, 2024)
- Grew number of checking accounts by 13% YTD

INVESTMENT SECURITIES

Investment Securities Portfolio Details

AFS Investment Securities Portfolio as of September 30, 2024 (fair market value, in thousands)

- Minimal exposure to market value losses due to modest investment securities portfolio (0.3% of total assets)
- Other Comprehensive Loss of \$2.3 million reduced Tangible Book Value by \$0.56 as of September 30, 2024
 - We intend and have the ability to hold the available for sale investment securities to maturity; no plan to sell
 - No impact to regulatory capital ratios
- \$2.5 million of HTM investment securities, net of ACL of \$13 thousand



STRATEGIC PILLARS 2024



GOALS & INITIATIVES: 2024 AND BEYOND

- **Increase the volume of small-balance SBA loans**
- **Focus on revenue growth and optimize the Bank's efficiency ratio**
- **Maximize existing banking centers to increase brand awareness and core deposit customers**
- **Partner with Fintech firms to create fee income and loan and deposit opportunities**
- **Grow capital and expand the Company's shareholder base**
- **Enhance overall customer experience, engagement, and satisfaction**
- **Improve digital channels and functionalities to elevate customer engagement**
- **Maximize the investment in technology**
- **Position the Bank to achieve an "Outstanding" CRA rating**

(\$000s)	For the Three Months Ended				
	9/30/2024	6/30/2024	Increase/ (Decrease)	9/30/2023	Increase/ (Decrease)
Interest income	\$ 21,442	\$ 20,427	\$ 1,015	\$ 17,620	\$ 3,822
Interest expense	11,993	11,245	748	9,227	2,766
Net interest income	9,449	9,182	267	8,393	1,056
Provision for credit losses	3,122	3,000	122	3,001	121
Noninterest income	12,272	11,653	619	14,679	(2,407)
Noninterest expense	17,064	16,610	454	17,427	(363)
Income tax expense	398	349	49	674	(276)
Net income from continuing operations	1,137	876	261	1,970	(833)
Net income (loss) from discontinued operations	—	(10)	10	(47)	47
Net income	1,137	866	271	1,923	(786)
Preferred dividends	385	386	(1)	208	177
Net income available to common shareholders	\$ 752	\$ 480	\$ 272	\$ 1,715	\$ (963)

(\$000s)	Nine Months Ended September 30,		
	2024	2023	Increase/ (Decrease)
Interest income	\$ 61,056	\$ 49,663	\$ 11,393
Interest expense	33,683	22,109	11,574
Net interest income	27,373	27,554	(181)
Provision for credit losses	10,180	7,708	2,472
Noninterest income	38,193	35,064	3,129
Noninterest expense	51,447	49,241	2,206
Income tax expense	1,043	1,415	(372)
Net income from continuing operations	2,896	4,254	(1,358)
Net income (loss) from discontinued operations	(69)	(207)	138
Net income	2,827	4,047	(1,220)
Preferred dividends	1,156	624	532
Net income available to common shareholders	\$ 1,671	\$ 3,423	\$ (1,752)

	As of and For the Three Months Ended			As of and For the Nine Months Ended	
	9/30/2024	6/30/2024	9/30/2023	9/30/2024	9/30/2023
Return on average assets⁽¹⁾	0.37 %	0.29 %	0.71 %	0.32 %	0.52 %
Return on average common equity⁽¹⁾	3.48 %	2.26 %	8.46 %	2.60 %	5.70 %
Tangible book value per common share	\$ 20.86	\$ 20.54	\$ 20.12	\$ 20.86	\$ 20.12
Diluted earnings per common share	\$ 0.18	\$ 0.12	\$ 0.41	\$ 0.40	\$ 0.83
Dividend payout ratio	43.98 %	68.91 %	19.15 %	59.36 %	28.72 %
Total Capital (to risk-weighted assets)	11.39 %	11.79 %	13.47 %	11.39 %	13.47 %
Common Equity Tier 1 Capital (to risk-weighted assets)	10.14 %	10.54 %	12.21 %	10.14 %	12.21 %
Tier 1 Capital (to total assets)	8.41 %	8.73 %	9.16 %	8.41 %	9.16 %
Nonperforming loans (excl gov't gtd balance)/total loans held for investment⁽²⁾	1.15 %	0.87 %	1.01 %	1.15 %	1.01 %
ACL/Total loans held for investment at amortized cost	1.48 %	1.50 %	1.68 %	1.48 %	1.68 %

