GBank Financial Holdings Inc.
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GBank Financial Holdings Inc.

THIRD QUARTER 2024 FINANICAL RESULTS

Quarter Highlights:

Net Income	Earnings per diluted share	Net revenue	Net interest margin (consolidated)	On-balance sheet guaranteed loans	Book value per common share
$5.0 million	$0.37	$16.1 million	5.00%	$267.2 million	$8.91

CEO COMMENTARY:

"With record quarterly loan production, earnings, and revenue for the Company, GBank continues to demonstrate the strength of its growth strategies and anticipated future expansion in Gaming FinTech and credit card will serve to build upon the Company's foundation of performance and success," stated T. Ryan Sullivan, President/CEO.

LINKED QUARTER BASIS

FINANCIAL HIGHLIGHTS:

- Net income of $5.0 million and earnings per diluted share of $0.37, compared to $4.7 million and $0.35, respectively
- Net interest income of $12.3 million, an increase of 8.0%, or $911 thousand
- Gain on sale of loans of $2.8 million, a decrease of 10.3%, or $325 thousand
- Noninterest income of $3.9 million, a decrease of 7.4%, or $307 thousand
- Net revenues of $16.1 million, an increase of 3.9%, or $604 thousand
- Noninterest expense of $9.0 million, a decrease of 1.3%, or $120 thousand

FINANCIAL POSITION RESULTS:

- On-balance sheet guaranteed loans of $267.0 million, an increase of 5.9%, or $14.9 million
- Total deposits of $883.5 million, an increase of 5.1%, or $43.2 million
- Stockholders' equity of $116.4 million, an increase of 4.9%, or $5.4 million

LOANS AND ASSET QUALITY:

- Nonperforming assets (nonaccrual loans, accruing loans past due 90 days or more, and OREO) to total assets of 0.52%, compared to 0.75%
- ACL to net loans, excluding guaranteed, of 1.36%, compared to 1.31%

KEY PERFORMANCE METRICS:

- Net interest margin (consolidated) increased to 5.00%, compared to 4.82%
- SBA and Commercial Lending Division loan originations of $156.4 million, an increase of 23.2%, or $29.5 million
- Return on average assets and equity was 1.96% and 17.29%, compared to 1.90% and 17.59%, respectively
- Book value per share of $8.91, an increase of 4.9% from $8.49

QTD YEAR-OVER-YEAR

FINANCIAL HIGHLIGHTS:

- Net income of $5.0 million and earnings per diluted share of $0.37, compared to $1.8 million and $0.14, respectively
- Net interest income of $12.3 million, an increase of 27.9%, or $2.7 million
- Gain on sale of loans of $2.8 million, an increase of 272.0%, or $2.1 million
- Noninterest income of $3.9 million, an increase of 219.7%, or $2.7 million
- Net revenues of $16.1 million, an increase of 49.4%, or $5.3 million
- Noninterest expense of $9.0 million, an increase of 9.0%, or $741 thousand

FINANCIAL POSITION RESULTS:

- On-balance sheet guaranteed loans of $267.0 million, an increase of 193.2%, or $175.9 million
- Total deposits of $883.5 million, an increase of 48.8%, or $289.9 million
- Stockholders' equity of $116.4 million, an increase of 23.0%, or $21.8 million

LOANS AND ASSET QUALITY:

- Nonperforming assets (nonaccrual loans, accruing loans past due 90 days or more, and OREO) to total assets of 0.52%, compared to 0.15%
- ACL to net loans, excluding guaranteed, of 1.36%, compared to 1.54%

KEY PERFORMANCE METRICS:

- Net interest margin (consolidated) decreased to 5.00%, compared to 5.71%
- SBA and Commercial Lending Division loan originations of $156.4 million, an increase of 71.6%, or $65.3 million
- Return on average assets and equity was 1.96% and 17.29%, compared to 1.01% and 7.50%, respectively
- Book value per share of $8.91, an increase of 19.7% from $7.44

GBank Financial Holdings Inc.

