

THIRD QUARTER 2023 FINANCIAL RESULTS

Quarter Highlights:

Net Income	Earnings per diluted share	Net interest income	Net interest margin (consolidated)	On-balance sheet guaranteed loans	Book value per common share
\$1.8 million	\$0.14	\$9.5 million	5.69%	\$91.1 million	\$7.44

CEO COMMENTARY:

"GBank's third quarter showcases a strategic shift to seize upon current market opportunities, as reflected in our \$200 million current loan pipeline and a solid Bank Tier 1 leverage ratio of 16.18%. Despite a competitive environment, our net interest income grew substantially by 36% year-over-year to \$9.5 million, and our strong balance sheet, with \$593.6 million in total deposits, demonstrates our financial resilience. We've maintained exceptional asset quality, with nonperforming assets at just 0.15% of total assets, while continuing to innovate in our lending divisions. Our focus remains on delivering sustainable value and robust financial performance," stated T. Ryan Sullivan, President/CEO.

LINKED QUARTER BASIS

YEAR-OVER-YEAR

FINANCIAL HIGHLIGHTS:

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| <ul style="list-style-type: none"> Net income of \$1.8 million and earnings per diluted share of \$0.14, compared to \$2.3 million and \$0.18, respectively Net interest income of \$9.5 million, an increase of 9.7%, or \$846 thousand Gain on sale of loans of \$763 thousand, a decrease of 52.8%, or \$855 thousand Noninterest income of \$1.2 million, a decrease of 47.9%, or \$1.1 million Net revenues of \$10.7 million, a decrease of 2.4%, or \$263 thousand Noninterest expense of \$8.2 million, an increase of 8.6%, or \$649 thousand | <ul style="list-style-type: none"> Net income of \$1.8 million and earnings per diluted share of \$0.14, compared to \$2.6 million and \$0.20, respectively Net interest income of \$9.5 million, an increase of 36.0%, or \$2.5 million Gain on sale of loans of \$763 thousand, a decrease of 75.9%, or \$2.4 million Noninterest income of \$1.2 million, a decrease of 67.6%, or \$2.5 million Net revenues of \$10.7 million were flat compared to Q3 2022 Noninterest expense of \$8.2 million, an increase of 18.6%, or \$1.3 million |
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FINANCIAL POSITION RESULTS:

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| <ul style="list-style-type: none"> On-balance sheet guaranteed loans of \$91.1 million, an increase of 91.3%, or \$43.5 million Total deposits of \$593.6 million, an increase of 7.5%, or \$41.2 million Stockholders' equity of \$94.6 million, an increase of 2.1%, or \$2.0 million | <ul style="list-style-type: none"> On-balance sheet guaranteed loans of \$91.1 million, an increase of 100.1%, or \$45.6 million Total deposits of \$593.6 million, an increase of 8.5%, or \$46.5 million Stockholders' equity of \$94.6 million, an increase of 13.4%, or \$11.2 million |
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LOANS AND ASSET QUALITY:

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| <ul style="list-style-type: none"> Nonperforming assets (nonaccrual loans and OREO) to total assets of 0.15%, compared to 1.04% ACL to net loans, excluding guaranteed, of 1.54%, compared to 1.76% | <ul style="list-style-type: none"> Nonperforming assets (nonaccrual loans and OREO) to total assets of 0.15%, compared to 0.67% ACL to net loans, excluding guaranteed, of 1.54%, compared to 1.91% |
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KEY PERFORMANCE METRICS

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| <ul style="list-style-type: none"> Net interest margin (consolidated) increased to 5.69%, compared to 5.37% Net interest margin (bank-level) increased to 5.86%, compared to 5.55% SBA and Commercial Lending Division loan originations of \$81.1 million, an increase of 19.3%, or \$13.1 million Return on average assets and equity was 1.01% and 7.50%, compared to 1.34% and 10.05%, respectively Book value per share of \$7.44, an increase of 2.1% from \$7.29 | <ul style="list-style-type: none"> Net interest margin (consolidated) increased to 5.69%, compared to 4.52% Net interest margin (bank-level) increased to 5.86%, compared to 4.70% SBA and Commercial Lending Division loan originations of \$81.1 million, a decrease of 24.8%, or \$26.7 million Return on average assets and equity was 1.01% and 7.50%, compared to 1.61% and 12.73%, respectively Book value per share of \$7.44, an increase of 12.9% from \$6.59 |
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GBank Financial Holdings Inc.

