

FOURTH 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
\$3.5 million	\$0.27	\$10.4 million	5.16%	\$205.0 million	\$7.72

CEO COMMENTARY:

"GBank finished 2023 with strong earnings and record-setting balance sheet growth. Our 'Great Pivot' that began in the third quarter, resulted in nearly quadrupling our retained guaranteed loans while also building our level of fixed rate assets – positioning us well for possible future decreases in interest rates. Despite a continuing competitive deposit environment, our quarterly net interest income grew substantially, 19% year-over-year, to \$10.4 million," stated T. Ryan Sullivan, President/CEO.

LINKED QUARTER BASIS

QTD YEAR-OVER-YEAR

FINANCIAL HIGHLIGHTS:

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| <ul style="list-style-type: none"> Net income of \$3.5 million and earnings per diluted share of \$0.27, compared to \$1.8 million and \$0.14, respectively Net interest income of \$10.4 million, an increase of 8.0%, or \$770 thousand Gain on sale of loans of \$1.2 million, an increase of 54.1%, or \$413 thousand Noninterest income of \$1.3 million, an increase of 7.4%, or \$89 thousand Net revenues of \$11.6 million, an increase of 8.4%, or \$902 thousand Noninterest expense of \$6.9 million, a decrease of 16.7%, or \$1.4 million | <ul style="list-style-type: none"> Net income of \$3.5 million and earnings per diluted share of \$0.27, compared to \$3.3 million and \$0.25, respectively Net interest income of \$10.4 million, an increase of 19.0%, or \$1.7 million Gain on sale of loans of \$1.2 million, a decrease of 34.3%, or \$614 thousand Noninterest income of \$1.3 million, a decrease of 51.3%, or \$1.4 million Net revenues of \$11.6 million, an increase of 2.9%, or \$332 thousand Noninterest expense of \$6.9 million, a decrease of 3.1%, or \$218 thousand |
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FINANCIAL POSITION RESULTS:

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| <ul style="list-style-type: none"> On-balance sheet guaranteed loans of \$205.0 million, an increase of 125.0%, or \$113.4 million Total deposits of \$745.7 million, an increase of 25.6%, or \$152.1 million Stockholders' equity of \$98.4 million, an increase of 4.0%, or \$3.8 million | <ul style="list-style-type: none"> On-balance sheet guaranteed loans of \$205.0 million, an increase of over 400%, or \$167.4 million Total deposits of \$745.7 million, an increase of 34.3%, or \$190.3 million Stockholders' equity of \$98.4 million, an increase of 13.4%, or \$11.6 million |
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LOANS AND ASSET QUALITY:

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| <ul style="list-style-type: none"> Nonperforming assets (nonaccrual loans, accruing loans past due 90 days or more, and OREO) to total assets of 0.69%, compared to 0.15% ACL to net loans, excluding guaranteed, of 1.48%, compared to 1.54% | <ul style="list-style-type: none"> Nonperforming assets (nonaccrual loans, accruing loans past due 90 days or more, and OREO) to total assets of 0.69%, compared to 0.09% ACL to net loans, excluding guaranteed, of 1.48%, compared to 1.84% |
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KEY PERFORMANCE METRICS:

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| <ul style="list-style-type: none"> Net interest margin (consolidated) decreased to 5.16%, compared to 5.71% SBA and Commercial Lending Division loan originations of \$134.7 million, an increase of 48.9%, or \$43.6 million Return on average assets and equity was 1.68% and 14.51%, compared to 1.01% and 7.50%, respectively Book value per share of \$7.72, an increase of 3.8% from \$7.44 | <ul style="list-style-type: none"> Net interest margin (consolidated) decreased to 5.16%, compared to 5.30% SBA and Commercial Lending Division loan originations of \$134.7 million, an increase of 95.8%, or \$65.9 million Return on average assets and equity was 1.68% and 14.51%, compared to 1.89% and 15.22%, respectively Book value per share of \$7.72, an increase of 12.9% from \$6.84 |
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GBank Financial Holdings Inc.

