

# INVESTOR PRESENTATION

SECOND QUARTER 2022

NASDAQ: CCBG



# FORWARD-LOOKING STATEMENTS

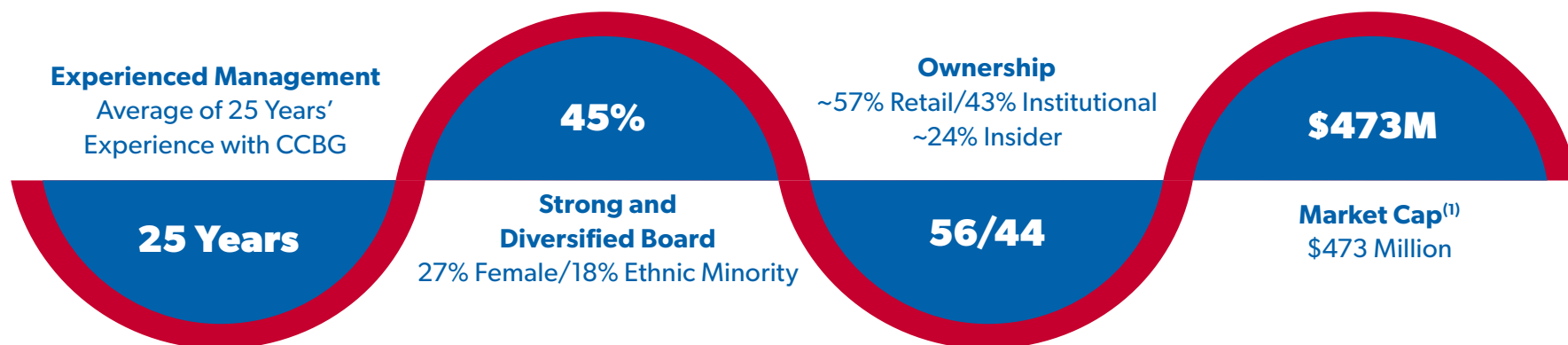
**This presentation includes forward-looking statements, including statements about future results. These statements are subject to uncertainties and risks that could cause the Company's future results to differ materially. The following factors, among others, could cause the Company's actual results to differ:** our ability to successfully manage credit risk, interest rate risk, liquidity risk, and other risks inherent to our industry; legislative or regulatory changes in monetary and fiscal policies of the U.S. Government; inflation, interest rate, market and monetary fluctuations; the effects of security breaches and computer viruses that may affect our computer systems or fraud related to debit card products; the accuracy of our financial statement estimates and assumptions, including the estimates used for our loan loss reserve, deferred tax asset valuation and pension plan; changes in accounting principles, policies, practices or guidelines; the frequency and magnitude of foreclosure of our loans; the effects of our lack of a diversified loan portfolio, including the risks of geographic and industry concentrations; the strength of the United States economy in general and the strength of the local economies in which we conduct operations; our ability to declare and pay dividends, the payment of which is subject to our capital requirements; changes in the securities and real estate markets; structural changes in the markets for origination, sale and servicing of residential mortgages; uncertainty in the pricing of residential mortgage loans that we sell, as well as competition for the mortgage servicing rights related to these loans and related interest rate risk or price risk resulting from retaining mortgage servicing rights and the potential effects of higher interest rates on our loan origination volumes; the magnitude and duration of the ongoing COVID-19 pandemic and its impact on the global economy and financial market conditions and our business; the effect of corporate restructuring, acquisitions or dispositions, including the actual restructuring and other related charges and the failure to achieve the expected gains, revenue growth or expense savings from such corporate restructuring, acquisitions or dispositions; the effects of natural disasters, harsh weather conditions (including hurricanes), widespread health emergencies, military conflict, terrorism, civil unrest or other geopolitical events; our ability to comply with the extensive laws and regulations to which we are subject, including the laws for each jurisdiction where we operate; the willingness of clients to accept third-party products and services rather than our products and services and vice versa; increased competition and its effect on pricing; technological changes; negative publicity and the impact on our reputation; changes in consumer spending and saving habits; growth and profitability of our noninterest income; the limited trading activity of our common stock; the concentration of ownership of our common stock; anti-takeover provisions under federal and state law as well as our Articles of Incorporation and our Bylaws; other risks described from time to time in our filings with the Securities and Exchange Commission; and our ability to manage the risks involved in the foregoing. Additional factors can be found in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, and the Company's other filings with the SEC, which are available at the SEC's internet site (<http://www.sec.gov>). Forward-looking statements in this presentation speak only as of the date of this presentation. The Company assumes no obligation to update forward-looking statements or the reasons why actual results could differ.

# CORPORATE PROFILE

- Oldest Florida-based Publicly Traded Bank
- Managed Multiple Business Cycles Successfully
- \$4.4B Assets
- Loans HFI: \$2.2B/Deposits: \$3.8B
- 88% Florida/12% Georgia
  - Florida Deposit market share of 7.7%
  - Georgia Deposit market share of 5.5%
- 50/50 Mix of Consumer and Commercial Clients (Deposits)
- \$2.2B Assets Under Management



# CORPORATE PROFILE



(1) As of 06/30/22

# FLORIDA AT A GLANCE

- ↘ Highest Migration Rate in U.S.
  - 5th Consecutive Year
- ↘ 3rd Most Populous State - Projected Population Growth
  - 2X National Average
- ↘ Projected Population Change
  - (2022-2027) of 4.6%
- ↘ State Budget - FY 2022-2023
  - Largest in state history
- ↘ Business-friendly State with No Personal Income Tax

Government  
Higher Education  
Healthcare  
Agriculture  
Manufacturing  
Retail Distribution  
Professional Associations  
Retirees  
Tourism  
Defense  
Technology  
Transportation



# GROWTH MARKETS

## TALLAHASSEE MSA

Total Deposits ( <i>in Thousands</i> )	\$1,633,066
Market Share <sup>(1)</sup>	14.6%
Market Share Rank <sup>(1)</sup>	#3
Top 3 Industries	Government, Education, Professional
Projected Population Growth <sup>(2)</sup>	2.8%
Projected HH Income Growth <sup>(2)</sup>	11.5%