Consolidated Balance Sheet

(Unaudited)

($'s in 000, except per share data)	**Sep 30, 2024**	**Jun 30, 2024**	**Mar 31, 2024**	**Dec 31, 2023**	**Sep 30, 2023**	**Linked Quarter 9/30/24 vs. 6/30/24** $ Var	% Var	**Quarter YOY 9/30/24 vs. 9/30/23** $ Var	% Var
Assets									
Cash and Due From Banks	$ 5,798	$ 5,409	$ 8,334	$ 5,227	$ 7,411	$ 389	7.2%	$ (1,613)	-21.8%
Interest Bearing Deposits With Banks	65,160	82,749	45,844	92,706	58,777	$ (17,589)	-21.3%	$ 6,383	10.9%
Investment Securities-Taxable	85,424	58,850	89,587	100,379	101,001	$ 26,574	45.2%	$ (15,577)	-15.4%
Loans Held For Sale-SBA Guaranteed	66,046	39,143	43,501	89,362	52,745	$ 26,903	68.7%	$ 13,301	25.2%
Loans Held For Investment - SBA Guaranteed	200,956	213,009	215,966	115,607	38,333	$ (12,053)	-5.7%	$ 162,623	>1000%
Commercial Real Estate Loans	491,228	475,927	432,788	401,340	368,337	$ 15,301	3.2%	$ 122,891	33.4%
Construction Loans	2,177	547	397	398	398	$ 1,630	298.0%	$ 1,779	447.0%
Commercial and Industrial Loans	56,540	51,879	54,190	45,871	35,520	$ 4,661	9.0%	$ 21,020	59.2%
Residential-Single and Multifamily	28,009	30,419	28,862	29,441	27,984	$ (2,410)	-7.9%	$ 25	0.1%
Consumer and Other Loans	2,666	1,337	1,003	831	745	$ 1,329	99.4%	$ 1,921	257.9%
Total Gross Loans	847,622	812,261	776,707	682,850	524,062	$ 35,361	4.4%	$ 323,560	61.7%
Net Deferred Loan Costs	9,454	8,296	8,157	7,147	5,036	$ 1,158	14.0%	$ 4,418	87.7%
Unamortized Discount	(7,760)	(7,211)	(6,374)	(6,275)	(7,073)	$ (549)	7.6%	$ (687)	9.7%
Less: Allowance for Credit Losses	(7,934)	(7,342)	(7,088)	(7,088)	(6,630)	$ (592)	8.1%	$ (1,304)	19.7%
Total Net Loans	841,382	806,004	771,402	676,634	515,395	$ 35,378	4.4%	$ 325,987	63.2%
Loan Servicing Asset	8,046	7,698	7,124	7,053	7,865	$ 348	4.5%	$ 181	2.3%
All Other Assets	42,192	48,644	41,159	36,381	38,875	$ (6,452)	-13.3%	$ 3,317	8.5%
Total Assets	$ 1,048,002	$ 1,009,354	$ 963,450	$ 918,380	$ 729,324	$ 38,648	3.8%	$ 318,678	43.7%
Liabilities									
Non-Interest Bearing Checking Accounts	$ 229,875	$ 220,438	$ 216,307	$ 216,900	$ 211,919	$ 9,437	4.3%	$ 17,956	8.5%
Interest Bearing Demand Deposits	65,623	65,120	63,740	78,961	76,811	$ 503	0.8%	$ (11,188)	-14.6%
MMKT and Savings Account-Business	177,493	151,520	137,622	113,252	86,617	$ 25,973	17.1%	$ 90,876	104.9%
MMKT and Savings Account-Personal	66,598	70,595	61,927	61,845	59,336	$ (3,997)	-5.7%	$ 7,262	12.2%
Certificates of Deposit	343,931	332,695	327,326	274,742	158,961	$ 11,236	3.4%	$ 184,970	116.4%
Total Deposits	883,520	840,368	806,922	745,700	593,644	$ 43,152	5.1%	$ 289,876	48.8%
Short-Term Borrowings	-	12,000	10,000	30,000	-	$ (12,000)	-100.0%	$ -	100.0%
Subordinated Notes	26,070	26,051	26,032	26,013	25,995	$ 19	0.1%	$ 75	0.3%
Operating Lease Liability	5,032	5,221	5,409	5,497	4,339	$ (189)	-3.6%	$ 693	16.0%
Accrued Interest Payable and Other	16,997	14,769	12,521	12,743	10,737	$ 2,228	15.1%	$ 6,260	58.3%
Total Liabilities	931,619	898,409	860,884	819,953	634,715	33,210	3.7%	296,904	46.8%
Equity									
Common Stock and Paid in Capital	57,288	56,967	53,323	52,879	52,608	$ 321	0.6%	$ 4,680	8.9%
Retained Earnings	59,192	54,177	49,501	45,800	42,271	$ 5,015	9.3%	$ 16,921	40.0%
Other Comprehensive Loss	(97)	(199)	(258)	(252)	(270)	$ 102	-51.3%	$ 173	-64.1%
Total Equity	116,383	110,945	102,566	98,427	94,609	$ 5,438	4.9%	$ 21,774	23.0%
Total Liabilities & Equity	$ 1,048,002	$ 1,009,354	$ 963,450	$ 918,380	$ 729,324	$ 38,648	3.8%	$ 318,678	43.7%
Book value per common share	$ 8.91	$ 8.49	$ 8.00	$ 7.72	$ 7.44	$ 0.41	4.9%	$ 1.47	19.7%