Consolidated Balance Sheet

(Unaudited)

	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Linked Quarter 9/30/23 vs. 6/30/22		Quarter YOY 9/30/23 vs. 9/30/22	
						\$ Var	% Var	\$ Var	% Var
<i>(\$'s in 000, except per share data)</i>									
Assets									
Cash and due from banks	\$ 7,411	\$ 6,481	\$ 5,182	\$ 5,656	\$ 3,106	\$ 930	14%	\$ 4,305	139%
Interest bearing deposits with banks	58,777	78,506	95,926	130,780	150,136	\$ (19,729)	-25%	\$ (91,359)	-61%
Investment Securities-Taxable	101,001	111,837	112,495	107,521	84,715	\$ (10,836)	-10%	\$ 16,286	19%
Loans held for sale-SBA Guaranteed	52,745	47,481	44,259	37,439	44,788	\$ 5,264	11%	\$ 7,957	18%
Commercial Real Estate Loans	406,670	352,104	339,566	312,176	299,203	\$ 54,566	15%	\$ 107,467	36%
PPP Loans	120	125	130	135	727	\$ (5)	-4%	\$ (607)	-83%
All Other Loans	64,527	58,320	60,899	59,950	61,472	\$ 6,207	11%	\$ 3,055	5%
Total Gross Loans	524,062	458,030	444,854	409,700	406,190	\$ 66,032	14%	\$ 117,872	29%
Net Deferred Loan Costs	5,036	4,347	4,753	4,395	4,746	\$ 689	16%	\$ 290	6%
Unamortized Discount	(7,073)	(8,050)	(8,534)	(8,649)	(8,846)	\$ 977	-12%	\$ 1,773	-20%
Less: Allowance for credit losses	(6,630)	(7,168)	(6,860)	(6,860)	(6,800)	\$ 538	-8%	\$ 170	-3%
Total Net Loans	515,395	447,159	434,213	398,586	395,290	\$ 68,236	15%	\$ 120,105	30%
Loan Servicing Asset	7,865	8,856	9,394	9,359	9,388	\$ (991)	-11%	\$ (1,523)	-16%
All Other Assets	38,875	32,100	28,034	26,800	24,656	\$ 6,775	21%	\$ 14,219	58%
Total Assets	\$ 729,324	\$ 684,939	\$ 685,244	\$ 678,702	\$ 667,291	\$ 44,385	6%	\$ 62,033	9%
Liabilities									
Non-Interest Bearing Checking Accounts	\$ 211,919	\$ 218,331	\$ 285,678	\$ 304,950	\$ 253,590	\$ (6,412)	-3%	\$ (41,671)	-16%
Interest bearing demand deposits	76,811	78,330	66,910	56,995	71,545	\$ (1,519)	-2%	\$ 5,266	7%
MMKT and Savings Account-Business	86,617	86,201	67,931	87,440	98,541	\$ 416	0%	\$ (11,924)	-12%
MMKT and Savings Account-Personal	59,336	61,892	57,889	52,286	60,923	\$ (2,556)	-4%	\$ (1,587)	-3%
Certificates of Deposit	158,961	107,713	78,320	53,761	62,581	\$ 51,248	48%	\$ 96,380	154%
Total Deposits	593,644	552,467	556,728	555,432	547,180	\$ 41,177	7%	\$ 46,464	8%
Accrued Interest Payable and Other	10,737	9,333	7,652	7,556	9,516	\$ 1,404	15%	\$ 1,221	13%
Subordinated Notes	25,995	25,976	25,957	25,939	25,897	\$ 19	0%	\$ 98	0%
Operating Lease Liability	4,339	4,538	4,738	2,980	1,240	\$ (199)	-4%	\$ 3,099	250%
Total Liabilities	634,715	592,314	595,075	591,907	583,833	\$ 42,401	7%	\$ 50,882	9%
Equity									
Common stock and Paid in Capital	52,608	52,362	52,196	52,124	52,063	\$ 246	0%	\$ 545	1%
Retained Earnings	42,271	40,494	38,196	34,881	31,596	\$ 1,777	4%	\$ 10,675	34%
Other Comprehensive (Loss) Income	(270)	(231)	(223)	(210)	(201)	\$ (39)	17%	\$ (69)	34%
Total Equity	94,609	92,625	90,169	86,795	83,458	\$ 1,984	2%	\$ 11,151	13%
Total Liabilities & Equity	\$ 729,324	\$ 684,939	\$ 685,244	\$ 678,702	\$ 667,291	\$ 44,385	6%	\$ 62,033	9%
Book value per share - Basic	\$ 7.44	\$ 7.29	\$ 7.10	\$ 6.84	\$ 6.59	\$ 0.15	2%	\$ 0.85	13%