## GAINESVILLE MSA

Total Deposits ( <i>in Thousands</i> )	\$496,481
Market Share <sup>(1)</sup>	7.6%
Market Share Rank <sup>(1)</sup>	#7
Top 3 Industries	Education, Healthcare, Retail Distribution
Projected Population Growth <sup>(2)</sup>	3.5%
Projected HH Income Growth <sup>(2)</sup>	12.9%

## MACON MSA

Total Deposits ( <i>in Thousands</i> )	\$134,222
Market Share <sup>(1)</sup>	2.9%
Market Share Rank <sup>(1)</sup>	#8
Top 3 Industries	Education, Healthcare, Defense
Projected Population Growth <sup>(2)</sup>	1.5%
Projected HH Income Growth <sup>(2)</sup>	14.5%

## RURAL COMBINED - 15 Markets<sup>(3)</sup>

Total Deposits ( <i>in Thousands</i> )	\$1,214,491
Market Share <sup>(1) (3)</sup>	9.1%
Market Champions	Agriculture, Manufacturing, County Seat
- Top 3 Market Share in 8 of 15 Markets	

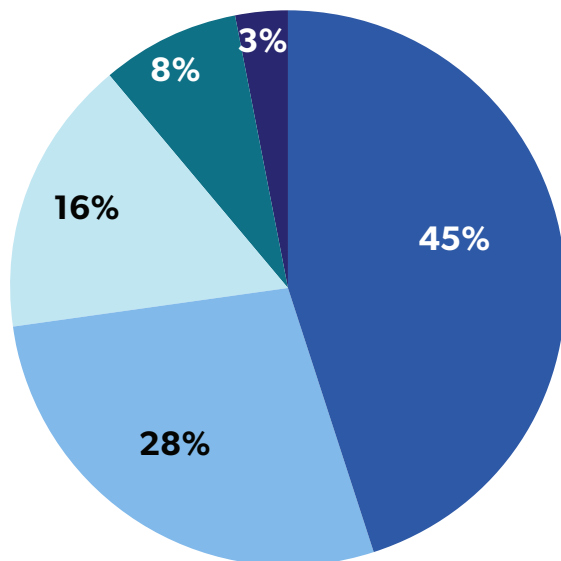
(1) Source: S&P Global Market Intelligence as of 6/30/2021

(2) Projected Change from 2022-2027 (Nielson)

(3) Excludes Markets with < 2% Share

# DEPOSIT FRANCHISE

## Average Deposit Portfolio Composition

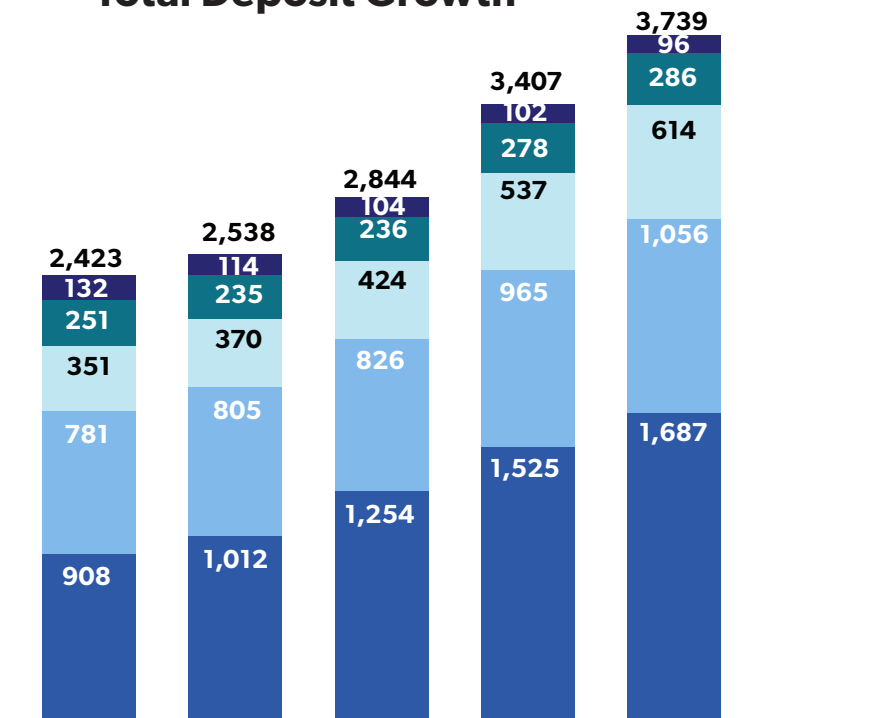


- Noninterest Bearing Deposits
- NOW Accounts
- Regular Savings Accounts
- Money Market Accounts
- Certificates of Deposit

## Deposit Portfolio Highlights

- CAGR<sup>(4)</sup> of ~ 15.3% DDA, ~ 7.3% MMA/SAV/NOW
- 97% Core Deposit<sup>(1)</sup> to Total Deposit<sup>(2)</sup>

## Total Deposit Growth



	2018	2019	2020	2021	2Q22
<b>Total Cost of Funds - CCBG<sup>(2)</sup></b>	<b>0.27%</b>	<b>0.35%</b>	<b>0.16%</b>	<b>0.10%</b>	<b>0.09%</b>
<b>Total Cost of Funds - Peer<sup>(3)</sup></b>	<b>0.66%</b>	<b>0.89%</b>	<b>0.69%</b>	<b>0.30%</b>	<b>0.23%</b>

- Noninterest Bearing Deposits
- NOW Accounts
- Regular Savings Accounts
- Money Market Accounts
- Certificates of Deposit

(1) Total Deposits less CDs

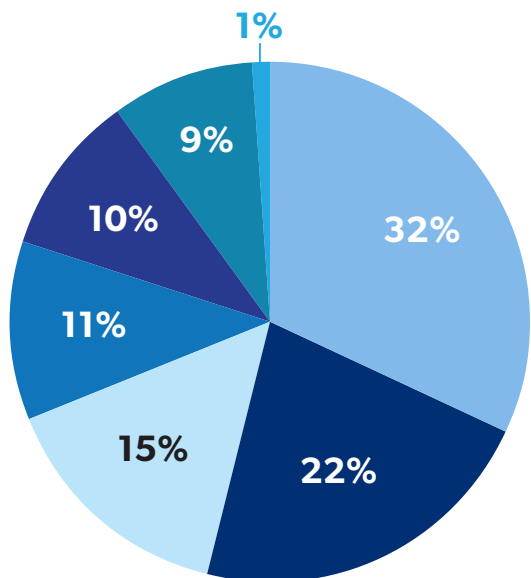
(2) YTD

(3) Publicly Traded \$1-\$5 Billion SE Commercial Banks (Source: S+P Market Intelligence)