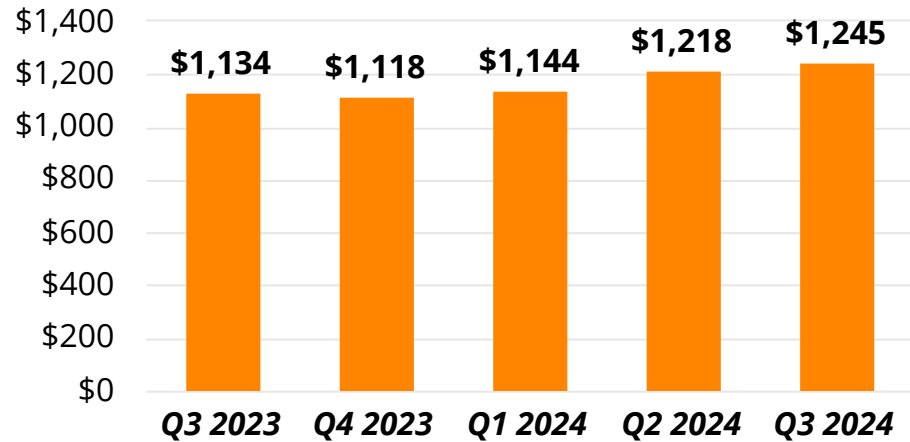
⁽¹⁾ Annualized

⁽²⁾ Excludes loans measured at fair value

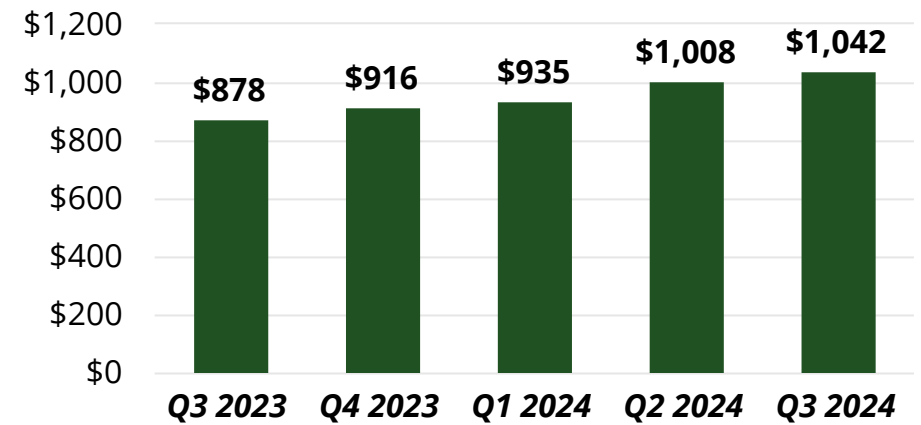
STRATEGIC GROWTH

Strong balance sheet on track for continued sustainable growth

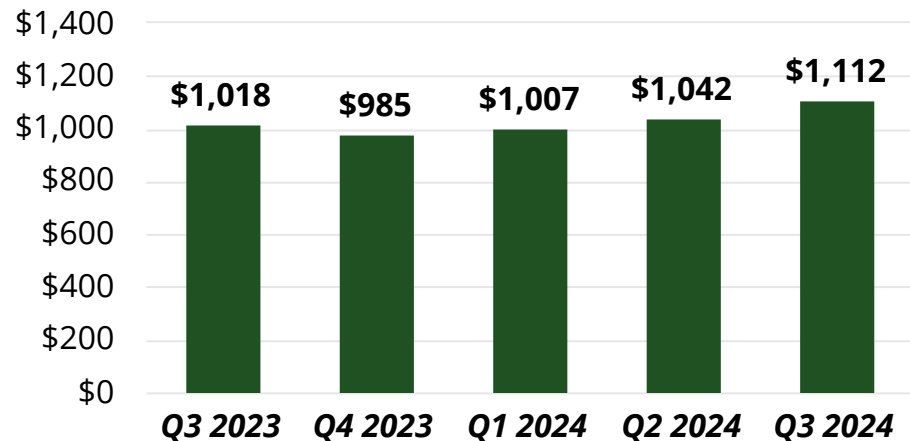
Total Assets (\$M)



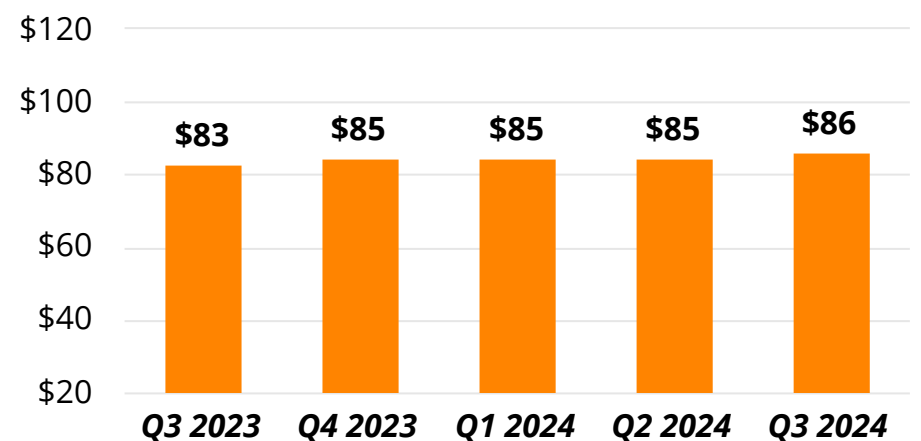
Total Loans HFI (\$M)



