

INVESTOR PRESENTATION

July 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 ("PPLF") 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 and BaaS fraud enhancements on total BaaS fees. "BaaS fee income, net" excludes BaaS credit enhancements and BaaS fraud enhancements. 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
- Community bank loan portfolio consists **primarily of CRE⁽¹⁾ and C&I loans - \$1.34 billion, or 87% of community bank loans**
- Attractive funding mix with **98% core deposits⁽²⁾ and cost of deposits of 0.08%**
- Conservative credit culture with strong **Net Charge-off performance (<0.00% YTD)⁽³⁾**
- **Asset-sensitive balance** sheet that is well-positioned for current 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
- **23 active partners** with 6 more currently in the testing / implementation / onboarding or signed LOI stage -**2Q22 activity includes** exit of smaller partner
- **Robust sourcing capabilities and thorough due diligence** of potential partner relationships
- **Exceptional growth in BaaS program fee income⁽⁴⁾** of 126% YoY
- **Strong deposit generation platform** with total balance of \$1.07 billion (298.7% growth YoY), and excluding \$269.5 million transferred off the balance sheet
- **\$804.0 million in total loans receivable**, with credit and fraud enhancements (676.6% growth YoY)

Note: Data as of three months ended June 30, 2022 unless otherwise indicated

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

(2) Core deposits are all deposits excluding brokered and time deposits.

(3) Community bank only.

(4) Total BaaS program fee income includes servicing and other BaaS fees, transactions fees, interchange fees and reimbursement of expenses.

CONSOLIDATED FINANCIAL HIGHLIGHTS - As of and for the Quarter ended June 30, 2022

Balance Sheet (in millions)

Total Assets	\$2,969.7
Total Loans Held for Sale	\$60.0
Total Loans	\$2,334.4
Total Deposits	\$2,697.3
Total Shareholders' Equity	\$217.7

Earnings and Profitability

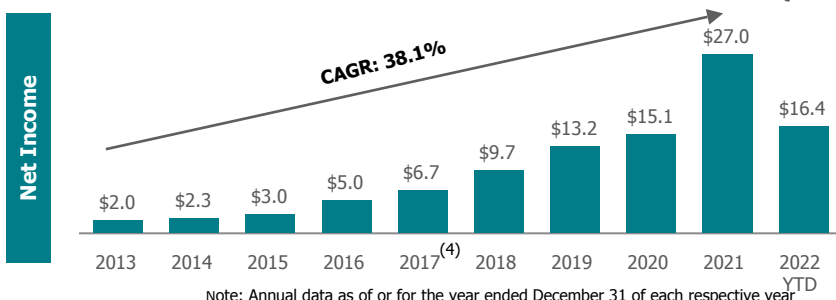
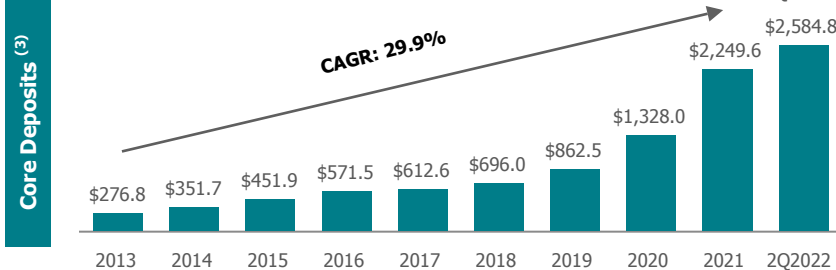
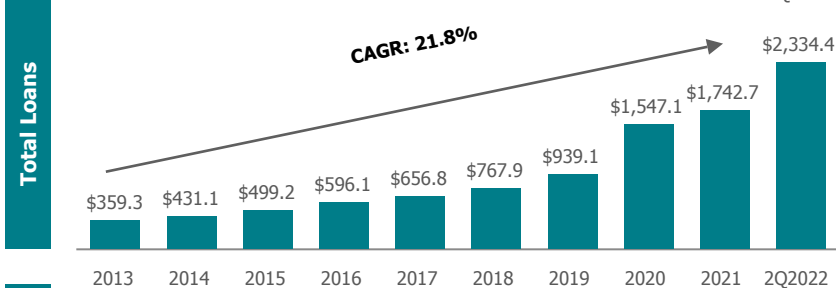
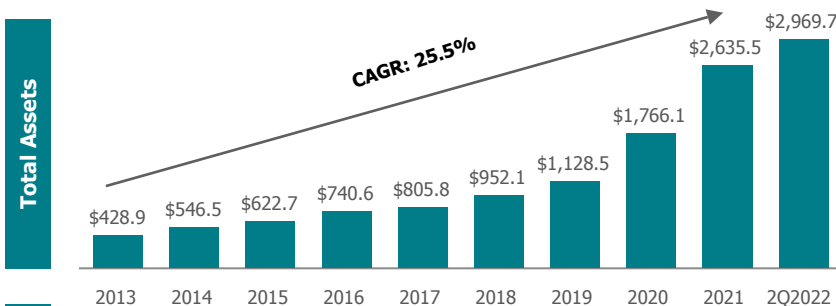
Net Income (in millions)	\$10.2
Return on Average Assets ("ROAA") - annualized	1.41%
Return on Average Shareholders' Equity -annualized	18.86%
Net Interest Margin -annualized	5.66%
Efficiency Ratio	58.38%
Loans Receivable to Deposits	86.54%

Capital Ratios (Consolidated)

Total Shareholder Equity to Total Assets	7.33%
Tangible Equity to Tangible Assets ⁽¹⁾	7.33%
Tier 1 Leverage Capital Ratio	7.68%
Adjusted Tier 1 Leverage Capital Ratio, excluding PPP loans ⁽²⁾	7.77%
Tier 1 Risk-Based Capital Ratio	8.51%
Total Risk-Based Capital Ratio	10.88%

Asset Quality

Total Nonperforming Assets to Total Assets	0.20%
Total Nonperforming Loans to Total Loans	0.25%
Allowance for Loan Losses to Total Loans	2.11%
Total Net Charge-Offs to Average Loans -annualized	0.64 %
Community Bank Net Charge-Offs to Average Loans	<0.00 %
CCBX Net Charge-Offs to Average Loans ⁽⁵⁾	2.05 %



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.

(5) CCBX net charge-offs were 100% covered by the credit enhancements provided by the partner.



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**

BankOn, a local coalition that works to **improve the financial stability of unbanked and underbanked residents**, is expected to launch in Fall 2022.

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 plan to **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⁽¹⁾

- 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" 2019-2021



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



2022 "Corporate
Citizenship" from the
Puget Sound Business
Journal



Stanwood & Camano News
"Best Bank" 2013 - 2022



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

(1) FDIC Summary of Deposits June 30, 2021.

Note: Data as of June 30, 2022 unless otherwise indicated

Business Overview

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

23 active partners with 6 more currently in the implementation / onboarding or signed LOI stage as of June 30, 2022

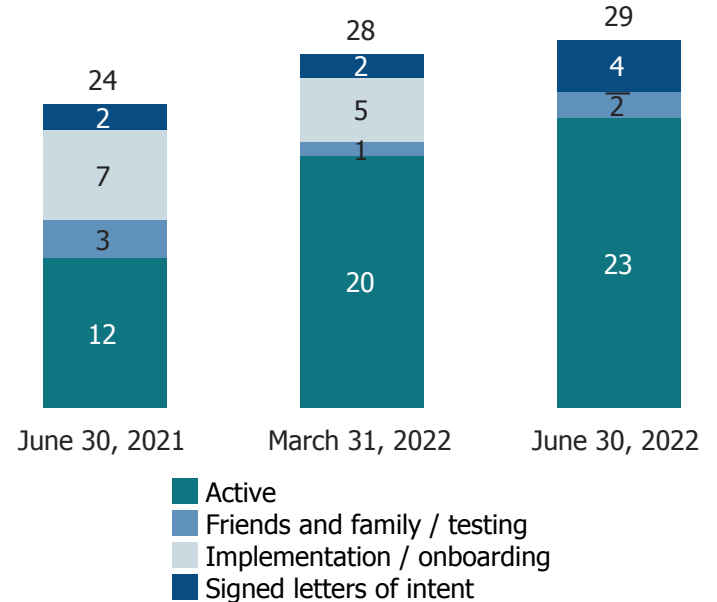
- Robust sourcing capabilities and intensive due diligence process