(4) 2018 to 2022

# LOAN PORTFOLIO DIVERSIFICATION

**Loan Portfolio**  
**\$2,231,653**

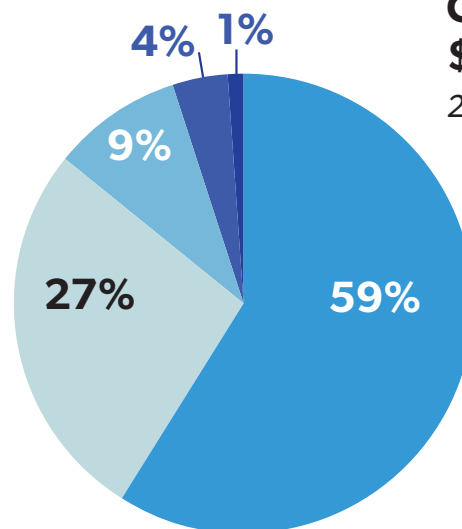


- Commercial R/E
- Residential R/E
- Indirect Auto
- Commercial Loans
- Construction R/E
- Home Equity R/E
- Direct Consumer

Top 25 loans represent 8% of total loans.  
Average loan size of \$63,000

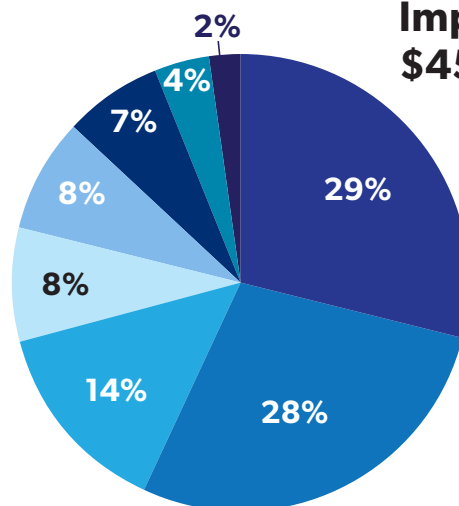
**CRE Composition**  
**\$763,995**

*215% of Tier 1 Capital*



- Improved Property
- Construction
- Vacant Land
- Condos
- Land Development

**Improved Property Composition**  
**\$450,059**



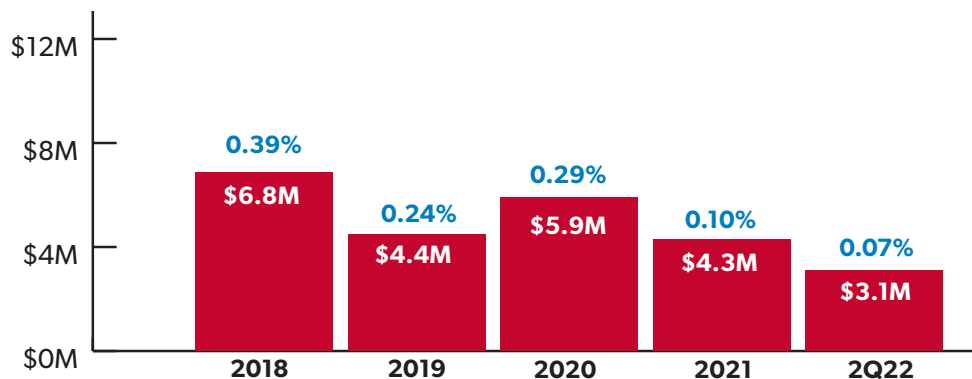
- Retail
- 1-4 Residential
- Hotel/Motel
- Multi-Family
- Office
- Other
- Industrial/Warehouse
- Gas Station/C-Store
- Gas Station/C-Store



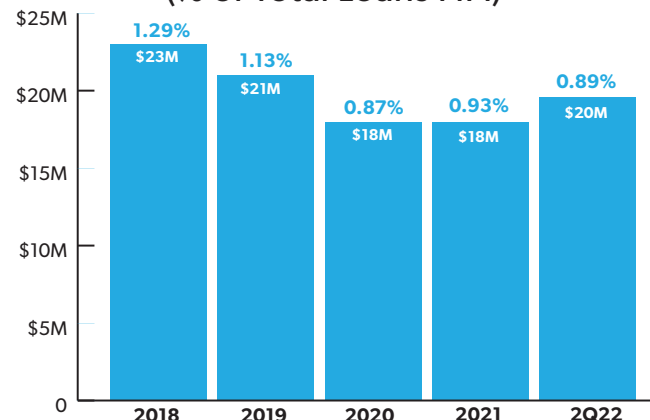
# CREDIT QUALITY

- Proven **strong** underwriting and risk management
- 5 year average annual credit losses of **10 basis points**
- **Strong credit** quality metrics at June 30, 2022
- ACL coverage **0.96% of loans**

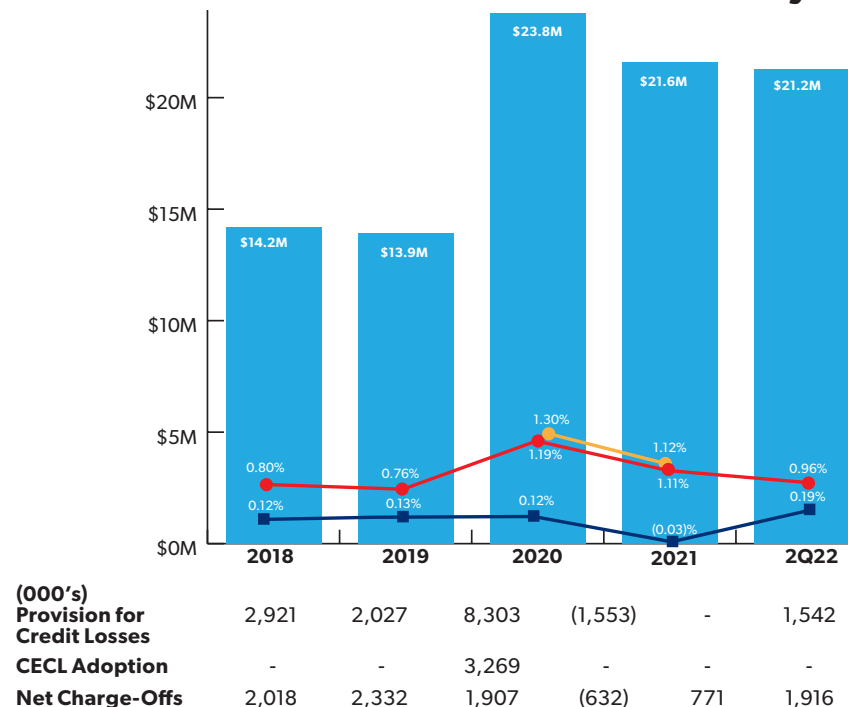
## Non-Performing Loans (% of Loans HFI)