Consolidated Balance Sheet

(Unaudited)

	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Linked Quarter 12/31/23 vs. 9/30/23		Quarter YOY 12/31/23 vs. 12/31/22	
						\$ Var	% Var	\$ Var	% Var
<i>(\$'s in 000, except per share data)</i>									
Assets									
Cash and Due From Banks	\$ 5,227	\$ 7,411	\$ 6,481	\$ 5,182	\$ 5,656	\$ (2,184)	-29%	\$ (429)	-8%
Interest Bearing Deposits With Banks	92,706	58,777	78,506	95,926	130,780	\$ 33,929	58%	\$ (38,074)	-29%
Investment Securities-Taxable	100,379	101,001	111,837	112,495	107,521	\$ (622)	-1%	\$ (7,142)	-7%
Loans Held For Sale-SBA Guaranteed	89,362	52,745	47,481	44,259	37,439	\$ 36,617	69%	\$ 51,923	139%
Loans Held For Investment - SBA Guaranteed	115,607	38,333	125	130	135	\$ 77,274	202%	\$ 115,472	>1000%
Commercial Real Estate Loans	401,340	368,337	351,979	339,436	312,041	\$ 33,003	9%	\$ 89,299	29%
PPP Loans	105	120	125	130	135	\$ (15)	-13%	\$ (30)	-22%
All Other Loans	76,436	64,527	58,320	60,899	59,950	\$ 11,909	18%	\$ 16,486	27%
Total Gross Loans	682,850	524,062	458,030	444,854	409,700	\$ 158,788	30%	\$ 273,150	67%
Net Deferred Loan Costs	7,147	5,036	4,347	4,753	4,395	\$ 2,111	42%	\$ 2,752	63%
Unamortized Discount	(6,275)	(7,073)	(8,050)	(8,534)	(8,649)	\$ 798	-11%	\$ 2,374	-27%
Less: Allowance for Credit Losses	(7,088)	(6,630)	(7,168)	(6,860)	(6,860)	\$ (458)	7%	\$ (228)	3%
Total Net Loans	676,634	515,395	447,159	434,213	398,586	\$ 161,239	31%	\$ 278,048	70%
Loan Servicing Asset	7,053	7,865	8,856	9,394	9,359	\$ (812)	-10%	\$ (2,306)	-25%
All Other Assets	35,017	38,875	32,100	28,034	26,800	\$ (3,858)	-10%	\$ 8,217	31%
Total Assets	\$ 917,016	\$ 729,324	\$ 684,939	\$ 685,244	\$ 678,702	\$ 187,692	26%	\$ 238,314	35%
Liabilities									
Non-Interest Bearing Checking Accounts	\$ 216,900	\$ 211,919	\$ 218,331	\$ 285,678	\$ 304,950	\$ 4,981	2%	\$ (88,050)	-29%
Interest Bearing Demand Deposits	78,961	76,811	78,330	66,910	56,995	\$ 2,150	3%	\$ 21,966	39%
MMKT and Savings Account-Business	113,252	86,617	86,201	67,931	87,440	\$ 26,635	31%	\$ 25,812	30%
MMKT and Savings Account-Personal	61,845	59,336	61,892	57,889	52,286	\$ 2,509	4%	\$ 9,559	18%
Certificates of Deposit	274,742	158,961	107,713	78,320	53,761	\$ 115,781	73%	\$ 220,981	411%
Total Deposits	745,700	593,644	552,467	556,728	555,432	\$ 152,056	26%	\$ 190,268	34%
Short-Term Borrowings	30,000	-	-	-	-	\$ 30,000	100%	\$ 30,000	100%
Subordinated Notes	26,013	25,995	25,976	25,957	25,939	\$ 18	0%	\$ 74	0%
Operating Lease Liability	4,133	4,339	4,538	4,738	2,980	\$ (206)	-5%	\$ 1,153	39%
Accrued Interest Payable and Other	12,743	10,737	9,333	7,652	7,556	\$ 2,006	19%	\$ 5,187	69%
Total Liabilities	818,589	634,715	592,314	595,075	591,907	183,874	29%	226,682	38%
Equity									
Common Stock and Paid in Capital	52,879	52,608	52,362	52,196	52,124	\$ 271	1%	\$ 755	1%
Retained Earnings	45,800	42,271	40,494	38,196	34,881	\$ 3,529	8%	\$ 10,919	31%
Other Comprehensive Loss	(252)	(270)	(231)	(223)	(210)	\$ 18	-7%	\$ (42)	20%
Total Equity	98,427	94,609	92,625	90,169	86,795	\$ 3,818	4%	\$ 11,632	13%
Total Liabilities & Equity	\$ 917,016	\$ 729,324	\$ 684,939	\$ 685,244	\$ 678,702	\$ 187,692	26%	\$ 238,314	35%
Book value per common share	\$ 7.72	\$ 7.44	\$ 7.29	\$ 7.10	\$ 6.84	\$ 0.28	4%	\$ 0.88	13%