GBank Financial Holdings Inc.

Consolidated Income Statements

(Unaudited)

	Three Months Ended					Year-to-Date	
($'s in 000, except per share data)	**Sep 30, 2024**	**Jun 30, 2024**	**Mar 31, 2024**	**Dec 31, 2023**	**Sep 30, 2023**	**Sep 30, 2024**	**Sep 30, 2023**
Interest Income							
Loans	$ 17,347	$ 16,360	$ 15,330	$ 13,300	$ 10,763	$ 49,036	$ 28,842
Invested Cash	1,367	1,165	972	1,136	985	3,505	3,312
Securities	924	868	1,014	1,092	1,123	2,806	3,343
Other Interest Bearing Balances	102	96	74	71	68	272	186
Total Interest Income	19,740	18,489	17,390	15,599	12,939	55,619	35,683
Interest Expense							
Deposits	7,194	6,848	6,198	4,621	3,070	20,240	7,086
Borrowed Funds	287	293	390	625	286	969	857
Total Interest Expense	7,481	7,141	6,588	5,246	3,356	21,209	7,943
Net Interest Income	12,259	11,348	10,802	10,353	9,583	34,410	27,740
Provision for Credit Losses - Loans	(570)	(283)	-	(458)	(226)	(853)	(634)
Provision for Credit Losses - Unfunded Commitments	(8)	(12)	(20)	-	-	(40)	-
Net Interest Income after Provision for Credit Losses	11,681	11,053	10,782	9,895	9,357	33,517	27,106
Other Income							
Gain on Sales of Loans	2,838	3,163	2,083	1,176	763	8,084	4,392
Loan Servicing Income	566	534	60	(87)	234	1,160	1,169
Other Income	455	469	262	207	210	1,187	823
Total Other Income	3,859	4,166	2,405	1,296	1,207	10,431	6,384
Noninterest Expenses							
Salaries, Wages and Employee Benefits	5,495	5,752	5,290	4,429	5,206	16,537	15,368
Occupancy Expenses	404	417	447	371	430	1,269	1,265
Other Operating Expenses	3,113	2,963	2,637	2,088	2,635	8,715	7,635
Total Noninterest Expenses	9,012	9,132	8,374	6,888	8,271	26,521	24,268
Income Before Income Taxes	6,528	6,087	4,813	4,303	2,293	17,427	9,222
Income Taxes	(1,513)	(1,411)	(1,112)	(774)	(516)	(4,035)	(1,832)
Net Income	$ 5,015	$ 4,676	$ 3,701	$ 3,529	$ 1,777	$ 13,392	$ 7,390
Earnings Per Share	$ 0.38	$ 0.36	$ 0.29	$ 0.28	$ 0.14	$ 1.04	$ 0.58
Earnings Per Share (Diluted)	$ 0.37	$ 0.35	$ 0.28	$ 0.27	$ 0.14	$ 1.00	$ 0.57

GBank Financial Holdings Inc.