Fee-based business model primarily driven by:

- Servicing, expense recovery and other BaaS fees
- Interchange fees
- Credit and fraud enhancements

- **BaaS Fees includes \$20.7 million in credit enhancements and fraud enhancements** for the three months ended June 30, 2022, compared to \$17.6 million for the three months ended March 31, 2022 and none for the three months ended June 30, 2021
- **Reimbursement for any partner credit enhancement and fraud loss** 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 fee income, excluding BaaS credit enhancements and BaaS fraud enhancements increased 31% QoQ**
- As we continue to grow in the BaaS space, we are choosing to work with **larger, more established fintech partners**, so the number of new partnerships is not increasing as quickly as in the past, but these newer, larger partners are expected to have a **significant impact on our financial growth**

CCBX Partner Growth



BaaS Program Fee Income ⁽¹⁾

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



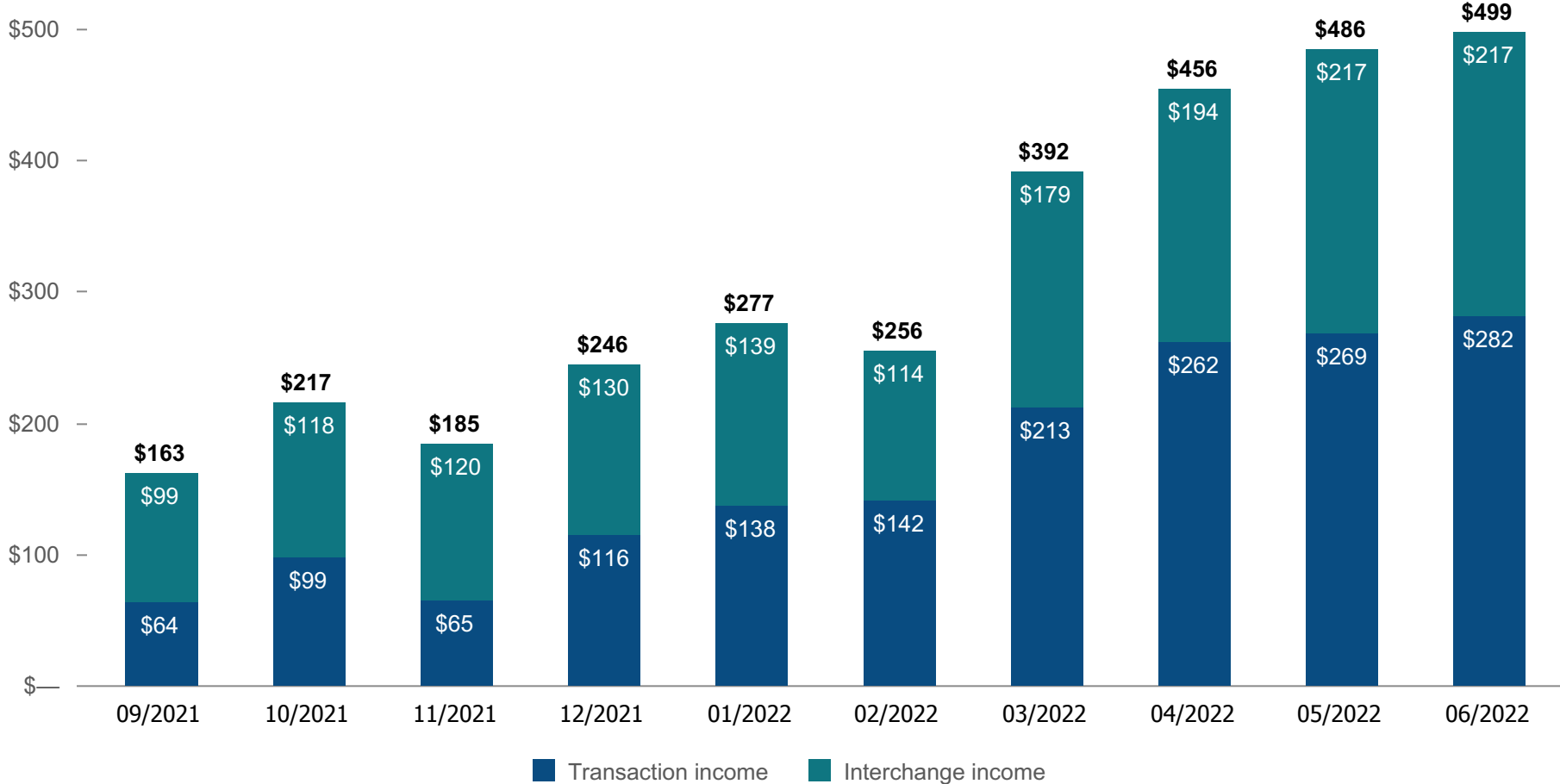
Note: Data as of and for the quarter ended June 30, 2022, unless otherwise indicated

(1) BaaS program fee income includes servicing and other BaaS fees, transactions fees, interchange fees and reimbursement of expenses.

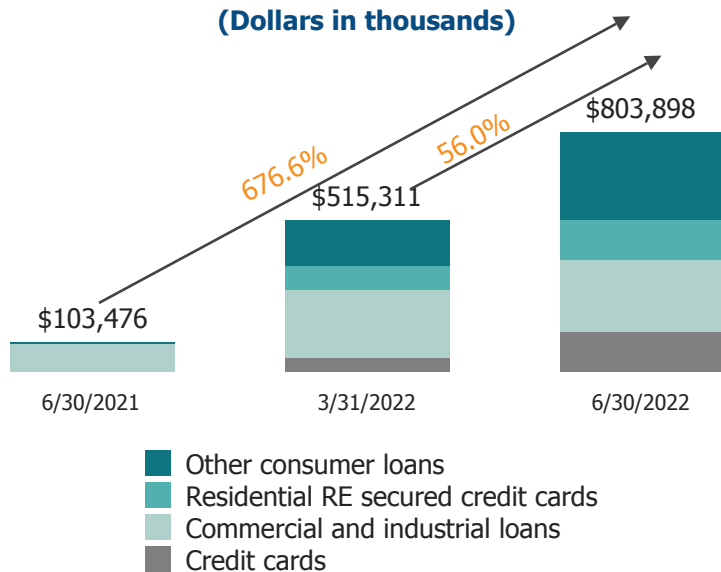
GROWTH IN CCBX ACTIVITY BASED INCOME

CCBX TRANSACTION AND INTERCHANGE INCOME

(Dollars in thousands)



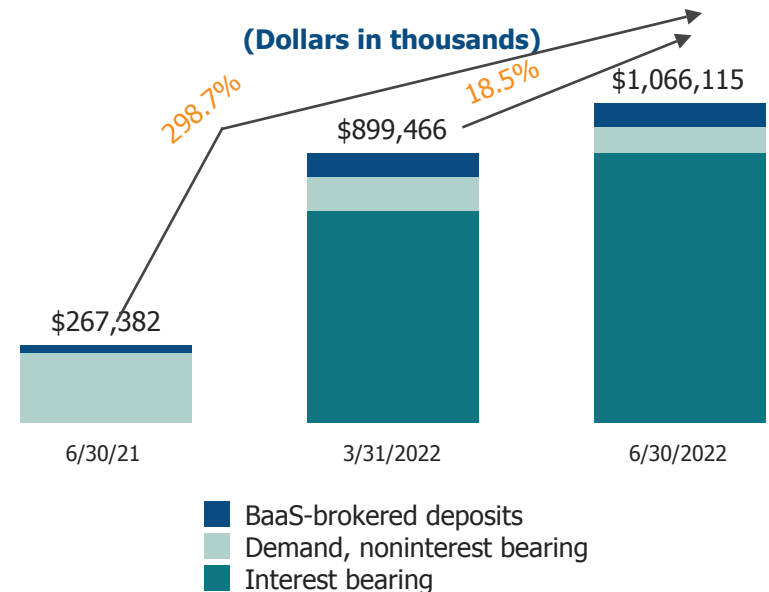
CCBX Loans Receivable



Partner loan origination diversifies loan portfolio

- As of June 30, 2022, loan growth of \$288.6 million, or 56.0%, compared to March 31, 2022, and \$700.4 million or 676.9%, compared to June 30, 2021
- Commercial and industrial capital call line commitments increased \$151.0 million, or 27.3%, to \$704.5 million as of June 30, 2022, compared to \$553.5 million as of March 31, 2022
- Does not include \$60.0 million in Loans Held for Sale as of June 30, 2022. Previously there were no Loans Held for Sale.