GBank Financial Holdings Inc.

Consolidated Income Statements

(Unaudited)

	Three Months Ended				Year-to-Date		
	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Dec 31, 2022	
<i>(\$'s in 000, except per share data)</i>							
Interest Income							
Loans	\$ 13,300	\$ 10,763	\$ 9,283	\$ 8,796	\$ 7,543	\$ 42,143	\$ 24,096
Invested Cash	1,136	985	1,079	1,248	1,471	4,448	2,676
Securities	1,092	1,123	1,129	1,091	919	4,435	1,892
Other Interest Bearing Balances	71	68	51	65	33	257	107
Total Interest Income	15,599	12,939	11,542	11,200	9,966	51,283	28,771
Interest Expense							
Deposits	4,621	3,070	2,517	1,499	982	11,707	2,278
Borrowed Funds	625	286	286	286	286	1,481	1,145
Total Interest Expense	5,246	3,356	2,803	1,785	1,268	13,188	3,423
Net Interest Income	10,353	9,583	8,739	9,415	8,698	38,095	25,348
Provision for Credit Losses	(458)	(226)	(408)	-	(60)	(1,092)	(1,347)
Net Interest Income after Provision for Credit Losses	9,895	9,357	8,331	9,415	8,638	37,003	24,001
Other Income							
Gain on Sales of Loans	1,176	763	1,618	2,010	1,790	5,568	13,546
Loan Servicing Income	(87)	234	414	521	407	1,081	1,295
Other Income	207	210	284	331	463	1,030	1,627
Total Other Income	1,296	1,207	2,316	2,862	2,660	7,679	16,468
Noninterest Expenses							
Salaries, Wages and Employee Benefits	4,429	5,206	4,695	5,464	4,646	19,797	16,869
Occupancy Expenses	371	430	427	408	353	1,636	1,571
Other Operating Expenses	2,088	2,635	2,502	2,499	2,107	9,723	7,996
Total Noninterest Expenses	6,888	8,271	7,624	8,371	7,106	31,156	26,436
Income Before Income Taxes	4,303	2,293	3,023	3,906	4,192	13,526	14,033
Income Taxes	(774)	(516)	(725)	(591)	(907)	(2,606)	(3,165)
Net Income	\$ 3,529	\$ 1,777	\$ 2,298	\$ 3,315	\$ 3,285	\$ 10,920	\$ 10,868
Earnings Per Share	\$ 0.28	\$ 0.14	\$ 0.18	\$ 0.26	\$ 0.26	\$ 0.86	\$ 0.87
Earnings Per Share (Diluted)	\$ 0.27	\$ 0.14	\$ 0.18	\$ 0.26	\$ 0.25	\$ 0.84	\$ 0.84

GBank Financial Holdings Inc.
Average Balances, Rates, and Interest Income and Expense
(Unaudited)