GBank Financial Holdings Inc.

Consolidated Income Statements

(Unaudited)

	Three Months Ended					Year-to-Date	
	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Sep 30, 2022	Sep 30, 2022
<i>(\$'s in 000, except per share data)</i>							
Interest Income							
Loans	\$ 10,763	\$ 9,283	\$ 8,796	\$ 7,543	\$ 6,489	\$ 28,842	\$ 16,553
Invested Cash	985	1,079	1,248	1,484	835	3,312	1,209
Securities	1,123	1,129	1,091	919	632	3,343	973
Other Interest Bearing Balances	68	51	65	33	27	186	74
Total Interest Income	12,939	11,542	11,200	9,979	7,983	35,683	18,809
Interest Expense							
Deposits	3,070	2,517	1,499	982	678	7,086	1,296
Lease Interest	43	45	64	32	5	152	20
Borrowed Funds	286	286	286	286	286	857	859
Total Interest Expense	3,399	2,848	1,849	1,300	969	8,095	2,175
Net Interest Income	9,540	8,694	9,351	8,679	7,014	27,588	16,634
Provision for Credit Losses	(226)	(408)	-	(60)	(464)	(634)	(1,287)
Net Interest Income after Provision for Credit Losses	9,314	8,286	9,351	8,619	6,550	26,954	15,347
Other Income							
Gain on Sales of Loans	763	1,618	2,010	1,790	3,165	4,392	11,756
Loan Servicing Income	234	414	521	407	293	1,169	888
Other Income	210	284	331	441	273	823	1,073
Total Other Income	1,207	2,316	2,862	2,638	3,731	6,384	13,717
Noninterest Expenses							
Salaries, Wages and Employee Benefits	5,206	4,695	5,464	4,646	4,560	15,368	12,224
Occupancy Expenses	387	382	344	321	419	1,113	1,198
Other Operating Expenses	2,635	2,502	2,499	2,098	1,957	7,635	5,797
Total Noninterest Expenses	8,228	7,579	8,307	7,065	6,936	24,116	19,219
Income Before Income Taxes	2,293	3,023	3,906	4,192	3,345	9,222	9,845
Income Taxes	(516)	(725)	(591)	(907)	(713)	(1,832)	(2,258)
Net Income	\$ 1,777	\$ 2,298	\$ 3,315	\$ 3,285	\$ 2,632	\$ 7,390	\$ 7,587
Earnings Per Share	\$ 0.14	\$ 0.18	\$ 0.26	\$ 0.26	\$ 0.21	\$ 0.58	\$ 0.61
Earnings Per Share (Diluted)	\$ 0.14	\$ 0.18	\$ 0.26	\$ 0.25	\$ 0.20	\$ 0.57	\$ 0.59

GBank Financial Holdings Inc.