CCBX Deposits



Growing platform for low-cost deposit generation

- Deposit growth of \$166.6 million, or 18.5%, as of June 30, 2022, compared to March 31, 2022, and \$798.7 million, or 298.7%, compared to June 30, 2021
- Access to \$269.5 million in CCBX deposits that are transferred off the balance sheet as of June 30, 2022
- CCBX deposits moved to interest bearing from noninterest bearing as a result of the Fed Funds rate increases:
 - \$690.4 million⁽¹⁾ in mid-March 2022
 - \$86.4 million⁽²⁾ in the second quarter of 2022
 - No additional reclassifications are expected

Note: Data as of and for the quarter ended June 30, 2022, unless otherwise indicated

(1) Balances as of March 31, 2022

(2) Balances as of June 30, 2022

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

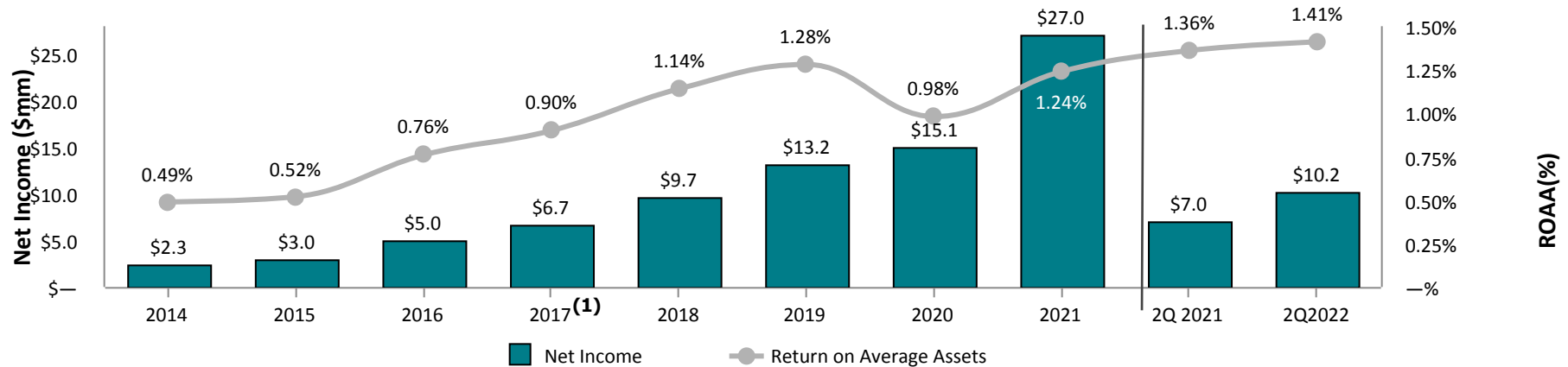
- Rigorous vendor process of review
- Proud of “slow and thorough” approach – SPA risk based
- Leverage advisors and network for diverse insights
- Integrate/leverage strategic eco-system partners

Onboarding to Date

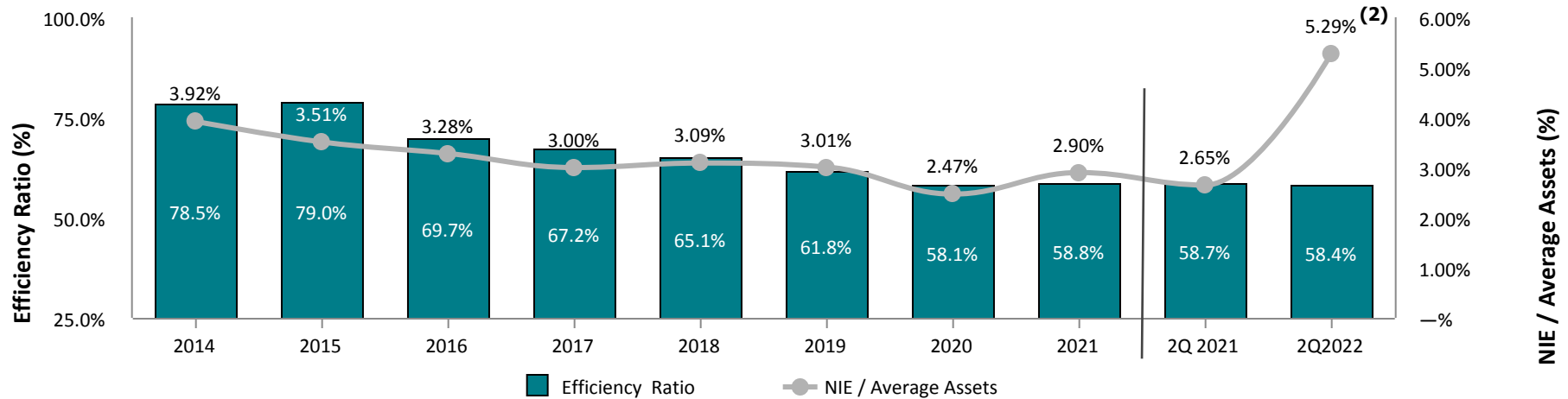
- Involve board members
- Fintech experts and partners
- Integrate Coastal LPs

HISTORIC PROFITABILITY AND EFFICIENCY

Net Income and Return on Average Assets



Efficiency Ratio (%) and Noninterest Expense ("NIE") to Average Assets (%)



Note: Annual data is as of and for the year ended December 31 of each respective year. Quarterly data is as of or for the three months ended of each respective quarter.

(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.

(2) Change in NIE / Average Assets: 2Q2022 includes \$18.7 million in BaaS loan and fraud expense compared to \$99,000 in 2Q2021. This negatively affected the NIE to average asset ratio even though our partners covered 100% of these losses.

LOAN COMPOSITION

Consolidated Commercial & Industrial ("C&I") Portfolio

- \$402.0 million total C&I loans
 - \$224.9 million in capital call lines
 - \$155.8 million in other C&I loans
 - \$16.4 million in PPP Small Business Administration ("SBA") C&I loans
 - \$4.8 million in other SBA C&I loans

Consolidated Commercial Real Estate ("CRE") Portfolio

- \$1.18 billion total CRE loans⁽¹⁾
 - \$75.3 million of SBA 504 loans in portfolio
 - 294% regulatory aggregate CRE to total risk-based capital⁽²⁾

Consolidated 1-4 Family Real Estate Portfolio

- \$326.7 million total 1-4 family loans
 - \$10.1 million purchased from financial institutions, all of which were individually re-underwritten

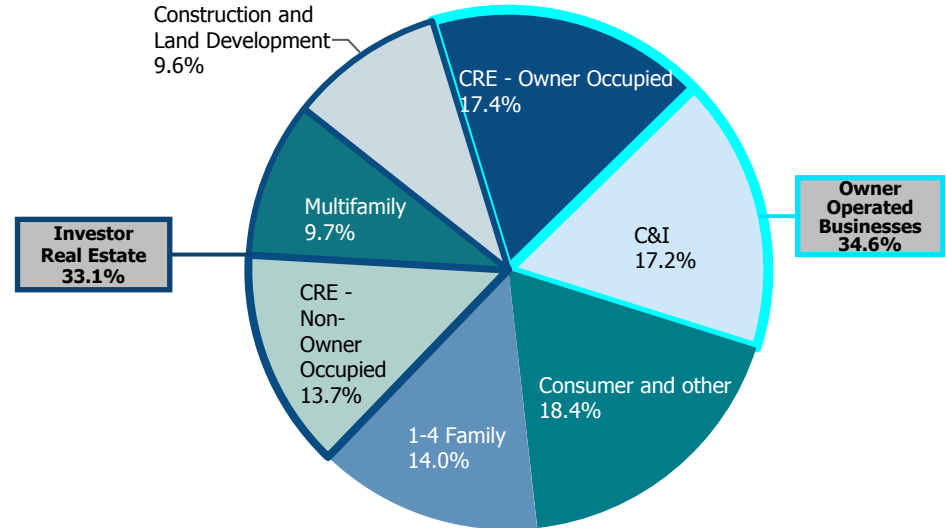
Consumer Loans

- Total \$430.1 million
 - \$427.8 million in CCBX loans, with credit enhancement
 - Credit cards, consumer term loans & lines of credit