<i>(Dollars in thousands)</i>	For the Three Months Ended									For the Year Ended					
	December 31, 2023			September 30, 2023			December 31, 2022			December 31, 2023			December 31, 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	\$ 77,585	\$ 1,136	5.81%	\$ 68,188	\$ 985	5.73%	\$ 146,737	\$ 1,471	3.98%	\$ 81,594	\$ 4,448	5.45%	\$ 180,466	\$ 2,676	1.48%
Investment Securities:															
Taxable	100,633	1,092	4.31%	104,761	1,123	4.25%	101,058	919	3.61%	106,684	4,435	4.16%	62,402	1,892	3.03%
Loans, Net	615,124	13,300	8.58%	489,552	10,763	8.72%	401,145	7,543	7.46%	495,042	42,143	8.51%	372,202	24,096	6.47%
Restricted Investment in Bank Stock	3,222	71	8.74%	3,222	68	8.37%	1,890	33	6.93%	2,824	257	9.10%	1,782	107	6.00%
Total Earning Assets	<u>796,564</u>	<u>15,599</u>	<u>7.77%</u>	<u>665,723</u>	<u>12,939</u>	<u>7.71%</u>	<u>650,830</u>	<u>9,966</u>	<u>6.08%</u>	<u>686,144</u>	<u>51,283</u>	<u>7.47%</u>	<u>616,852</u>	<u>28,771</u>	<u>4.66%</u>
Cash and Due From Banks	6,193			5,604			5,748			6,051			5,813		
Other Assets	32,879			29,712			29,212			30,679			25,898		
Total Assets	<u>\$ 835,636</u>			<u>\$ 701,039</u>			<u>\$ 685,790</u>			<u>\$ 722,874</u>			<u>\$ 648,563</u>		
LIABILITIES & SHAREHOLDERS' EQUITY															
Deposits:															
Interest-bearing Demand	\$ 72,319	\$ 443	2.43%	\$ 72,212	\$ 399	2.19%	\$ 59,405	\$ 175	1.17%	\$ 72,252	\$ 1,561	2.16%	\$ 56,282	\$ 404	0.72%
Money Market and Savings	170,082	1,531	3.57%	145,683	1,164	3.17%	158,374	541	1.36%	147,703	4,523	3.06%	147,908	1,149	0.78%
Certificates of Deposit	206,035	2,647	5.10%	130,417	1,507	4.58%	60,097	266	1.76%	123,838	5,623	4.54%	63,222	725	1.15%
Total Interest-Bearing Deposits	<u>448,436</u>	<u>4,621</u>	<u>4.09%</u>	<u>348,312</u>	<u>3,070</u>	<u>3.50%</u>	<u>277,876</u>	<u>982</u>	<u>1.40%</u>	<u>343,793</u>	<u>11,707</u>	<u>3.41%</u>	<u>267,412</u>	<u>2,278</u>	<u>0.85%</u>
Short-Term Borrowings	24,457	339	5.50%	-	-	0.00%	-	-	0.00%	6,166	339	5.50%	-	-	0.00%
Subordinated Debentures	26,002	286	4.36%	25,984	286	4.37%	25,919	286	4.38%	25,974	1,142	4.40%	25,895	1,145	4.42%
Total Interest-Bearing Liabilities	<u>498,895</u>	<u>5,246</u>	<u>4.17%</u>	<u>374,296</u>	<u>3,356</u>	<u>3.55%</u>	<u>303,795</u>	<u>1,268</u>	<u>1.66%</u>	<u>375,933</u>	<u>13,188</u>	<u>3.51%</u>	<u>293,307</u>	<u>3,423</u>	<u>1.17%</u>
Noninterest-bearing Deposits	223,106			217,960			281,878			239,358			260,516		
Other Liabilities	17,095			10,254			11,212			14,886			10,192		
Shareholders' Equity	96,540			94,069			84,595			92,697			80,985		
Total Liabilities & Shareholders' Equity	<u>\$ 835,636</u>			<u>\$ 696,579</u>			<u>\$ 681,480</u>			<u>\$ 722,874</u>			<u>\$ 645,000</u>		
Net Interest Income		<u>\$ 10,353</u>			<u>\$ 9,583</u>			<u>\$ 8,698</u>			<u>\$ 38,095</u>			<u>\$ 25,348</u>	
Total Yield on Earning Assets			7.77%			7.71%			6.08%			7.47%			4.66%
Cost on Interest-Bearing Liabilities			4.17%			3.55%			1.66%			3.51%			1.17%
Average Interest Spread			3.60%			4.16%			4.42%			3.96%			3.49%
Net Interest Margin			5.16%			5.71%			5.30%			5.55%			4.10%
Net Interest Margin (Bank Only)			5.30%			5.88%			5.48%			5.72%			4.29%

GBank Financial Holdings Inc.