Average Balances, Rates, and Interest Income and Expense

(Unaudited)

	For the Three Months Ended									For the Year-to-Date Ended					
	September 30, 2024			June 30, 2024			September 30, 2023			September 30, 2024			September 30, 2023		
(Dollars in thousands)	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	$ 94,147	$ 1,367	5.78%	$ 80,062	$ 1,165	5.85%	$ 68,188	$ 985	5.73%	$ 80,155	$ 3,505	5.84%	$ 82,944	$ 3,312	5.34%
Investment Securities:															
Taxable	72,705	924	5.06%	73,696	868	4.74%	104,761	1,123	4.25%	81,463	2,806	4.60%	108,723	3,343	4.11%
Loans, Net	804,824	17,347	8.57%	789,516	16,360	8.33%	489,552	10,763	8.72%	774,154	49,036	8.46%	454,575	28,842	8.48%
Restricted Investment in Bank Stock	4,652	102	8.72%	4,400	96	8.78%	3,222	68	8.37%	4,094	272	8.87%	2,690	186	9.24%
Total Earning Assets	976,328	19,740	8.04%	947,674	18,489	7.85%	665,723	12,939	7.71%	939,866	55,619	7.90%	648,932	35,683	7.35%
Cash and Due From Banks	5,997			6,302			5,604			6,078			6,003		
Other Assets	37,330			33,607			29,712			33,149			29,939		
Total Assets	$1,019,655			$ 987,583			$ 701,039			$ 979,093			$ 684,874		
LIABILITIES & SHAREHOLDERS' EQUITY															
Deposits:															
Interest-bearing Demand	$ 66,317	$ 420	2.52%	$ 67,038	$ 395	2.37%	$ 72,212	$ 399	2.19%	$ 66,219	$ 1,208	2.44%	$ 72,229	$ 1,118	2.07%
Money Market and Savings	237,142	2,405	4.03%	217,081	2,137	3.96%	145,683	1,164	3.17%	213,618	6,302	3.94%	140,162	2,993	2.86%
Certificates of Deposit	332,204	4,369	5.23%	330,271	4,316	5.26%	130,417	1,507	4.58%	323,929	12,730	5.25%	96,138	2,975	4.14%
Total Interest-Bearing Deposits	635,663	7,194	4.50%	614,390	6,848	4.48%	348,312	3,070	3.50%	603,766	20,240	4.48%	308,529	7,086	3.07%
Short-Term Borrowings	125	2	6.37%	517	7	5.37%	-	-	0.00%	2,732	112	5.48%	2	-	0.00%
Subordinated Debentures	26,057	285	4.35%	26,040	286	4.42%	25,984	286	4.37%	26,040	857	4.40%	25,964	857	4.41%
Total Interest-Bearing Liabilities	661,845	7,481	4.50%	640,947	7,141	4.48%	374,296	3,356	3.56%	632,538	21,209	4.48%	334,495	7,943	3.17%
Noninterest-bearing Deposits	221,121			220,842			217,960			220,911			244,835		
Other Liabilities	21,270			18,849			14,714			14,083			14,137		
Shareholders' Equity	115,419			106,945			94,069			107,969			91,407		
Total Liabilities & Shareholders' Equity	$1,019,655			$ 987,583			$ 701,039			$ 975,501			$ 684,874		
Net Interest Income		$ 12,259			$ 11,348			$ 9,583			$ 34,410			$ 27,740	
Total Yield on Earning Assets			8.04%			7.85%			7.71%			7.90%			7.35%
Cost on Interest-Bearing Liabilities			4.50%			4.48%			3.56%			4.48%			3.17%
Average Interest Spread			3.55%			3.37%			4.15%			3.43%			4.18%
Net Interest Margin			5.00%			4.82%			5.71%			4.89%			5.72%
Net Interest Margin (Bank Only)			5.11%			4.94%			5.88%			5.01%			5.89%

GBank Financial Holdings Inc.