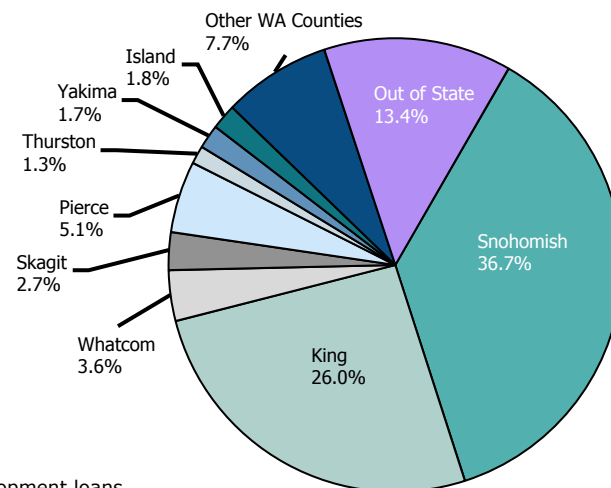
Legal Lending Limit

- \$58.0 million as of June 30, 2022

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.

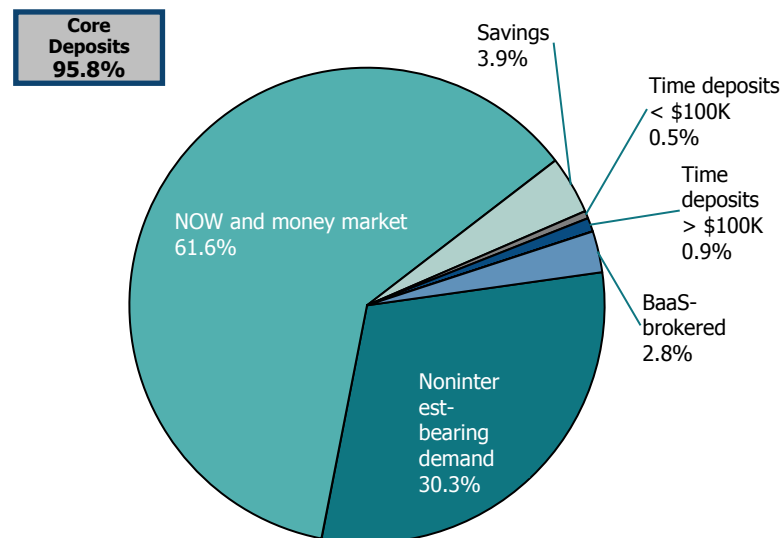
(2) Calculated on Bank-level Tier 1 Capital + Allowance for Loan Losses as of June 30, 2022.

DEPOSIT COMPOSITION

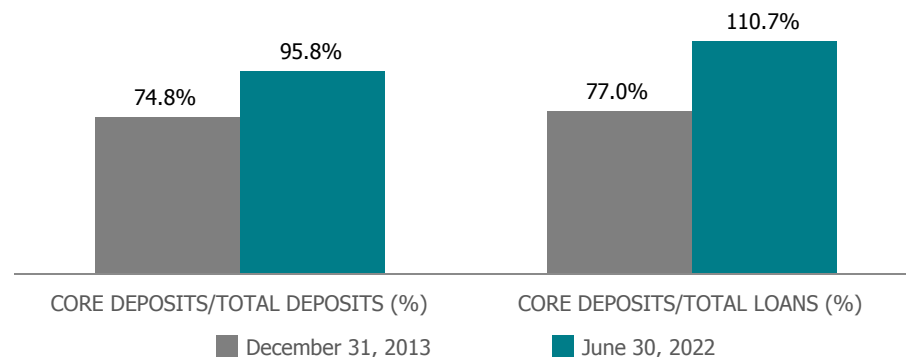
Emphasis on core deposits has helped generate an attractive funding mix

- Core deposits are all deposits excluding time deposits and brokered deposits
- Core deposits were 110.7% of total loans as of June 30, 2022
- Core deposits were 95.8% of total deposits as of June 30, 2022
- Cost of total deposits was 0.25% for the quarter ended June 30, 2022 compared to 0.09% for the quarter ended March 31, 2022, and 0.14% for the quarter ended June 30, 2021
 - Cost of deposits for the community bank and CCBX were 0.08% and 0.56%, respectively for the quarter ended June 30, 2022
- We continue to focus on managing our deposits to maintain low deposit costs in this increasing rate environment
- No internet-sourced deposits
- Ability to use funding from BaaS program and to transfer deposits off the balance sheet when not needed.
- Access to \$269.5 million in CCBX deposits that are currently transferred off the balance sheet as of June 30, 2022

Deposit Composition



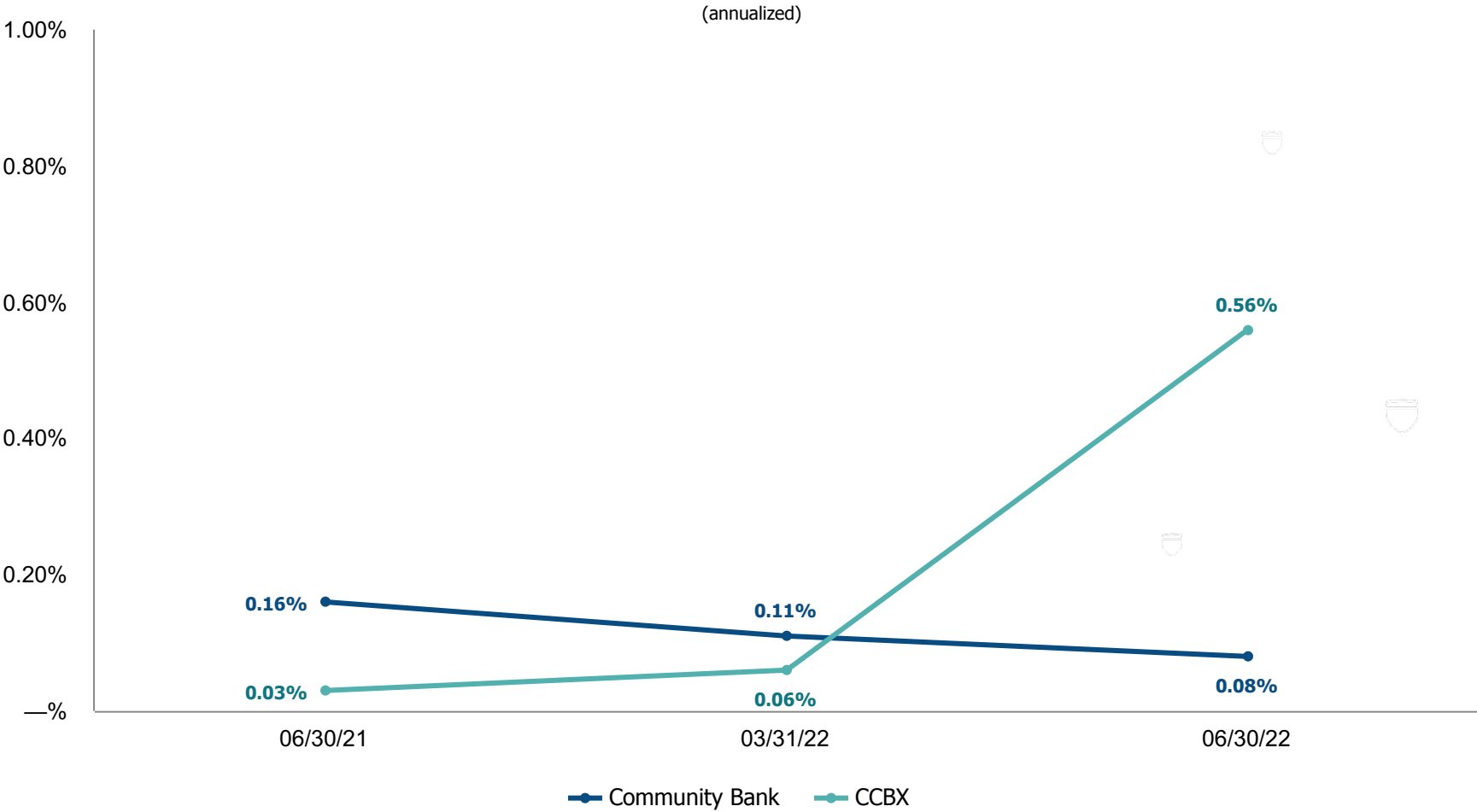
Core Deposit Driven Funding



Note: Data as of and for the quarter ended June 30, 2022 unless otherwise indicated.