Additional Financial Information

(Unaudited)

	Three Months Ended					Year-to-Date	
	Dec 31, 2023	Sep 30 2023	Jun 30 2023	Mar 31, 2023	Dec 31, 2022	Dec 31, 2022	Dec 31, 2022
<i>(\$'s in 000, except per share data)</i>							
Key Performance Metrics							
Return on Average Assets-Net Income	1.68%	1.01%	1.34%	2.01%	1.89%	1.51%	1.68%
Return on Average Stockholders' Equity	14.51%	7.50%	10.05%	15.21%	15.22%	11.78%	13.38%
Efficiency Ratio	59.13%	76.65%	68.96%	68.18%	62.56%	68.07%	63.22%
Consolidated Net Interest Margin	5.16%	5.71%	5.40%	6.04%	5.30%	5.55%	4.10%
Net Revenue	\$ 11,649	\$ 10,747	\$ 11,010	\$ 12,213	\$ 11,317	\$ 45,774	\$ 41,816
Tangible common equity / tangible assets	10.7%	13.0%	13.5%	13.2%	12.8%	10.7%	12.8%
Tier 1 Leverage Ratio - Bank	14.06%	16.18%	15.92%	15.97%	15.08%	14.06%	15.08%
Selected Loan Metrics							
Guaranteed Portion of Loans Held for Sale	89,362	52,745	47,481	44,259	37,439	89,362	37,439
Guaranteed Portion of Loans Held for Investment	115,607	38,333	125	130	135	115,607	135
Total Guaranteed Loans	204,969	91,078	47,606	44,389	37,574	204,969	37,574
Guaranteed Loans as a % of Gross Loans	30.0%	17.4%	10.4%	10.0%	9.2%	30.0%	9.2%
Asset Quality							
Nonaccrual loans: guaranteed portion	\$ 2,016	\$ -	\$ 5,264	\$ 715	\$ 598	\$ 2,016	\$ 598
Nonaccrual loans: non-guaranteed portion	672	-	1,854	-	-	672	-
Total nonaccrual loans	2,688	-	7,118	715	598	2,688	598
Loans past due 90 days and still accruing	3,610	-	-	-	-	3,610	-
Other real estate owned	-	1,080	-	-	-	-	-
Total non-performing assets	\$ 6,298	\$ 1,080	\$ 7,118	\$ 715	\$ 598	\$ 6,298	\$ 598
Non-performing assets to total assets	0.69%	0.15%	1.04%	0.10%	0.09%	0.69%	0.09%
Net charge-offs	\$ -	\$ 764	\$ 100	\$ -	\$ -	\$ 864	\$ 633
Loans past due 30-89 days	\$ 2,493	\$ 1,842	\$ 3,142	\$ 2,231	\$ -	\$ 2,493	\$ -
Allowance for Credit Losses (ACL)	\$ 7,088	\$ 6,630	\$ 7,168	\$ 6,860	\$ 6,860	\$ 7,088	\$ 6,860
Nonaccrual loans	\$ 2,688	\$ -	\$ 7,118	\$ 715	\$ 598	\$ 2,016	\$ 598
ACL to nonaccrual loans	264%	0%	101%	959%	1147%	264%	1147%
ACL to gross loans	1.04%	1.27%	1.56%	1.54%	1.67%	1.04%	1.67%
ACL to net loans, excl. Guaranteed	1.48%	1.54%	1.76%	1.73%	1.84%	1.48%	1.84%
Book Value							
Stockholders' Equity	\$ 98,427	\$ 94,609	\$ 92,625	\$ 90,169	\$ 86,795	\$ 98,427	\$ 86,795
Common shares outstanding	12,747	12,715	12,701	12,691	12,691	12,747	12,691
Book value per common share	\$ 7.72	\$ 7.44	\$ 7.29	\$ 7.10	\$ 6.84	\$ 7.72	\$ 6.84
Employees - FTE	163	163	158	151	146	163	146