## Classified Loans (% of Total Loans HFI)



## Allowance for Credit Losses Activity<sup>(1)</sup>

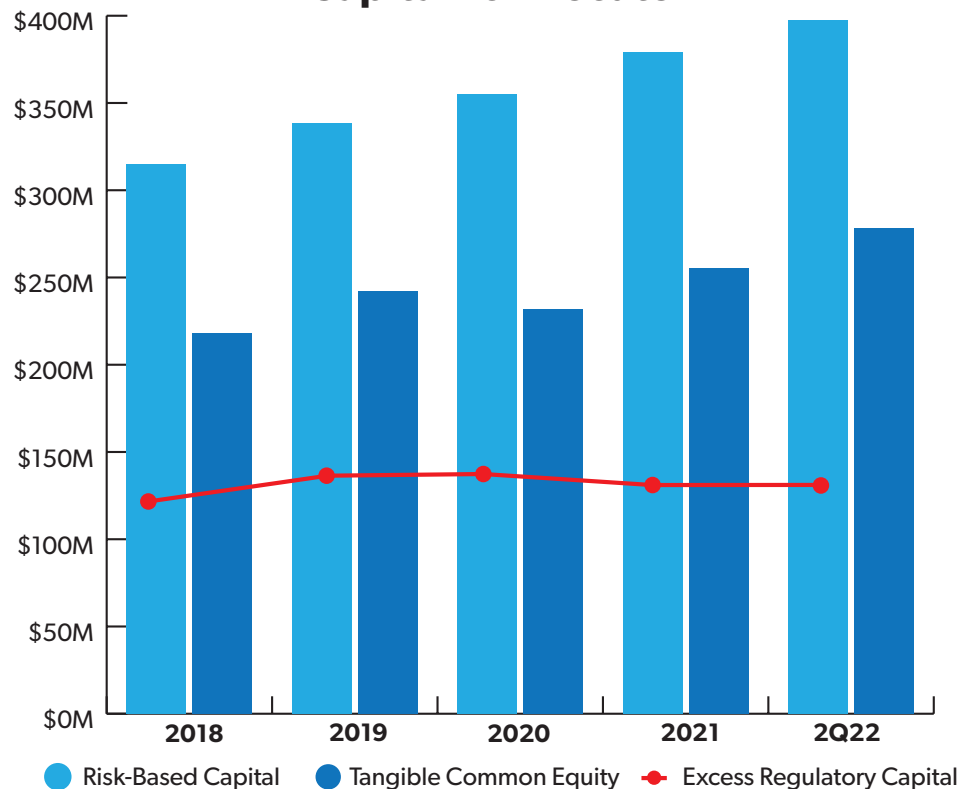


■ Allowance for Credit Losses ("ACL")<sup>(1)</sup>
— ACL Coverage Ratio (Loans HFI less SBA PPP)
 — ACL Coverage Ratio (Loans HFI)
 ■ Net Charge Ratio

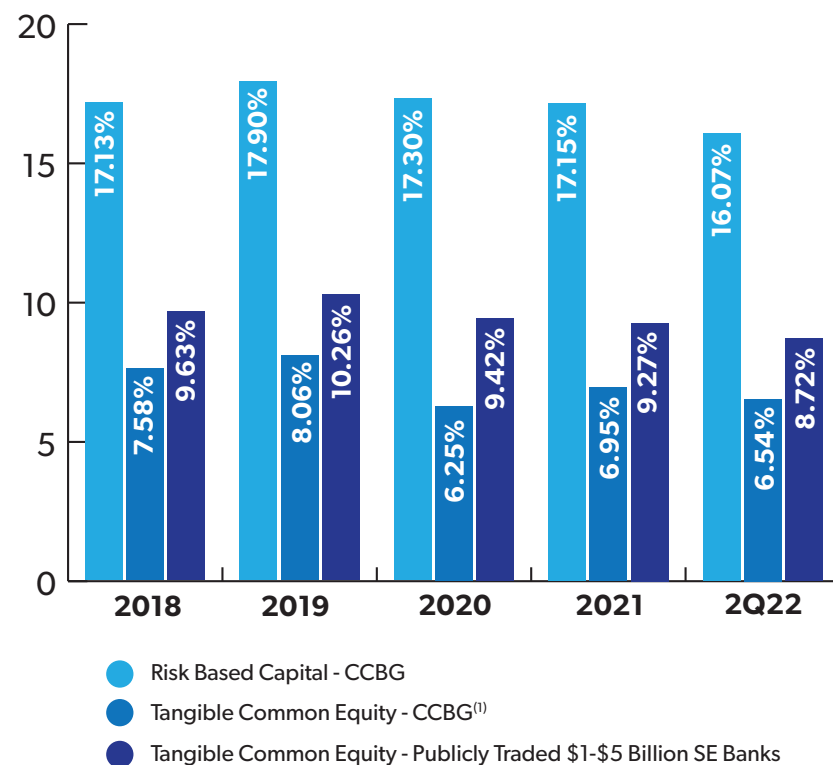
(1) HFI Loans only - does not include \$3.0M in allowance for unfunded loans at 06/30/22.

# STRONG CAPITAL POSITION

## Capital To Execute



## Staying Power



(1) Adjusted Non-GAAP, See Appendix for Reconciliation.