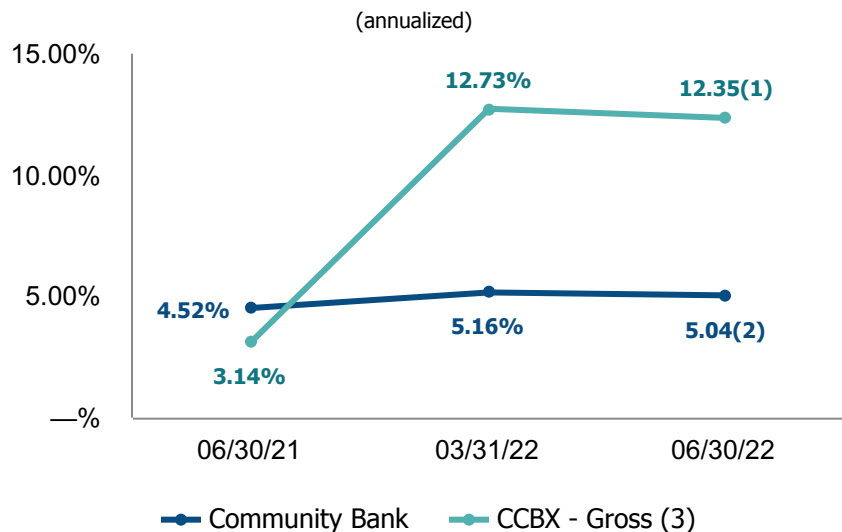
SEGMENT OVERVIEW - Community Bank and CCBX

Average Cost of Deposits

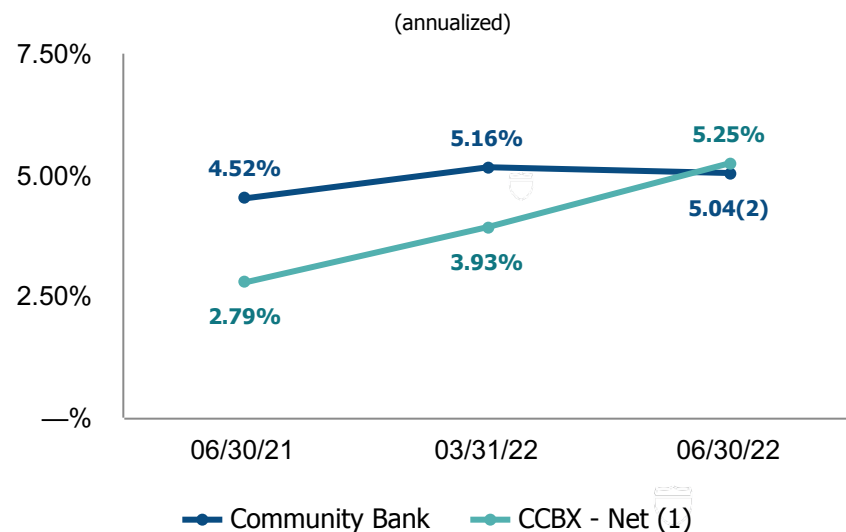


SEGMENT OVERVIEW - Community Bank and CCBX

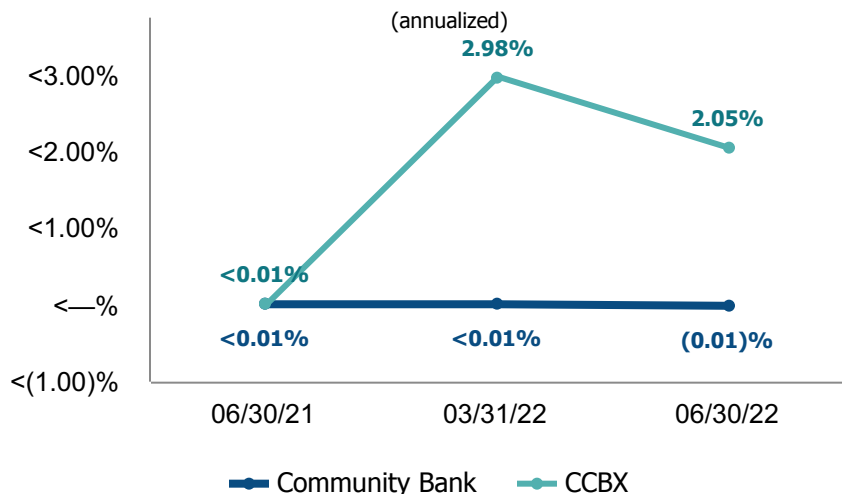
Average Yield - Loans Receivable



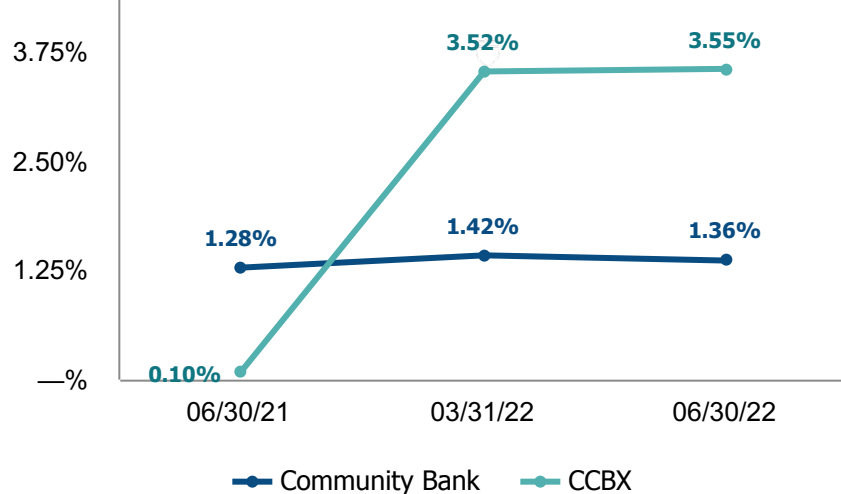
Community Bank: Average Yield - Loans Receivable CCBX: Net BaaS Loan Income / Average CCBX Loans



Net Charge-Offs



Allowance for Loan Losses to Total Loans



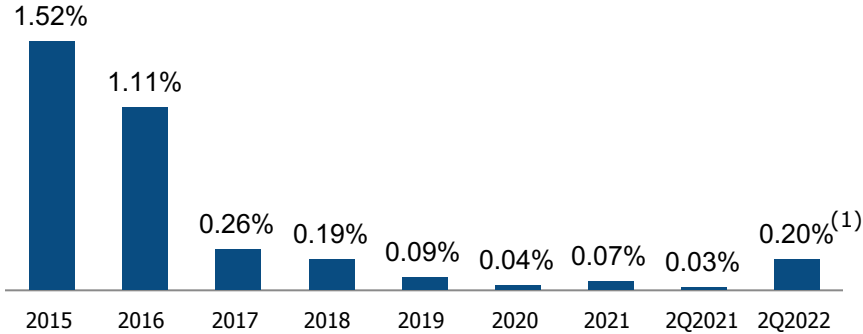
(1) Average yield on loans receivable changes based on mix of loans and the corresponding yield.