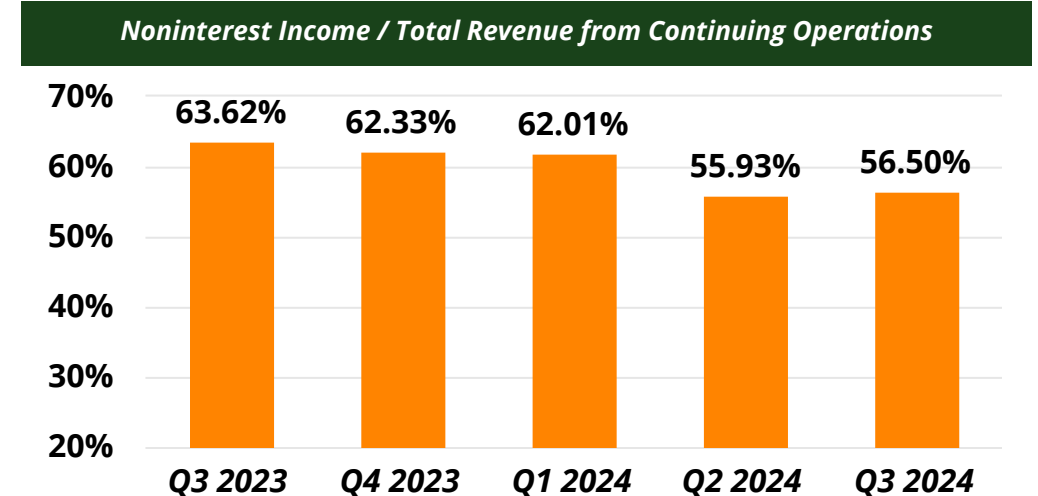
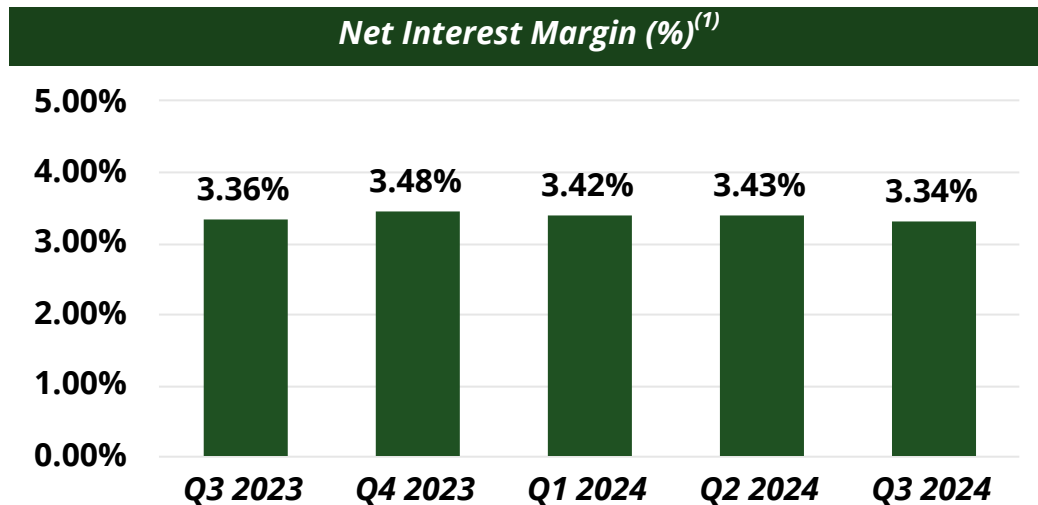
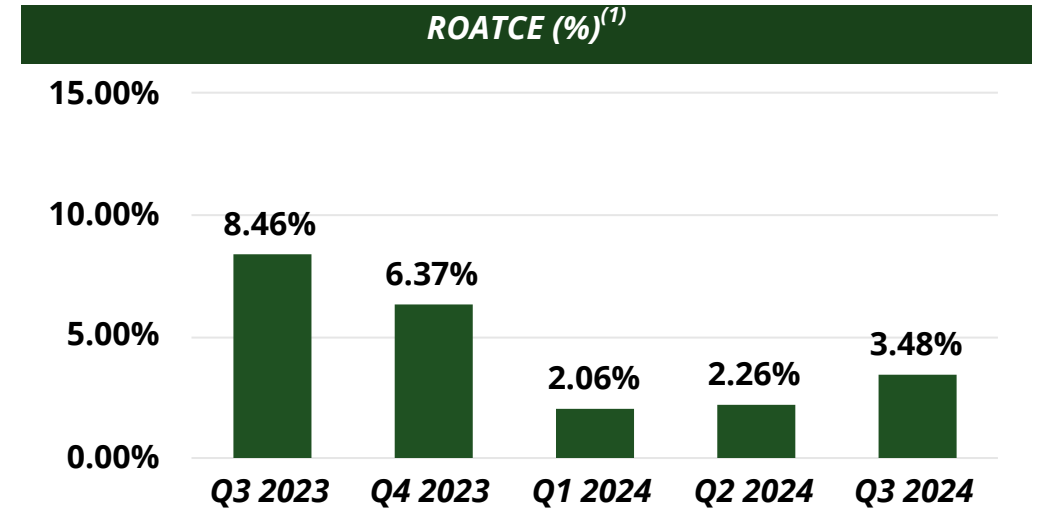
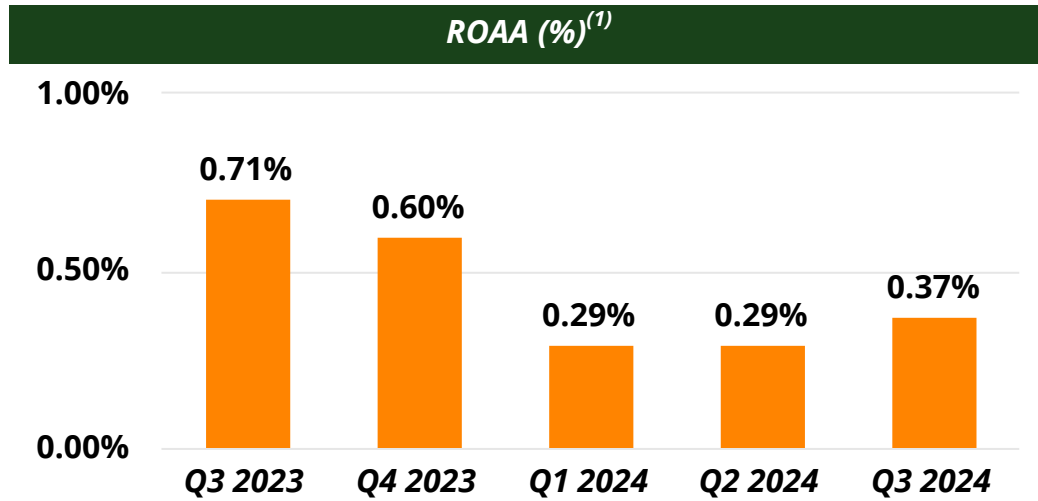
Total Deposits (\$M)



Tangible Common Equity (\$M)