# STRATEGIC INITIATIVES: Three Pillars of Execution

## DRIVE REVENUES

Generate Loan Growth > Interest Rate Profile > Grow & Diversify Fee Income

## DISCIPLINED EXPENSE MANAGEMENT

Committed to Expense Reduction > Efficiency Initiatives in Motion

## EFFECTIVELY DEPLOY CAPITAL

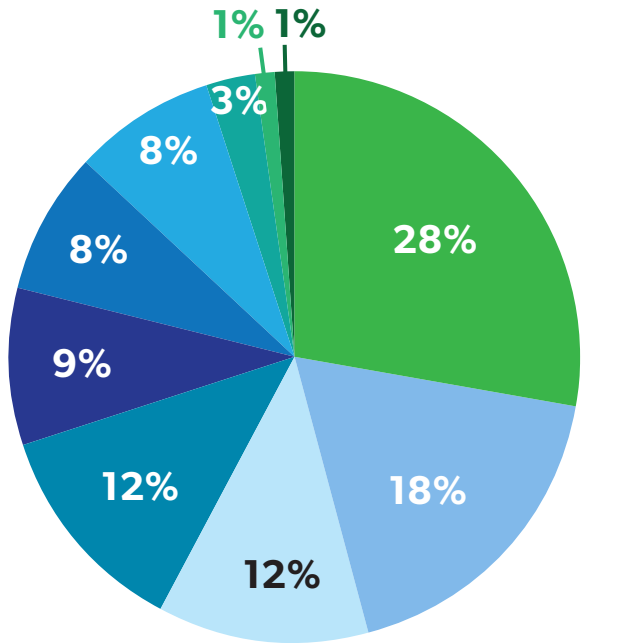
Organic Growth > Return Capital > Leverage Capital

**> Executed Under a Strong Risk Management & Credit Culture <**

# DRIVE REVENUES

## Diversified Revenues

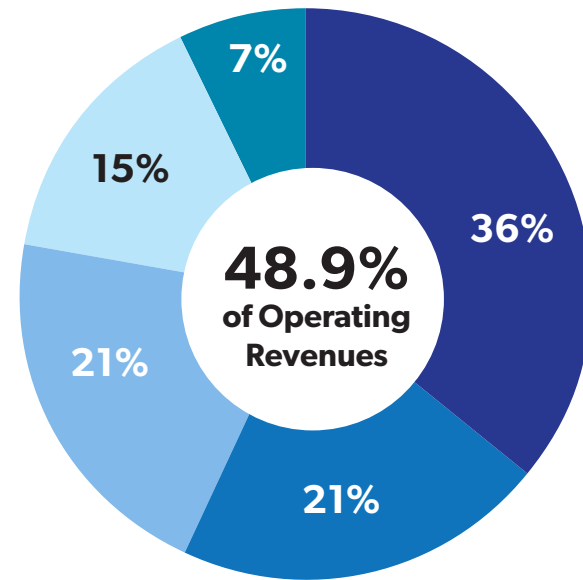
### INTEREST INCOME<sup>(1)</sup>



**\$54.8 Million**

- Commercial R/E
- Residential R/E
- Indirect Auto
- Investment Securities
- Commercial Loans
- Home Equity R/E
- Construction R/E
- Short-Term Investments
- Direct Consumer
- Fees on Loans

### FEE INCOME<sup>(1)</sup>



**\$50.7 Million**

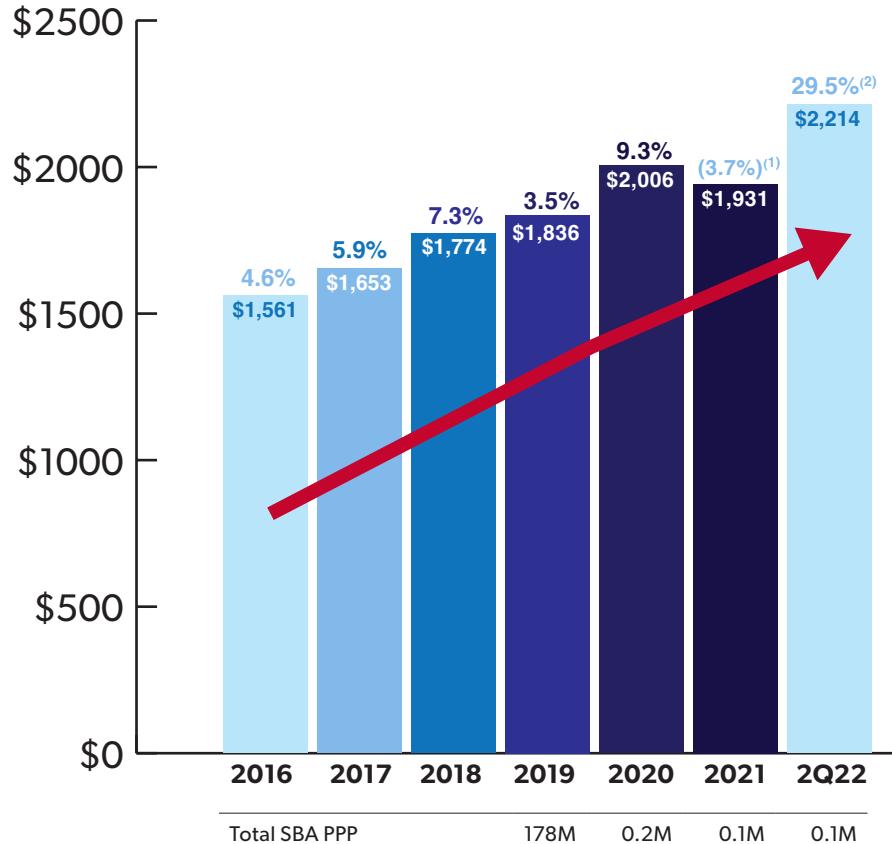
- Mortgage Banking Revenues - CCHL (51% ownership)
- Wealth Management Fee
- Deposit Fees
- Bank Card Fees
- Other

