

GBank Financial Holdings Inc.

Consolidated Balance Sheets (Unaudited)

(\$'s in 000)

	<u>Dec. 31, 2021</u>	<u>Sep. 30, 2021</u>	<u>% Change</u>	<u>Dec. 31, 2020</u>	<u>% Change</u>
Assets					
Cash and due from banks	5,012	6,269	-20.05%	3,779	32.63%
Interest bearing deposits with banks	231,384	208,944	10.74%	146,605	57.83%
Investment Securities-Taxable	3,719	2,455	51.49%	2,850	30.49%
Loans held for sale-SBA Guaranteed	38,744	27,997	38.39%	13,286	191.62%
Commercial Real Estate Loans	251,674	221,400	13.67%	198,769	26.62%
PPP Loans	11,344	21,429	-47.06%	44,566	-74.55%
All Other Loans	57,760	54,754	5.49%	53,380	8.21%
Total Gross Loans	359,522	325,580	10.43%	310,001	15.97%
Net Deferred Loan Costs	4,543	3,541	28.30%	3,552	27.90%
Unamortized Discount	(7,832)	(7,771)	0.78%	(8,235)	-4.89%
Less: Allowance for loan losses	(6,150)	(5,900)	4.24%	(5,069)	21.33%
Total Net Loans	350,083	315,450	10.98%	300,249	16.60%
Loan Servicing Asset	8,162	7,636	6.89%	7,082	15.25%
All Other Assets	19,714	10,461	88.45%	10,074	95.70%
Total Assets	\$ 618,074	\$ 551,215	12.13%	\$ 470,639	31.33%
Liabilities					
Non-Interest Bearing Checking Accounts	233,267	230,427	1.23%	199,413	16.98%
Interest bearing demand deposits	53,890	36,755	46.62%	32,984	63.38%
MMKT and Savings Account-Business	102,814	97,981	4.93%	61,235	67.90%
MMKT and Savings Account-Personal	61,472	53,143	15.67%	38,841	58.27%
Certificates of Deposit	58,119	49,018	18.57%	56,827	2.27%
Total Deposits	509,562	467,324	9.04%	389,300	30.89%
Accrued Interest Payable and Other	4,923	3,668	34.23%	5,413	-9.05%
Subordinated Notes	25,876	6,304	310.47%	6,309	0.00%
Lease Interest Payable	1,919	2,148	-10.66%	-	0.00%
Borrowed Funds	-	-	0.00%	5,000	-100.00%
Total Liabilities	542,280	479,444	13.11%	406,022	33.56%
Equity					
Common stock and Paid in Capital	51,768	51,705	0.12%	51,567	0.39%
Retained earnings	24,013	20,049	19.77%	13,037	84.19%
Other comprehensive income (loss)	13	18	-24.99%	13	2.90%
Total Equity	75,794	71,772	5.60%	64,617	17.30%
Total Liabilities & Equity	\$ 618,074	\$ 551,215	12.13%	\$ 470,639	31.33%
Book value per share - Basic	\$ 6.19	\$ 5.88		\$ 5.30	

GBank Financial Holdings Inc.

Consolidated Income Statements (Unaudited)

(\$'s in 000)

	Three Months Ended			Year-to-date		
	Dec. 31, 2021	Sep. 30, 2021	Jun. 30, 2021	Dec. 31, 2021	Dec. 31, 2020	% Change
Interest Income						
Loans	5,236	4,742	4,546	18,822	16,393	14.82%
Invested Cash	83	86	48	249	366	-31.97%
Securities	5	6	6	23	40	-42.50%
Total Interest Income	<u>5,324</u>	<u>4,834</u>	<u>4,600</u>	<u>19,094</u>	<u>16,799</u>	<u>13.66%</u>
Interest Expense						
Deposits	257	262	267	1,054	1,511	-30.24%
Lease Interest Payable	9	10	11	43	-	0.00%
Borrowed Funds	113	103	79	373	-	0.00%
Total Interest Expense	<u>379</u>	<u>375</u>	<u>357</u>	<u>1,470</u>	<u>1,511</u>	<u>-2.71%</u>
Net Interest Income	4,945	4,459	4,243	17,624	15,288	15.28%
Provision for Loan Losses	<u>(250)</u>	<u>(45)</u>	<u>(450)</u>	<u>(1,081)</u>	<u>(2,012)</u>	<u>-46.27%</u>
Net Interest Income after Provision for Loan Losses	4,695	4,414	3,793	16,543	13,276	24.61%
Other Income						
Gain on Sales of Loans	5,913	3,971	5,393	17,097	9,860	73.40%
Loan Servicing Income	176	287	347	1,091	1,304	-16.33%
Other Income	324	264	232	1,098	788	39.34%
Total Other Income	<u>6,413</u>	<u>4,522</u>	<u>5,972</u>	<u>19,286</u>	<u>11,952</u>	<u>61.36%</u>
Noninterest Expenses						
Salaries, Wages and Employee Benefits	3,665	3,531	3,489	13,361	9,923	34.65%
Occupancy Expenses	371	400	401	1,594	1,486	7.27%
Other Operating Expenses	1,858	1,534	1,508	6,431	4,490	43.23%
Total Noninterest Expenses	<u>5,894</u>	<u>5,465</u>	<u>5,398</u>	<u>21,386</u>	<u>15,899</u>	<u>34.51%</u>
Income Before Income Taxes	5,214	3,471	4,367	14,443	9,329	54.82%
Income Taxes	<u>(1,251)</u>	<u>(827)</u>	<u>(1,047)</u>	<u>(3,466)</u>	<u>(2,350)</u>	<u>47.49%</u>
Net Income	<u>3,963</u>	<u>2,644</u>	<u>3,320</u>	<u>10,977</u>	<u>6,979</u>	<u>57.29%</u>
Earnings Per Share	<u>0.32</u>	<u>0.22</u>	<u>0.27</u>	<u>0.90</u>	<u>0.59</u>	
Earnings Per Share (Diluted)	<u>0.31</u>	<u>0.21</u>	<u>0.26</u>	<u>0.85</u>	<u>0.56</u>	

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Additional Financial Information

(Unaudited)

(\$'s in 000)

	Three Months Ended		
	Dec. 31, 2021	Sep. 30, 2021	Jun. 30, 2021
Key Performance Ratios			
Return on Average Assets-Net Income	2.72%	1.91%	2.45%
Return on Average Stockholders' Equity	21.46%	14.96%	19.61%
Efficiency Ratio	51.89%	60.85%	52.84%
Net interest margin	3.59%	3.33%	3.20%
Asset Quality			
Nonaccrual loans	320	1,299	1,196
Loans past due 90 days and still accruing	-	-	-
Non-performing investment securities	-	-	-
OREO and other non-performing assets	-	-	-
Total non-performing assets	320	1,299	1,196
Non-performing assets to total assets	0.05%	0.24%	0.22%
Net charge-offs quarter ending	-	-	-
Allowance for Loan Losses (ALLL)	6,150	5,900	5,855
Nonaccrual loans	320	1,299	1,196
ALLL to non accrual loans	1922%	454%	490%
ALLL to gross loans	1.71%	1.80%	1.90%
ALLL to net loans, excl. PPP & Guaranteed	2.16%	2.17%	2.29%
Restructured loans included in non-accrual	-	-	-
Performing restructured loans (RC-C)	-	-	-
Book Value			
Stockholders' Equity	75,794	71,776	69,094
Common shares outstanding	12,221	12,200	12,184
Book value per common share - Basic	\$ 6.19	\$ 5.88	\$ 5.66