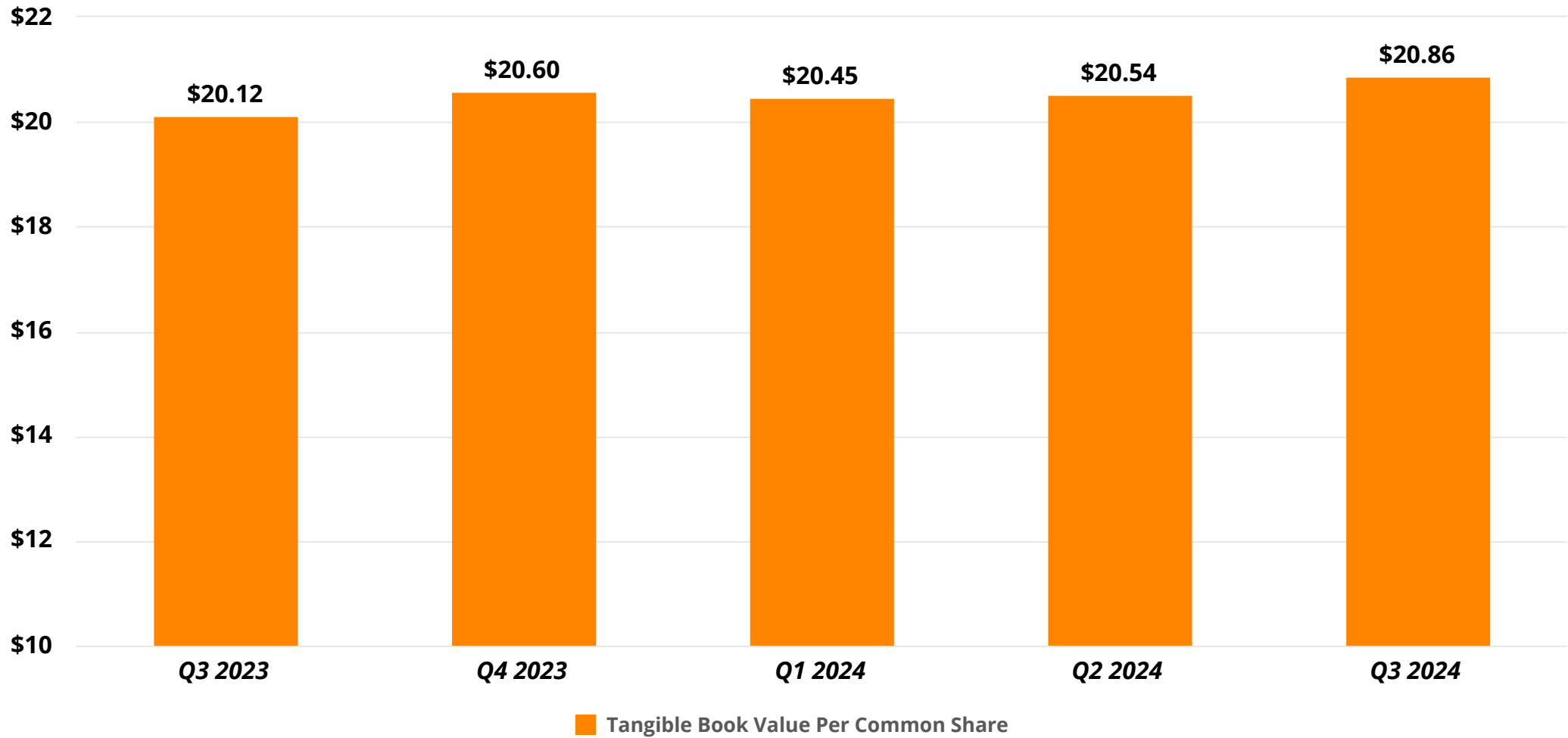


SUMMARY OF KEY RATIOS



⁽¹⁾ Annualized

TANGIBLE BOOK VALUE PER COMMON SHARE

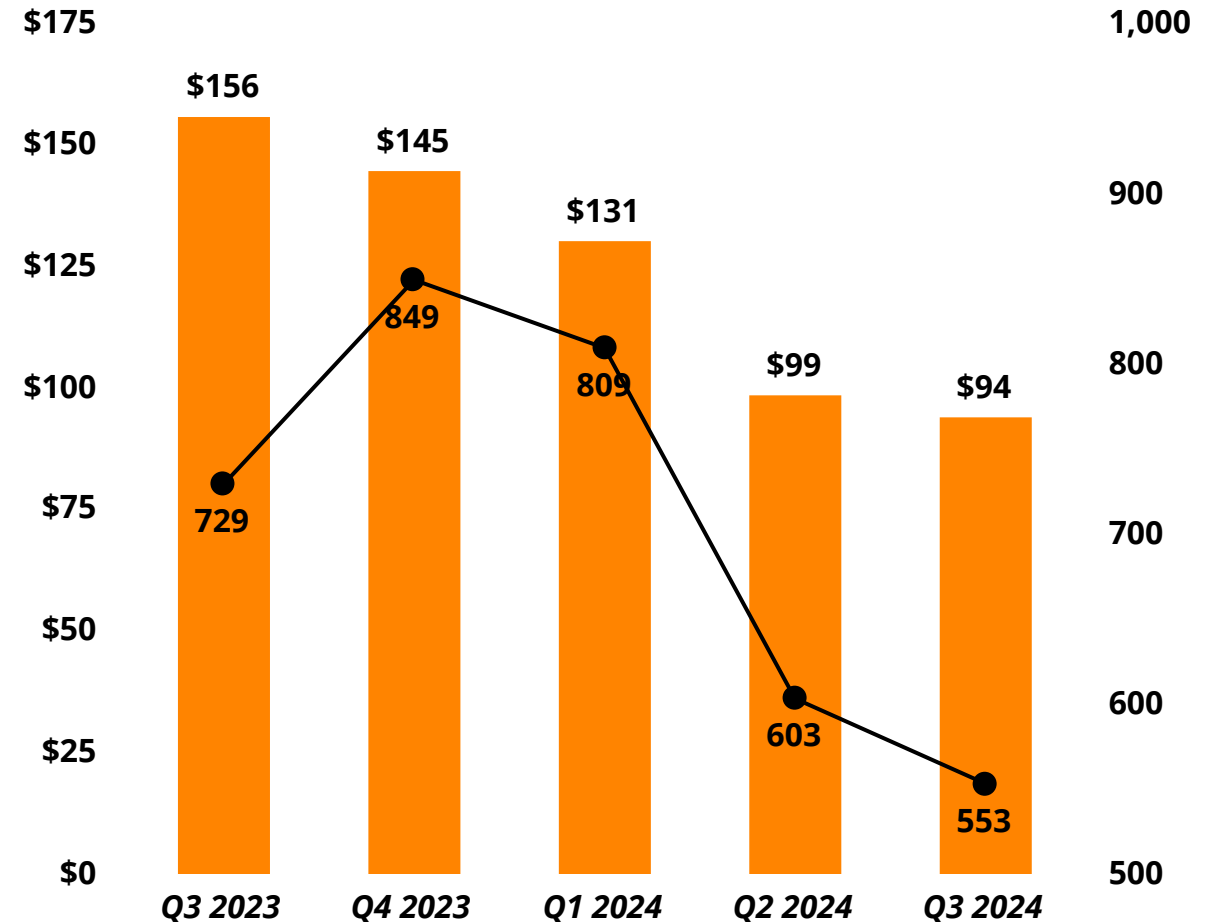


GOVERNMENT GUARANTEED LENDING

Q3 2024 Highlights

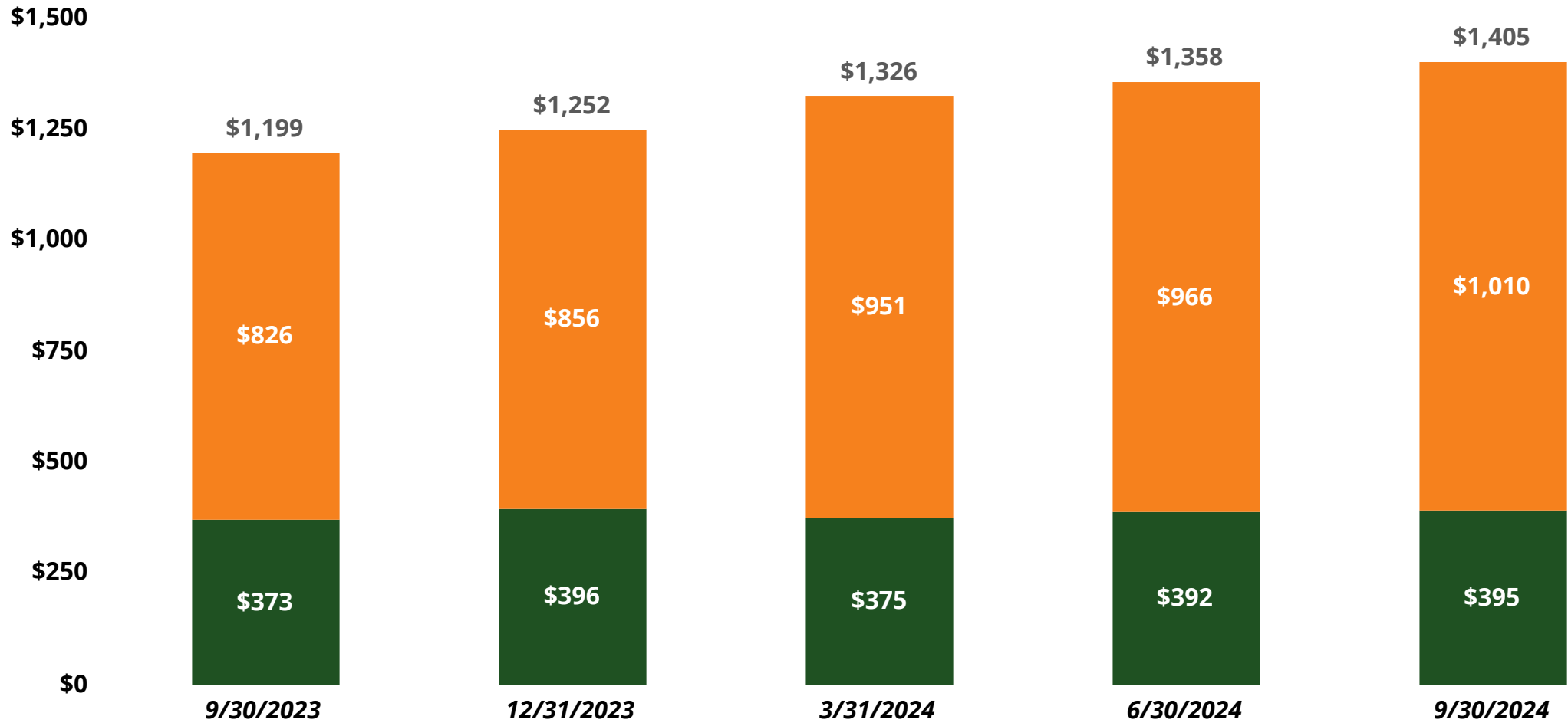
- Nationally ranked #5 in total SBA units and #11 in dollars for the SBA's fiscal year ended September 30, 2024
- Strategic initiative to expand USDA business and industry lending program: a total of 3 experienced USDA lenders to support this effort
- **Total Q3 2024 government guaranteed loan production decreased** 39.5% from Q3 2023 as a result of tighter credit underwriting standards
- **The Company's specialty Bolt program**, an SBA 7(a) loan product designed to provide working capital loans of \$150 thousand or less to businesses throughout the country
 - Since the launch in June 2022, the Company originated loans totaling \$676.6 million, including \$65.2 million in Q3 2024
 - New automation program launched through proprietary loan origination system PowerLOS and Open API, allowing increased volume and efficiency while limiting additional staff

Government Guaranteed Loan Amount (\$M) and Unit Volume



CREDITBENCH (SBA/USDA LOANS)

Guaranteed Loans HFI and Loans Serviced for Others (\$M)



■ HFI Government Guaranteed Loans (1) ■ Government Guaranteed Loans Serviced for Others