Average Balances, Rates, and Interest Income and Expense (Unaudited)

(Dollars in thousands)	For the Three Months Ended									For the Year-to-Date Ended					
	September 30, 2023			June 30, 2023			September 30, 2022			September 30, 2023			September 30, 2022		
	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate
ASSETS:															
Interest Bearing Deposits With Banks	\$ 68,188	\$ 985	5.73%	\$ 79,480	\$ 1,079	5.45%	\$ 146,636	\$ 835	2.26%	\$ 82,944	\$ 3,312	5.34%	\$ 191,834	\$ 1,209	0.84%
Investment Securities:															
Taxable	104,761	1,123	4.25%	112,267	1,129	4.03%	83,070	632	3.02%	108,723	3,343	4.11%	49,376	973	2.63%
Loans, Net	489,552	10,763	8.72%	454,158	9,283	8.20%	383,615	6,489	6.71%	454,575	28,842	8.48%	362,447	16,553	6.11%
Restricted Investment in Bank Stock	3,222	68	8.37%	2,944	51	6.95%	1,890	27	5.67%	2,690	186	9.24%	1,745	74	5.67%
Total Earning Assets	<u>665,723</u>	<u>12,939</u>	<u>7.71%</u>	<u>648,849</u>	<u>11,542</u>	<u>7.13%</u>	<u>615,211</u>	<u>7,983</u>	<u>5.15%</u>	<u>648,932</u>	<u>35,683</u>	<u>7.35%</u>	<u>605,402</u>	<u>18,809</u>	<u>4.15%</u>
Cash and Due From Banks	5,604			6,533			5,422			6,003			5,834		
Other Assets	29,712			30,619			23,548			29,939			23,036		
Total Assets	<u>\$ 701,039</u>			<u>\$ 686,001</u>			<u>\$ 644,181</u>			<u>\$ 684,874</u>			<u>\$ 634,272</u>		
LIABILITIES & SHAREHOLDERS' EQUITY															
Deposits:															
Interest-bearing Demand	\$ 72,212	\$ 399	2.19%	\$ 83,652	\$ 493	2.36%	\$ 61,520	\$ 111	0.72%	\$ 72,229	\$ 1,118	2.07%	\$ 55,229	\$ 229	0.55%
Money Market and Savings	145,683	1,164	3.17%	143,394	1,068	2.99%	138,251	329	0.94%	140,162	2,993	2.86%	144,381	607	0.56%
Certificates of Deposit	130,417	1,507	4.58%	92,732	956	4.14%	68,729	238	1.37%	96,138	2,975	4.14%	64,275	460	0.96%
Total Interest-Bearing Deposits	<u>348,312</u>	<u>3,070</u>	<u>3.50%</u>	<u>319,778</u>	<u>2,517</u>	<u>3.16%</u>	<u>268,500</u>	<u>678</u>	<u>1.00%</u>	<u>308,529</u>	<u>7,086</u>	<u>3.07%</u>	<u>263,885</u>	<u>1,296</u>	<u>0.66%</u>
Short-Term Borrowings	-	-	0.00%	4	-	0.00%	-	-	0.00%	2	-	0.00%	-	-	0.00%
Lease Liability	4,460	43	3.83%	4,668	45	3.87%	25,908	5	0.08%	4,448	152	4.57%	1,565	20	1.71%
Subordinated Debentures	25,984	286	4.37%	25,964	286	4.42%	1,375	286	82.52%	25,964	857	4.41%	25,888	859	4.44%
Total Interest-Bearing Liabilities	<u>378,756</u>	<u>3,399</u>	<u>3.56%</u>	<u>350,414</u>	<u>2,848</u>	<u>3.25%</u>	<u>295,783</u>	<u>969</u>	<u>1.30%</u>	<u>338,943</u>	<u>8,095</u>	<u>3.19%</u>	<u>291,338</u>	<u>2,175</u>	<u>1.00%</u>
Noninterest-bearing Deposits	217,960			233,677			256,624			244,835			253,317		
Other Liabilities	10,254			10,183			9,843			9,689			9,849		
Shareholders' Equity	94,069			91,727			81,931			91,407			79,768		
Total Liabilities & Shareholders' Equity	<u>\$ 701,039</u>			<u>\$ 686,001</u>			<u>\$ 644,181</u>			<u>\$ 684,874</u>			<u>\$ 634,272</u>		
Net Interest Income		<u>\$ 9,540</u>			<u>\$ 8,694</u>			<u>\$ 7,014</u>			<u>\$ 27,588</u>			<u>\$ 16,634</u>	
Total Yield on Earning Assets			7.71%			7.13%			5.15%			7.35%			4.15%
Cost on Interest-Bearing Liabilities			3.56%			3.25%			1.30%			3.19%			1.00%
Average Interest Spread			4.15%			3.88%			3.85%			4.16%			3.16%
Net Interest Margin			5.69%			5.37%			4.52%			5.68%			3.67%
Net Interest Margin (Bank Only)			5.86%			5.55%			4.70%			5.86%			3.86%

GBank Financial Holdings Inc.