(2) The decline in loan yield for the quarter ended June 30, 2022 was impacted by PPP deferred fee income of \$969,000, compared to \$2.3 million for the quarter ended March 31, 2022 and \$3.6 million for the quarter ended June 30, 2021.

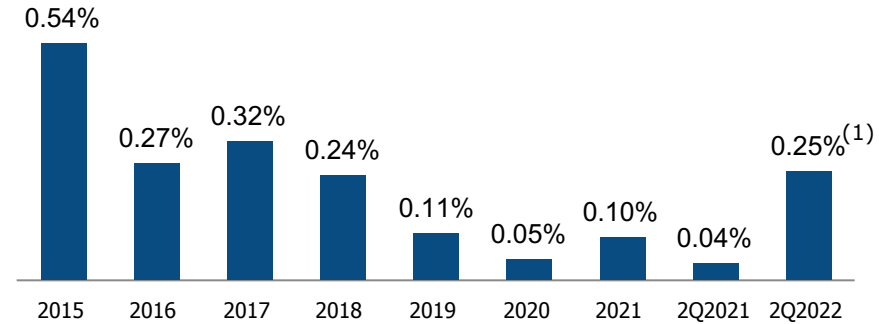
(3) CCBX - gross yield does not include the impact of BaaS loan expense. BaaS loan expense represents the amount paid or payable to partners for credit enhancement and servicing CCBX loans. To determine net revenue (Net BaaS loan income) earned from CCBX loan relationships, the Company takes BaaS loan interest income and deducts BaaS loan expense to arrive at Net BaaS loan income which can be compared to interest income on the Company's community bank loans.

STRONG ASSET QUALITY

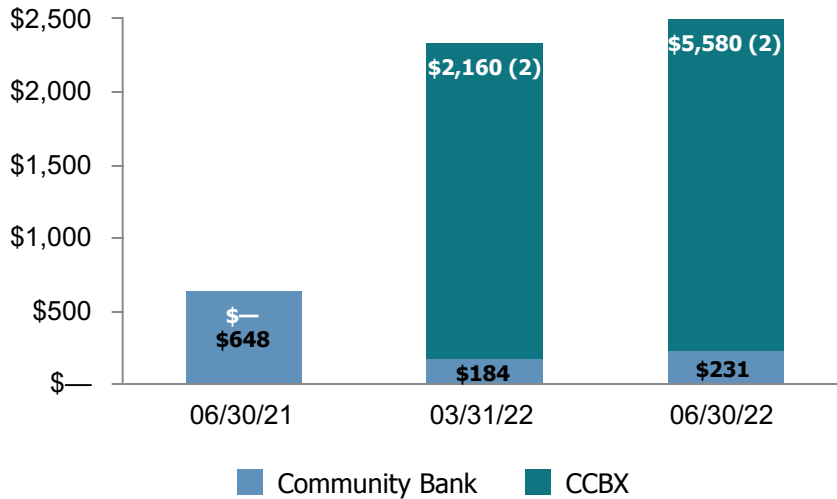
NPAs / Assets



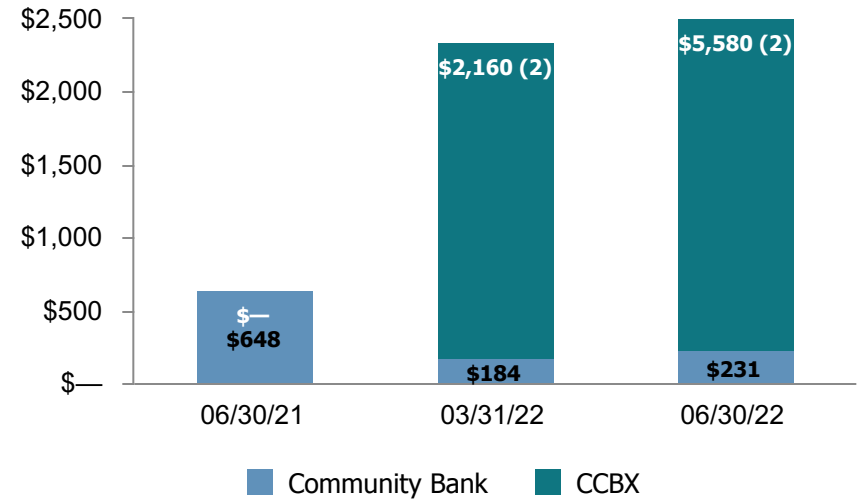
NPLs / Loans



NPAs by Segment (in thousands)



NPLs by Segment (in thousands)



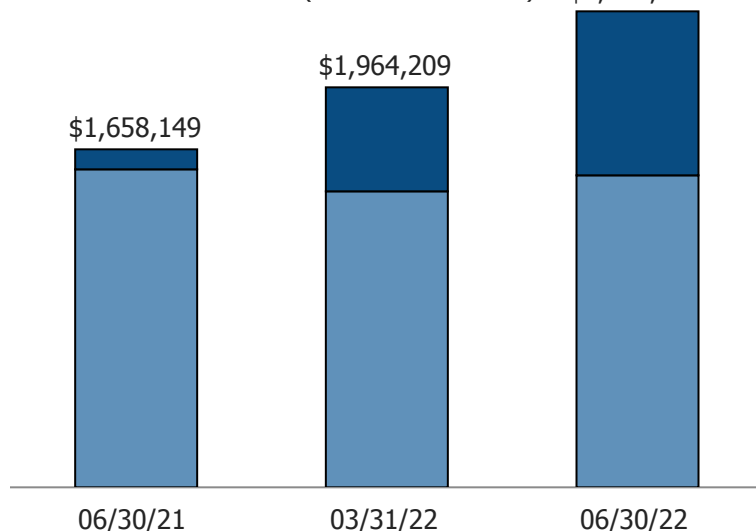
(1) These ratios are impacted by the increase in CCBX loans over 90 days delinquent that are covered by CCBX partner credit enhancements, see note below for more information.

(2) Agreements with our CCBX partners provide for a credit enhancement which protects the Bank by absorbing incurred losses. Under the agreement, the CCBX partner will reimburse the Bank for its loss/charge-off on these loans. Timing of the loss/charge-off varies depending on the type of loan; installment loans are charged off at 120 days and credit cards and open ended lines at 180 days. Once the loss/charge-off occurs then the Bank will collect the loss amount from the CCBX partner.

CFC LOAN AND DEPOSIT GROWTH

Total Loans

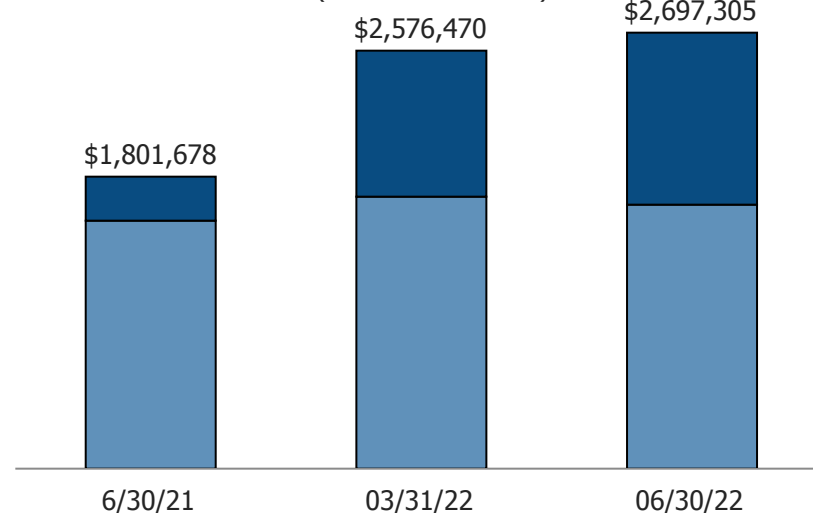
(Dollars in thousands)



Community Bank CCBX

Total Deposits

(Dollars in thousands)



Community Bank CCBX

Loan Growth of \$370.1 million or 18.8% from March 31, 2022

Credit Quality 96.4% of Portfolio "Pass"

Reclassified \$776.8 million in CCBX deposits from noninterest bearing to interest bearing in 1Q and 2Q 2022⁽¹⁾

Total loans does not include \$60.0 million in Loans Held for Sale at June 30, 2022

CCBX Deposit Growth of \$166.6* million or 18.5% from March 31, 2022

*Does not include \$269.5 million in CCBX deposits as of June 30, 2022, that are transferred off the balance sheet

(1) "As a result of the Fed Funds rate increases, \$690.4 million (March 31, 2022 balances) in CCBX deposits started earning interest in mid-March 2022 and an additional \$86.4 million (June 30, 2022 balances) million started earning interest in the second quarter of 2022 and were transferred to in interest bearing category. We do not expect any additional reclassifications as a result of future Fed Funds rate increases.