⁽¹⁾ Excludes PPP loans

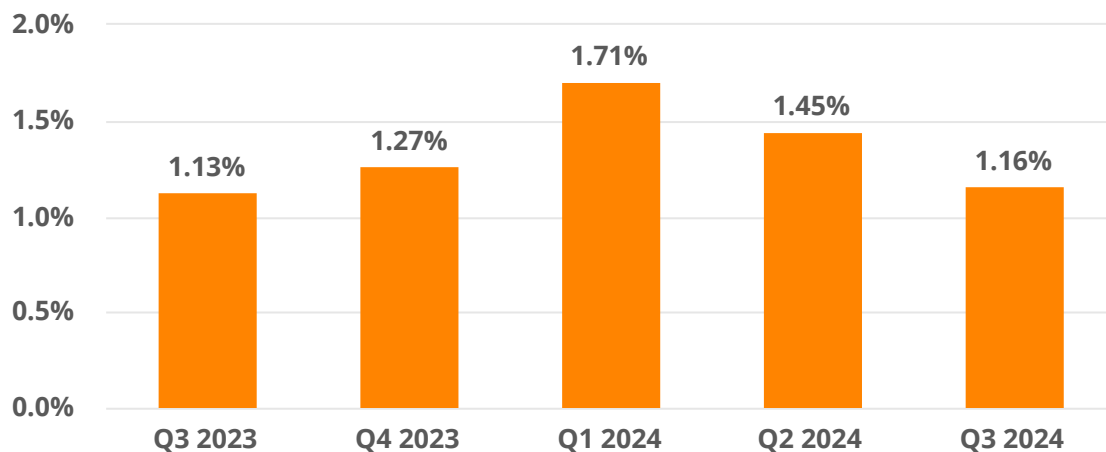
GOVERNMENT GUARANTEED LENDING

(\$000s)	Quarter Ended				
	9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Core 7(a)	\$ 36,635	\$ 33,115	\$ 29,967	\$ 24,624	\$ 26,982
Core 504	14,571	482	2,419	2,593	1,359
Core USDA	19,800	9,080	—	—	800
Bolt	84,905	102,264	98,170	71,459	65,218
Total	\$ 155,911	\$ 144,941	\$ 130,556	\$ 98,676	\$ 94,359

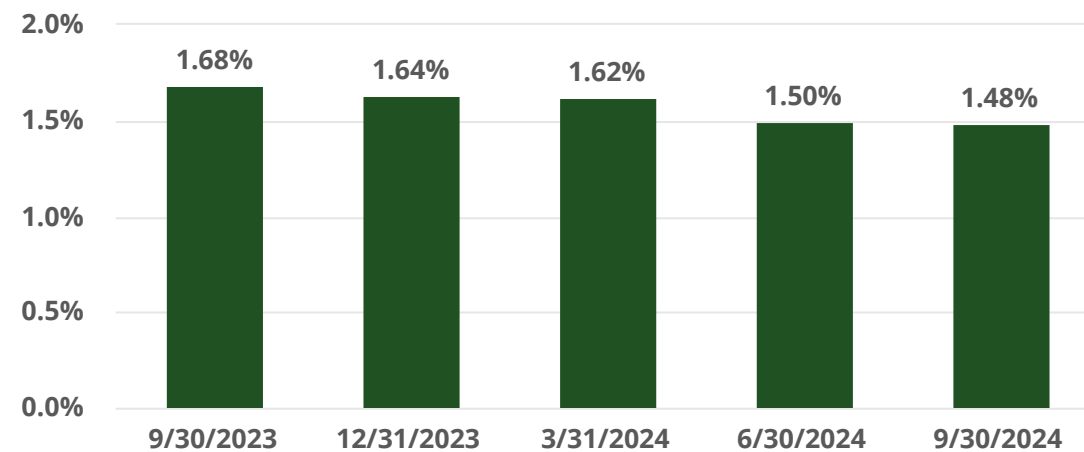
ASSET QUALITY

Strong reserve well-positioned to withstand volatility in economic conditions

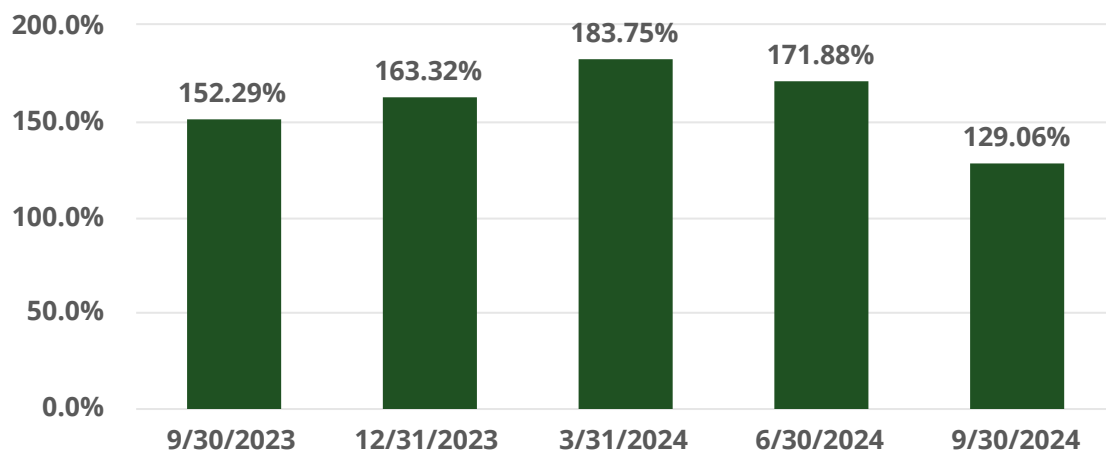
Net charge-offs/Total average loans HFI at amortized cost



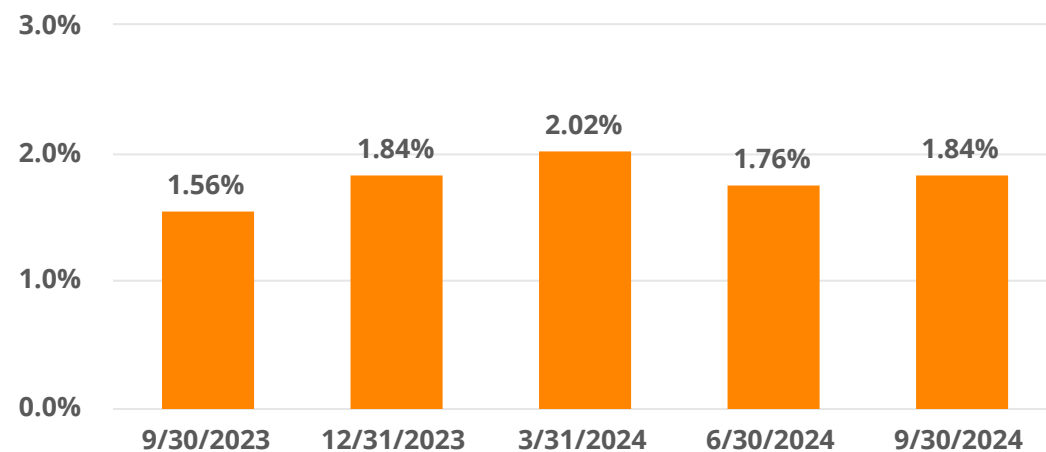
ACL/Total loans held for investment at amortized cost