Additional Financial Information

(Unaudited)

($'s in 000, except per share data)	Three Months Ended					Year-to-Date	
	Sep 30, 2024	**Jun 30, 2024**	**Mar 31, 2024**	**Dec 31, 2023**	**Sep 30, 2023**	**Sep 30, 2024**	**Sep 30, 2023**
Key Performance Metrics							
Return on Average Assets-Net Income	1.96%	1.90%	1.59%	1.68%	1.01%	1.82%	1.44%
Return on Average Stockholders' Equity	17.29%	17.59%	14.67%	14.51%	7.50%	16.58%	10.81%
Efficiency Ratio	55.92%	58.86%	63.41%	59.13%	76.65%	59.15%	70.99%
Consolidated Net Interest Margin	5.00%	4.82%	4.85%	5.16%	5.71%	4.89%	5.72%
Net Revenue	$ 16,118	$ 15,514	$ 13,207	$ 11,649	$ 10,790	$ 44,841	$ 34,124
Tangible common equity / tangible assets	11.1%	11.0%	10.6%	10.7%	13.0%	11.1%	13.0%
Tier 1 Leverage Ratio - Bank	13.08%	12.88%	13.03%	14.06%	16.18%	13.08%	16.18%
Selected Loan Metrics							
Guaranteed Portion of Loans Held for Sale	$ 66,046	$ 39,143	$ 43,501	$ 89,362	$ 52,745	$ 66,046	$ 52,745
Guaranteed Portion of Loans Held for Investment	200,956	213,009	215,966	115,607	38,333	200,956	38,333
Total Guaranteed Loans	267,002	252,152	259,467	204,969	91,078	267,002	91,078
Guaranteed Loans as a % of Gross Loans	31.5%	31.0%	33.4%	30.0%	17.4%	31.5%	17.4%
Asset Quality							
Total nonaccrual loans	$ 5,381	$ 6,470	$ 6,096	$ 2,688	$ -	$ 5,381	$ -
Loans past due 90 days and still accruing	27	1,142	33	3,610	-	27	-
Other real estate owned	-	-	-	-	1,080	-	1,080
Total non-performing assets	5,408	7,612	6,129	6,298	1,080	$ 5,408	$ 1,080
Non-performing assets: guaranteed portion	3,838	5,396	4,572	4,724	-	$ 3,838	$ -
Non-performing assets: non-guaranteed portion	1,570	2,216	1,557	1,574	1,080	$ 1,570	$ 1,080
Non-performing assets to total assets	0.52%	0.75%	0.64%	0.69%	0.15%	0.52%	0.15%
Net (recoveries) charge-offs	$ (22)	$ 29	$ -	$ -	$ 764	$ 7	$ 864
Loans past due 30-89 days and accruing	$ 12,390	$ 1,054	$ 3,428	$ 2,493	$ 1,842	$ 12,390	$ 1,842
Loans past due 30-89 days and accruing: guaranteed portion	$ 8,535	$ -	$ 1,028	$ 1,873	$ -	$ 8,535	$ -
Loans past due 30-89 days and accruing: non-guaranteed portion	$ 3,855	$ 1,054	$ 2,400	$ 620	$ 1,842	$ 3,855	$ 1,842
Allowance for Credit Losses (ACL)	$ 7,934	$ 7,342	$ 7,088	$ 7,088	$ 6,630	$ 7,934	$ 6,630
Nonaccrual loans	$ 5,381	$ 6,470	$ 6,096	$ 2,688	$ -	$ 5,381	$ -
ACL to nonaccrual loans	147%	113%	116%	264%	0%	147%	0%
ACL to gross loans	0.94%	0.90%	0.91%	1.04%	1.27%	0.94%	1.27%
ACL to net loans, excl. Guaranteed	1.36%	1.31%	1.37%	1.48%	1.54%	1.36%	1.54%
Book Value							
Stockholders' Equity	$ 116,383	$ 110,945	$ 102,566	$ 98,427	$ 94,609	$ 116,383	$ 94,609
Common shares outstanding	13,067	13,061	12,824	12,747	12,715	13,067	12,715
Book value per common share	$ 8.91	$ 8.49	$ 8.00	$ 7.72	$ 7.44	$ 8.91	$ 7.44
Employees - FTE	159	155	150	163	163	159	163