Additional Financial Information (Unaudited)

	Three Months Ended					Year-to-Date	
	Sep 30 2023	Jun 30 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Sep 30 2023	Sep 30, 2022
<i>(\$'s in 000, except per share data)</i>							
Key Performance Metrics							
Return on Average Assets-Net Income	1.01%	1.34%	2.01%	1.89%	1.61%	1.44%	1.60%
Return on Average Stockholders' Equity	7.50%	10.05%	15.21%	15.22%	12.73%	10.81%	12.69%
Efficiency Ratio	76.57%	68.84%	68.02%	62.43%	64.56%	70.99%	63.32%
Bank Net Interest Margin	5.86%	5.55%	6.16%	5.45%	4.70%	5.86%	3.86%
Consolidated Net Interest Margin	5.69%	5.37%	5.98%	5.29%	4.52%	5.68%	3.67%
Net Revenue	\$ 10,747	\$ 11,010	\$ 12,213	\$ 11,317	\$ 10,746	\$ 33,972	\$ 30,351
Selected Loan Metrics							
Guaranteed Portion of Loans Held for Sale	52,745	47,481	44,259	37,439	44,788	52,745	44,788
Guaranteed Portion of Loans Held for Investment	38,333	125	130	135	727	38,333	727
Total Guaranteed Loans	91,078	47,606	44,389	37,574	45,515	91,078	45,515
Guaranteed Loans as a % of Gross Loans	17.4%	10.4%	10.0%	9.2%	11.2%	17.4%	11.2%
Asset Quality							
Nonaccrual loans: guaranteed portion	\$ -	\$ 5,264	\$ 715	\$ 598	\$ 3,369	\$ -	\$ 3,369
Nonaccrual loans: non-guaranteed portion	-	1,854	-	-	1,086	-	1,086
Total nonaccrual loans	-	7,118	715	598	4,455	-	4,455
Loans past due 90 days and still accruing	-	-	-	-	12	-	12
Other real estate owned	1,080	-	-	-	-	1,080	-
Total non-performing assets	\$ 1,080	\$ 7,118	\$ 715	\$ 598	\$ 4,467	\$ 1,080	\$ 4,467
Non-performing assets to total assets	0.15%	1.04%	0.10%	0.09%	0.67%	0.15%	0.67%
Net charge-offs	\$ 764	\$ 100	\$ -	\$ -	\$ 446	\$ 864	\$ 633
Loans past due 30-89 days	\$ 1,842	\$ 3,142	\$ 2,231	\$ -	\$ -	\$ 1,842	\$ -
Allowance for Credit Losses (ACL)	\$ 6,630	\$ 7,168	\$ 6,860	\$ 6,860	\$ 6,800	\$ 6,630	\$ 6,800
Nonaccrual loans	\$ -	\$ 7,118	\$ 715	\$ 598	\$ 4,455	\$ -	\$ 4,455
ACL to nonaccrual loans	0%	101%	959%	1147%	153%	0%	153%
ACL to gross loans	1.27%	1.56%	1.54%	1.67%	1.68%	1.27%	1.68%
ACL to net loans, excl. Guaranteed	1.54%	1.76%	1.73%	1.84%	1.91%	1.54%	1.91%
Book Value							
Stockholders' Equity	\$ 94,609	\$ 92,625	\$ 90,169	\$ 86,795	\$ 83,458	\$ 94,609	\$ 83,458
Common shares outstanding	12,715	12,701	12,691	12,691	12,659	12,715	12,659
Book value per common share - Basic	\$ 7.44	\$ 7.29	\$ 7.10	\$ 6.84	\$ 6.59	\$ 7.44	\$ 6.59