ACL to nonperforming loans⁽¹⁾⁽²⁾



Past due and Nonaccrual loans to Total loans HFI at amortized cost⁽¹⁾⁽²⁾



⁽¹⁾ Excludes government guaranteed balances

⁽²⁾ Excludes loans measured at fair value

UPGRADE CONSUMER LOANS

Purchased unsecured consumer loans
(no purchases after 2022: additional purchases are not planned)

(\$000s)	Quarter ended				
	9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Ending balance	\$ 20,006	\$ 17,027	\$ 14,345	\$ 12,012	\$ 10,100
31-90 days past due	852	1,021	718	572	445
90+ days past due	351	258	170	137	234
Net charge-offs	755	896	770	576	305
Net charge-offs to average loans (annualized)	13.97 %	19.32 %	19.53 %	17.40 %	11.04 %

COMMUNITY BANKING PERFORMANCE



Q3 2024 Highlights

Q3 2024 Loan Production Summary:

- Loan production during the quarter was \$72.3 million⁽¹⁾
- Loans held for investment, including government guaranteed loans, increased by a net \$34.8 million QoQ

Q3 2024 Deposit Summary:

- Deposit balances increased \$69.8 million QoQ
- Deposit portfolio increased by 2.5% in number of accounts (to 21,166 accounts totaling \$1.11 billion) QoQ

Customer Commitment:

- Named the Best Bank in Florida in 2024⁽³⁾

⁽¹⁾ Excludes government guaranteed loan production

⁽²⁾ St. Petersburg branch deposits include other deposits generated by Government Guaranteed Lending, Cash Management, Corporate Treasury, and Virtual

⁽³⁾ Forbes America's Best in State Banks list published June 18, 2024

Banking Center & Deposits

(\$ in 000s)		Total Deposits			
#	Branch	Year Opened	9/30/2024	9/30/2023	9/30/2022
1	St. Petersburg ⁽²⁾	2017	\$ 298,588	\$ 246,093	\$ 251,956
2	Seminole	1999	156,094	147,513	138,761
3	Pinellas Park	2005	96,239	93,364	66,538
4	Downtown Sarasota	2018	168,508	186,905	170,616
5	Countryside	2018	63,063	72,752	67,068
6	West Tampa	2020	109,545	116,896	65,271
7	Belleair Bluffs	2021	47,962	43,457	23,017
8	West Bradenton	2022	63,143	57,036	2,509
9	Carrollwood	2023	52,181	36,684	—
10	Bee Ridge	2023	35,994	17,096	—
11	North Sarasota	2023	684	—	—
12	South Tamiami Trail	2024	20,195	—	—
Total Branches (12)			\$ 1,112,196	\$ 1,017,796	\$ 785,736