(1) YTD - 06/30/22

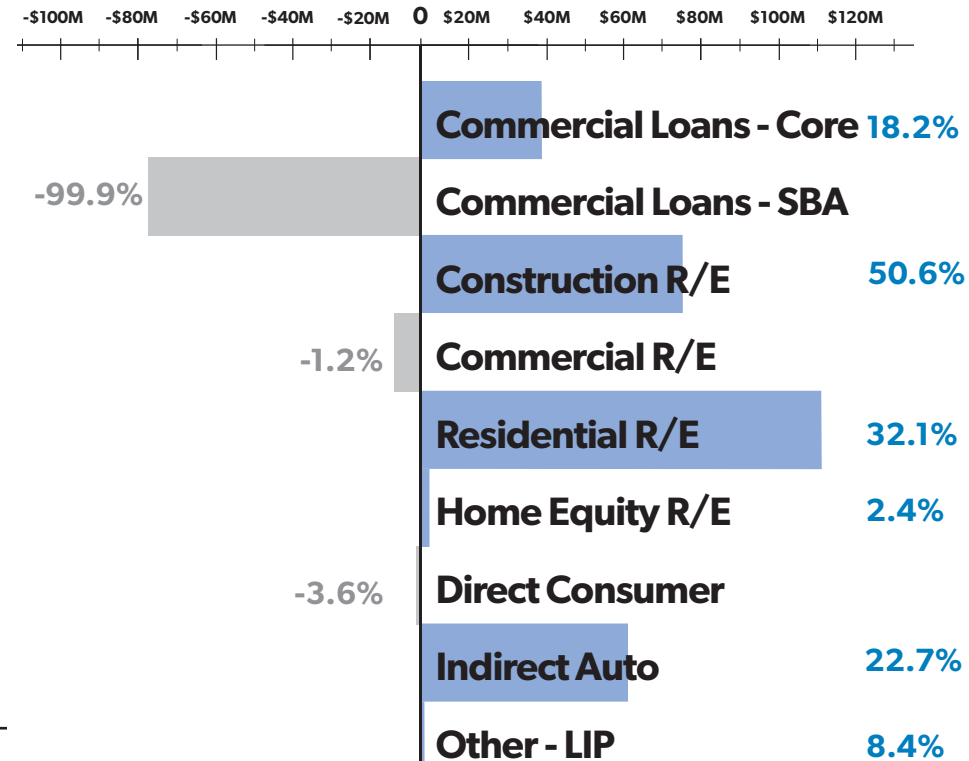
# DRIVE REVENUES

## Generate Loan Growth

**Period End Loans HFI**  
(\$ In Millions / % Growth)



**Growth By Segment<sup>(2)</sup>**



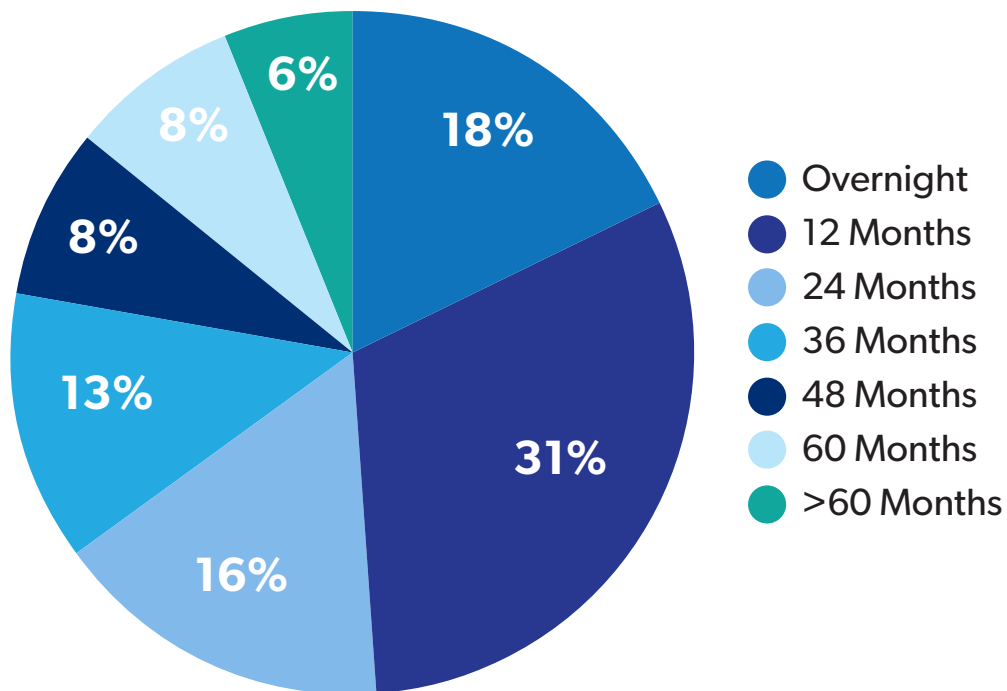
(1) Includes SBA PPP Activity - Ex SBA PPP = 5.6% core growth