Note: Data as of and for the quarter ended June 30, 2022, unless otherwise indicated

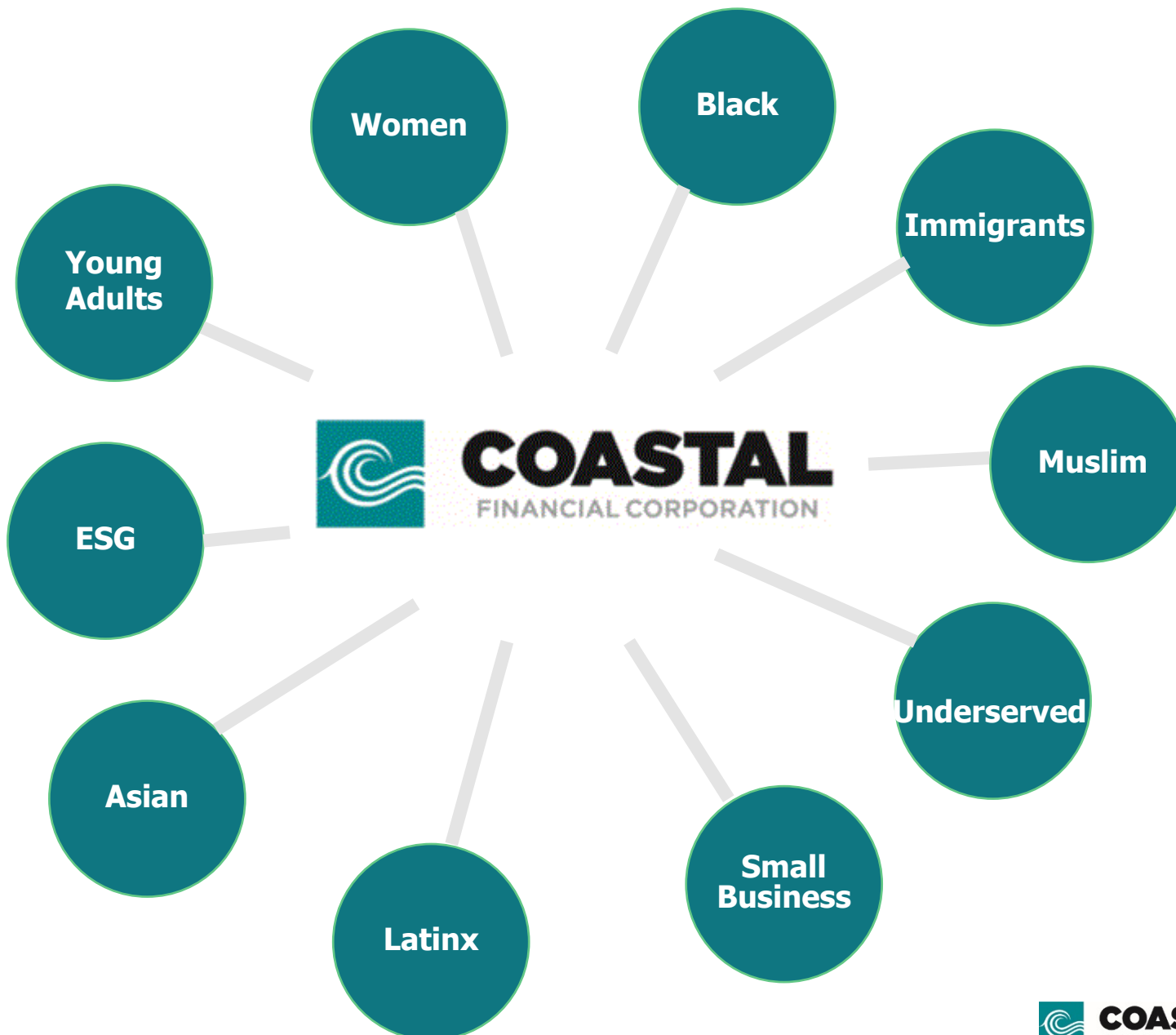
CFC QUARTERLY RESULTS

2Q2022 Financial Results:

Earnings	For the Three Months Ended June 30,	
	2022	2021
Net Income <i>(Dollars in millions)</i>	\$10.2	\$7.0
Basic Earnings Per Share	\$0.79	\$0.59
Return on Average Assets	1.41%	1.36%
Provision for Loan Losses <i>(Dollars in thousands)</i>	\$14,094	\$361

Balance Sheet	As of the quarter ended <i>(Dollars in millions, except per share amounts)</i>		
	June 30, 2022	March 31, 2022	June 30, 2021
Total Assets	\$2,969.7	\$2,833.7	\$2,007.1
Total Loans	\$2,334.4	\$1,964.2	\$1,658.1
Total Deposits	\$2,697.3	\$2,576.5	\$1,801.7
Total Shareholders' Equity	\$217.7	\$207.9	\$154.1
Book Value Per Share	\$16.81	\$16.08	\$12.83

DIVERSITY, EQUITY, AND INCLUSION (DEI) AND ESG 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 actual or average common shares outstanding, as applicable.

(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

	As of and for the Quarter Ended					
(Dollars in thousands, except per share data)	2Q2022	1Q 2022	4Q2021	3Q 2021	2Q 2021	
Statement of Income Data:						
Total interest income	\$ 41,819	\$ 30,142	\$ 25,546	\$ 19,608	\$ 19,573	
Total interest expense	1,933	874	843	801	959	
Provision for loan losses	14,094	12,942	8,942	255	361	
Net interest income after provision for loan losses	25,792	16,326	15,761	18,552	18,251	
Total noninterest income	25,492	21,986	14,220	6,132	4,782	
Total noninterest expense	38,169	30,415	21,050	16,130	13,731	
Provision for income taxes	2,939	1,667	1,641	1,870	2,289	
Net Income	10,176	6,230	7,290	6,684	7,013	
Balance Sheet Data:						
Cash and cash equivalents	\$ 405,689	\$ 682,109	\$ 813,161	\$ 669,725	\$ 282,889	
Investment securities	109,821	136,177	36,623	34,924	27,443	
Loans	2,334,354	1,964,209	1,742,735	1,705,682	1,658,149	
Allowance for loan losses	(49,358)	(38,770)	(28,632)	(20,222)	(19,966)	
Total assets	2,969,722	2,833,750	2,635,517	2,451,568	2,007,138	
Interest-bearing deposits	1,879,253	1,738,426	1,007,879	927,097	913,782	
Noninterest-bearing deposits	818,052	838,044	1,355,908	1,296,443	887,896	
Total deposits	2,697,305	2,576,470	2,363,787	2,223,540	1,801,678	
Core deposits ⁽¹⁾	2,584,831	2,460,954	2,249,573	2,148,445	1,724,134	
Total borrowings	27,911	27,893	52,873	52,854	38,584	
Total shareholders' equity	217,661	207,920	201,222	161,086	154,100	
Share and Per Share Data: ⁽²⁾						
Shares outstanding at end of period	12,948,623	12,928,548	12,875,315	12,012,107	12,007,669	
Weighted average common shares outstanding—diluted	13,442,013	13,475,337	12,701,464	12,456,674	12,459,467	
Book value per share	\$ 16.81	\$ 16.08	\$ 15.63	\$ 13.41	\$ 12.83	
Tangible book value per share ⁽³⁾	16.81	16.08	15.63	13.41	12.83	
Earnings per share – basic	0.79	0.48	0.60	0.56	0.59	
Earnings per share – diluted	0.76	0.46	0.57	0.54	0.56	
Performance Ratios:						
Return on average assets	1.41%	0.93%	1.14%	1.21%	1.36%	
Return on average shareholders' equity	18.86%	12.12%	16.80%	16.77%	18.60%	
Credit Quality Ratios:						
Nonperforming assets to total assets	0.20%	0.08%	0.07%	0.04%	0.03%	
Nonperforming assets to total loans and OREO	0.25%	0.12%	0.10%	0.05%	0.04%	
Nonperforming loans to total loans	0.25%	0.12%	0.10%	0.04%	0.04%	
Allowance for loan losses to total loans	2.11%	1.97%	1.64%	1.19%	1.20%	
Net charge-offs to average loans	0.64%	0.64%	0.13%	0.00%	0.00%	
Other Key Ratios:						
Yield on Loans Receivable	7.34%	6.80%	5.92%	4.57%	4.44%	
Cost of Deposits	0.25%	0.09%	0.09%	0.10%	0.14%	
Net Interest Margin	5.66%	4.45%	3.95%	3.48%	3.70%	
Efficiency Ratio	58.38%	59.34%	54.08%	64.68%	58.69%	
Loans Receivable to Deposits	86.54%	76.24%	73.73%	76.71%	92.03%	
Cost of Funds	0.29%	0.14%	0.14%	0.16%	0.20%	