BAYFIRST

APPENDIX



BOLT SINGLE LOAN EARNINGS EXAMPLE

BAYFIRST

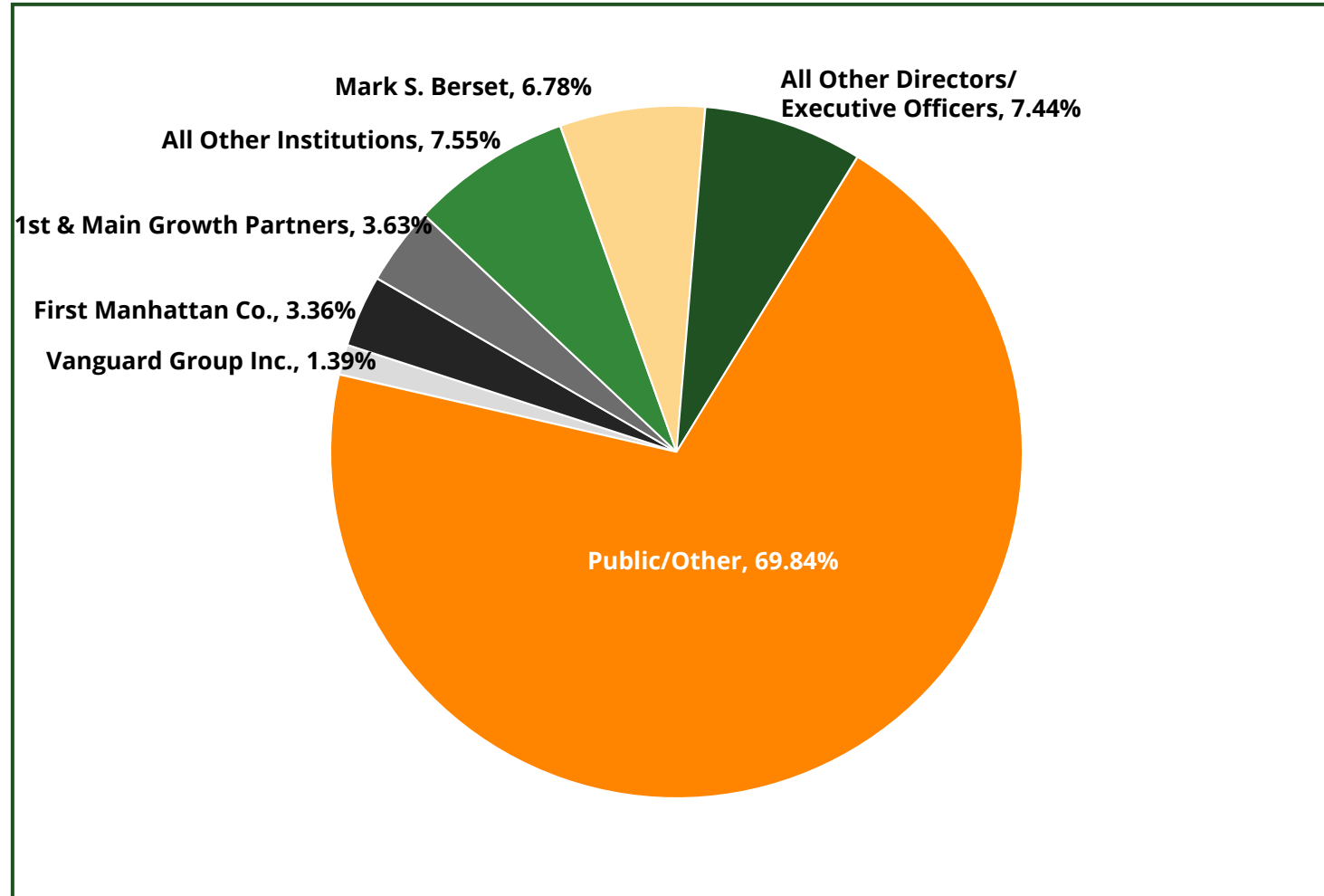
Immediate One-Time Impact

Loan amount (Average amount of a Bolt loan)	\$ 130,000
Guaranteed amount (85% of total loan)	110,500
Unguaranteed amount (15% of total loan, retained by BayFirst)	19,500
Premium earned on sale of guaranteed amount (The gross premium paid when the loan is sold, less 50% of the amount over 10% to be shared with SBA and approximately 20% which is deferred and recognized over the remaining life of the unguaranteed loan amount)	10,166
Cost to originate (Includes third party referral fees and internal labor and origination costs)	(3,868)
Packaging fee (Paid by borrower to compile and transmit SBA compliant loan package)	1,560
Servicing right gain (Reflects future value of servicing on sold loans)	2,652
Provision for credit loss on unguaranteed amount (Booked according to ASC 326)	(1,560)
Net one-time impact	8,950
First year income statement impact from unguaranteed amount (Includes net interest margin and accretion of deferred gain, offset by amortization of deferred costs and servicing asset)	1,216
Combined immediate one-time and first year earnings impact	\$ 10,166

This example is for illustrative purposes and is not a guarantee of future loan size or volume and may not be indicative of the financial impact of future loans. The size, volume, and financial impact of such loans involve known and unknown risks and uncertainties, which may cause actual performance and results to be materially different.

OWNERSHIP OVERVIEW

Total Common Stock Ownership Mix



Note: Ownership information based on most recently disclosed common shares outstanding of 4,134,219 as of 10/16/24
Source: S&P Capital IQ Pro

DEPOSITS IN TAMPA BAY-SARASOTA REGION

<i>Total Deposits (Total Assets <\$10BN and HQ in Tampa-Sarasota Region)</i>				
<i>Rank</i>	<i>Institution</i>	<i>Deposits (\$ millions)</i>	<i>Branches (No.)</i>	<i>Average Deposits per Branch (\$ millions)</i>
1	Bank of Tampa	\$2,658	13	\$204
2	BayFirst National Bank	1,042	12	87
3	Flagship Bank	575	6	96
4	Climate First	621	3	207
5	TCM Bank NA	276	1	276
6	Gulfside Bank	258	1	258
7	Central Bank	190	4	47
8	Waterfall Bank	188	1	188
9	Century Bank of Florida	95	1	95

Note: Deposit data as of June 30, 2024
Source: Uniform Bank Performance Reports

LIQUIDITY SOURCES

- **Available Liquidity**
 - \$67 million in cash and due from other banks
 - \$38 million in AFS investment securities
- **Off Balance Sheet Sources of Liquidity**
 - \$171 million of unused, available borrowing capacity at the FHLB based on pledged loans
 - \$43 million available at the Federal Reserve Bank based on pledged loans
 - \$50 million in available Fed Funds borrowing lines from other banks
- **Contingent Sources**
 - Up to \$110 million in brokered deposits ⁽¹⁾
 - Up to \$369 million in listing service deposits ⁽¹⁾

⁽¹⁾ Based on Bank's policy limits
Data as of September 30, 2024

EXPERIENCED LEADERSHIP TEAM



Thomas G. Zernick

Chief Executive Officer & Director of BayFirst and the Bank

- Joined BayFirst in Q1 2016
- Previous experience includes Florida Market President of Stearns Bank, SBA Product Manager of HomeBanc, and Community Bank President and SBA President of Republic Bank (MI)
- B.A. in Business Administration from University of Notre Dame



Robin Oliver

President & Chief Operating Officer of BayFirst and the Bank

- Joined BayFirst as CFO in Q2 2018; Prior to joining BayFirst, Controller of Central Bank & Trust Co., a \$2.5 billion privately held financial institution in Lexington, Kentucky, from May 2014 to June 2018
- Approximately 16 years with Crowe LLP as an auditor in the financial institution practice; served over 80 financial institution clients with assets ranging from \$50 million to \$4.5 billion throughout career, including several SEC registrants and FDICIA reporting institutions
- B.S. in Accounting from the University of Kentucky



Scott J. McKim

EVP, Chief Financial Officer of BayFirst and the Bank

- Joined BayFirst in July 2023
- Previous experience includes Chief Strategy Officer of 121 Financial Credit Union, Chief Financial Officer and Chief Lending Officer of Publix Employees Federal Credit Union, and Director of Corporate Finance and Divisional CFO for Huntington Bancshares
- B.S. in Accounting from Bowling Green State University and a M.B.A from Max M. Fisher College of Business, The Ohio State University

EXPERIENCED LEADERSHIP TEAM



Brandi Jaber

EVP, Chief Production Officer

- Joined BayFirst in Q4 2017; Prior to joining BayFirst, over fifteen years of Mortgage Banking administration experience as well as Human Resources experience supporting mid-size financial institutions
- B.B.S from The University of Florida and M.B.A from The University of Tampa



Thomas Quale

EVP, Chief Lending Officer and Market President

- Joined BayFirst in 2018
- Held leadership positions at multiple institutions amassing expertise in many areas of community banking and business development
- B.S. in Economics with an emphasis in Mathematics from University of Wisconsin-Madison



John Macaluso

EVP, Chief Technology Officer

- Joined BayFirst in Q4 2020
- 37 years of information technology experience
- Served as CTO for Fiserv, Inc.
- B.A. from University of South Florida



Lewis Benner

EVP, Chief Credit Officer

- Joined BayFirst in 2018; Prior to joining BayFirst, Mr. Benner served in leadership roles at multiple financial institutions
- B.A. in Business Administration from Elizabethtown College