(2) 4Q 2021 vs. 2Q 2022 Annualized

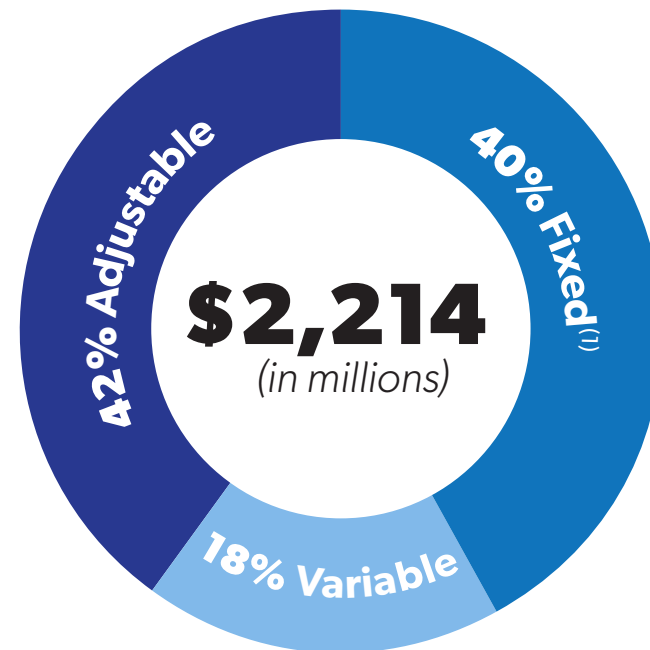
# DRIVE REVENUES

## Interest Rate Profile

Loan Repricing - HFI Loans



Rate Mix

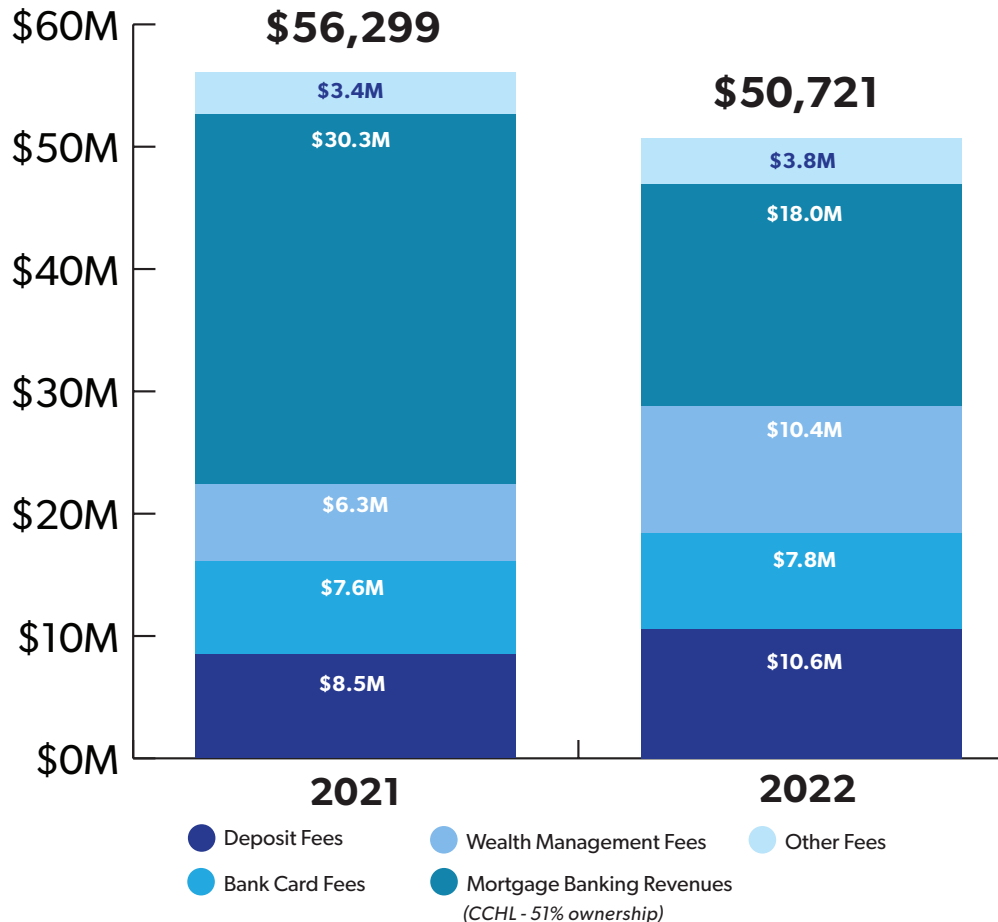


- 60% of Loan Portfolio is Variable or Adjustable
- 49% of Loan Portfolio Reprices within One Year

# DRIVE REVENUES

## Grow and Diversify Fee Income

**Fee Income Mix<sup>(1)</sup>**  
(In Millions)



## Growth Initiatives



## HIGHLIGHTS

- Wealth AUM of \$2.2B - 5 year<sup>(2)</sup> CAGR of ~10%
- Activity Based Fees (Deposit Fees and Bank Card) - Up 14% in 2022

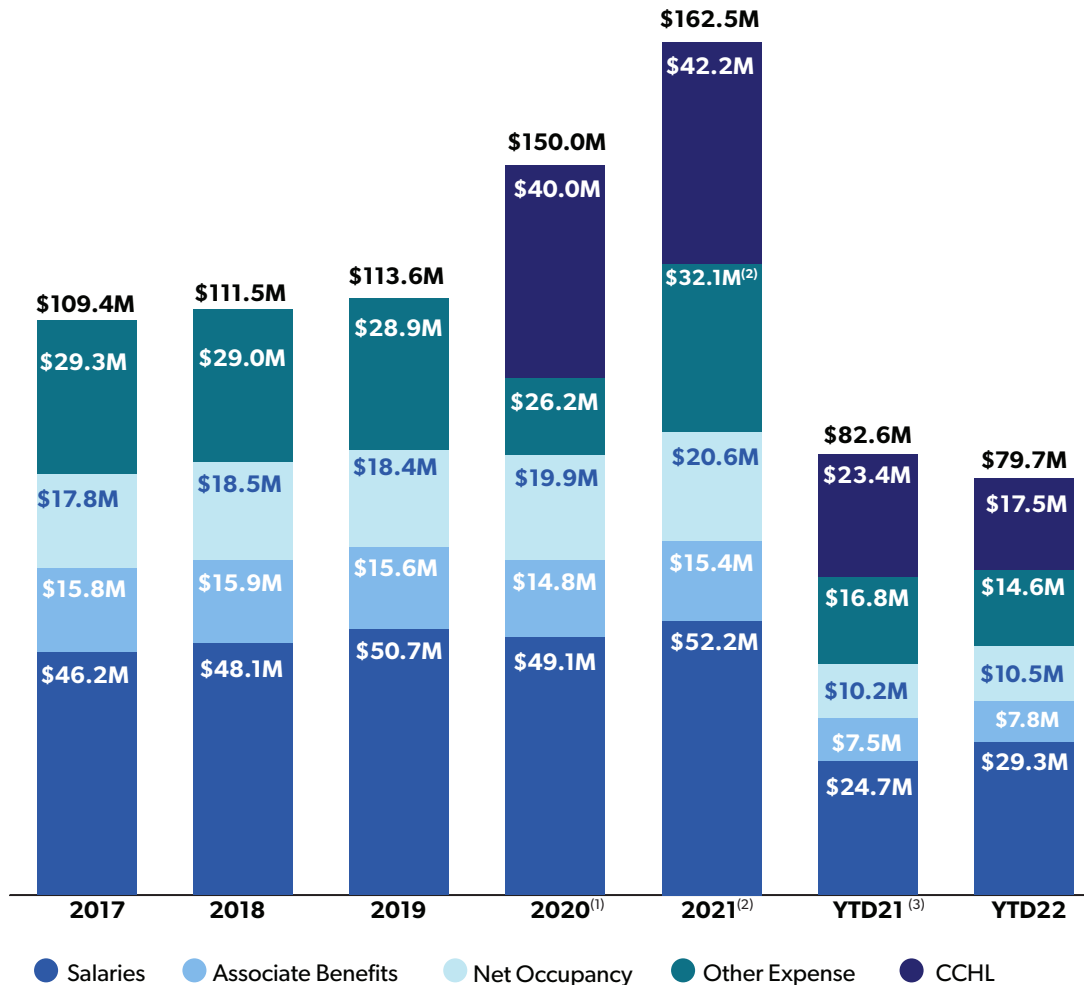
(1) YTD - June 30

(2) 2018-2022

# EXPENSE MANAGEMENT

Continued Focus on Expense Control

## Noninterest Expense Trend



## HIGHLIGHTS

- 2022 pension expense (ex-settlement charges) to decrease \$5 million from 2021
- *Efficiency Initiatives in Motion*
  - Banking Office Optimization
  - Process Improvement/RPA
  - Enhanced Digital Front Door
  - Leverage Virtual Tellers