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

(2) Share and per share amounts are based on total actual or average common shares outstanding, as applicable.

(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.

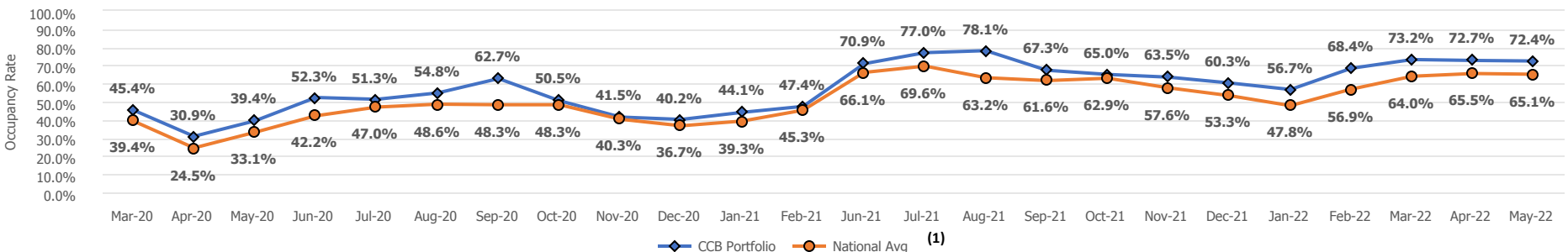
COMMUNITY BANK LOAN PORTFOLIO STATISTICS

Significant CRE Loan Sub-Categories	Total Commitments	Weighted Average Seasoning (Months)	Weighted Average FICO Score	Weighted Average LTV	Weighted Average DSCR
Multifamily	\$233,850,912	24.9	763.20	61.38%	3.50x
Hotels	\$159,145,664	31.9	769.56	57.67%	1.86x
Retail	\$99,814,681	29.7	765.83	56.84%	2.69x
Convenience Store	\$83,115,778	38.6	778.11	57.05%	3.65x
Mixed Use	\$82,339,838	43.6	754.31	55.11%	2.67x
Warehouse	\$72,437,179	44.8	782.14	56.63%	3.82x
Office - General	\$71,749,632	49.4	771.15	56.56%	2.95x
Manufacturing	\$44,360,680	55.5	758.95	58.90%	2.70x
Mini Storage	\$39,856,244	20.3	785.17	63.12%	3.62x
Office - Professional	\$32,795,470	26.9	782.28	56.92%	2.30x

Loan Category	Commitments	Weighted Average Seasoning (Months)	Weighted Average FICO Score	Weighted Average LTV	Weighted Average DSCR
Commercial Real Estate	\$976,421,707	34.7 Months	768.91	58%	3.00x
C&I (excludes FI and PPP loans & CCL)	\$161,034,979	32.6 Months	769.82	50%	3.79x
Construction/Land	\$352,392,233	14.2 Months	784.95	52%	4.48x

- (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)



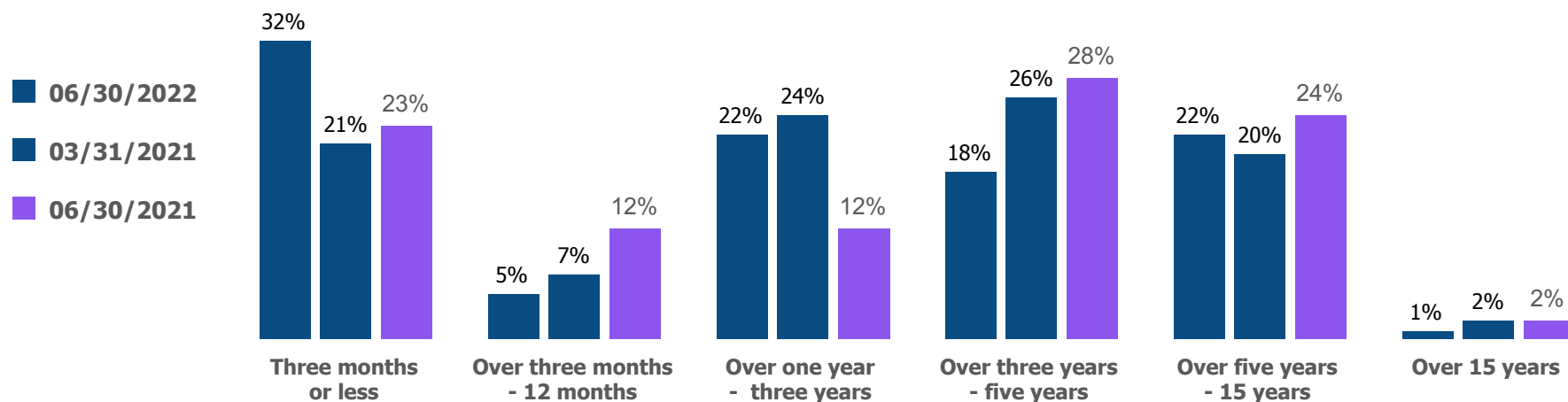
The Bank's hotel portfolio predominantly consists of travel hotels/motels and as such our occupancy rates are higher than the national average.

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

Most current data as of June 30, 2022 unless noted otherwise

ASSET-SENSITIVE BALANCE SHEET

Loan Repricing



Bank will Benefit when Rates Increase

- Asset sensitive
- 32% of our assets reprice within 3 months as of June 30, 2022, up from 23% at June 30, 2021

Community Bank Loans:

- 2.81 years weighted average reprice
- 7.54 years weighted average maturity

CCBX underlying loans reprice as follows:

- 33% reprice within 1 year
- 41% reprice in 1-3 years
- 23% reprice in 3-5 years

Loan Strategy:

- shorter term loans
- interest rate swaps
- variable loans
- CCBX loans - portion of rate that bank retains reprices as published rate changes

Deposit Strategy:

- Funding from noninterest bearing deposits, savings and money markets vs. term deposits (ex. time deposits)
- CCBX deposit costs - after exceeding the floor, deposits reprice as the published rate changes

NON-GAAP RECONCILIATIONS

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 June 30, 2022	As of March 31, 2022	As of June 30, 2021
Adjusted Tier 1 leverage capital ratio, excluding PPP loans:			
Company:			
Tier 1 capital	\$ 222,399	\$ 211,580	\$ 157,450
Average assets for the leverage capital ratio	2,895,487	2,728,833	1,967,646
Less: Average PPP loans	(33,653)	(79,828)	(509,265)
Plus: Average PPPLF borrowings	—	—	107,047
Adjusted average assets for the leverage capital ratio	\$ 2,861,834	\$ 2,649,005	\$ 1,565,428
Tier 1 leverage capital ratio	7.68%	7.75%	8.00%
Adjusted Tier 1 leverage capital ratio, excluding PPP loans	7.77%	7.99%	10.06%

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.