(1) CCHL acquired on 03/01/2020

(2) Pension settlement charges of \$3 million

(3) Pension settlement charge of \$2 million



# EXPENSE MANAGEMENT

## Investing in Technology

- **50%** of all transactions are digital
- **Implementing** industry-leading marketing analytics and automation platform - 2Q22
- Participation and Investment in **BankTech Venture Fund**
- Launching widely recognized **P2P solution** - 2Q22
- Opening **3 additional digital offices** in Florida and Georgia in 2022
- **Launched client touchpoint surveys** in online/mobile banking - 1Q22
- **Client profitability system** facilitates cross-sell focus

# EFFECTIVELY DEPLOY CAPITAL



## ORGANIC GROWTH

- Technology Investments
- Leverage Infrastructure
- Deepen Client Relationships

## RETURN CAPITAL

- Dividend
- Share Repurchase Program

## LEVERAGE CAPITAL

- M&A Opportunities
- Non-Bank Businesses
- New Market Expansion

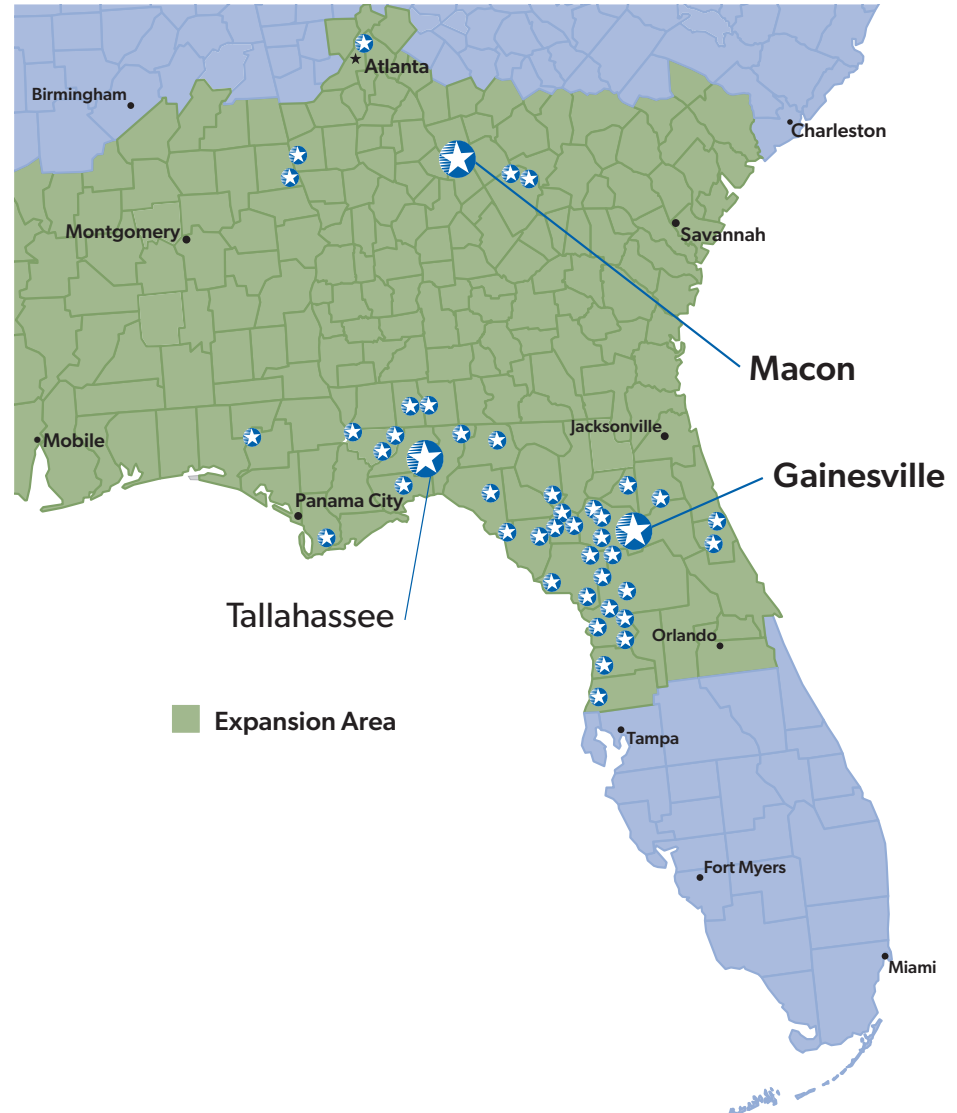
# ACQUISITION OPPORTUNITY

## PROFILE

- Banks with \$200-600M Assets  
~250 Total Banks
- TBV Pricing Attractive

## TARGETS

- Strong Core Deposit Base
- Lack of Scale to Absorb  
Regulatory Cost
- Succession Plan Unclear



# 2022 FOCUS

## BROADER BASED LOAN GROWTH

- Market Expansion, Small Business, Commercial Real Estate, Residential Real Estate, Construction Real Estate, WCF/ABL, Participations/Pools

## IMPLEMENT FEE INCOME INITIATIVES

- Checking Account Acquisition, and Strategies to Drive Interchange Revenues
- Insurance Sales
- Deepen/Cross-Sell Relationships

## EFFICIENCY

- Continue Optimization of Banking Office Network

## EVALUATE ACQUISITION OPPORTUNITIES

- Evaluate Both Bank and Non-Bank Opportunities

# WHY CCBG?

- Florida is Growing
- Combination of Stable and High Growth Markets
- Strong Deposit Franchise
- Asset Sensitive Balance Sheet
- Strong Capital – Ability to Deploy
- Insider Ownership
- Seasoned and Experienced Bankers
- Low Execution Risk
- CCBG is One of the Few Remaining “Pure Plays” in Florida



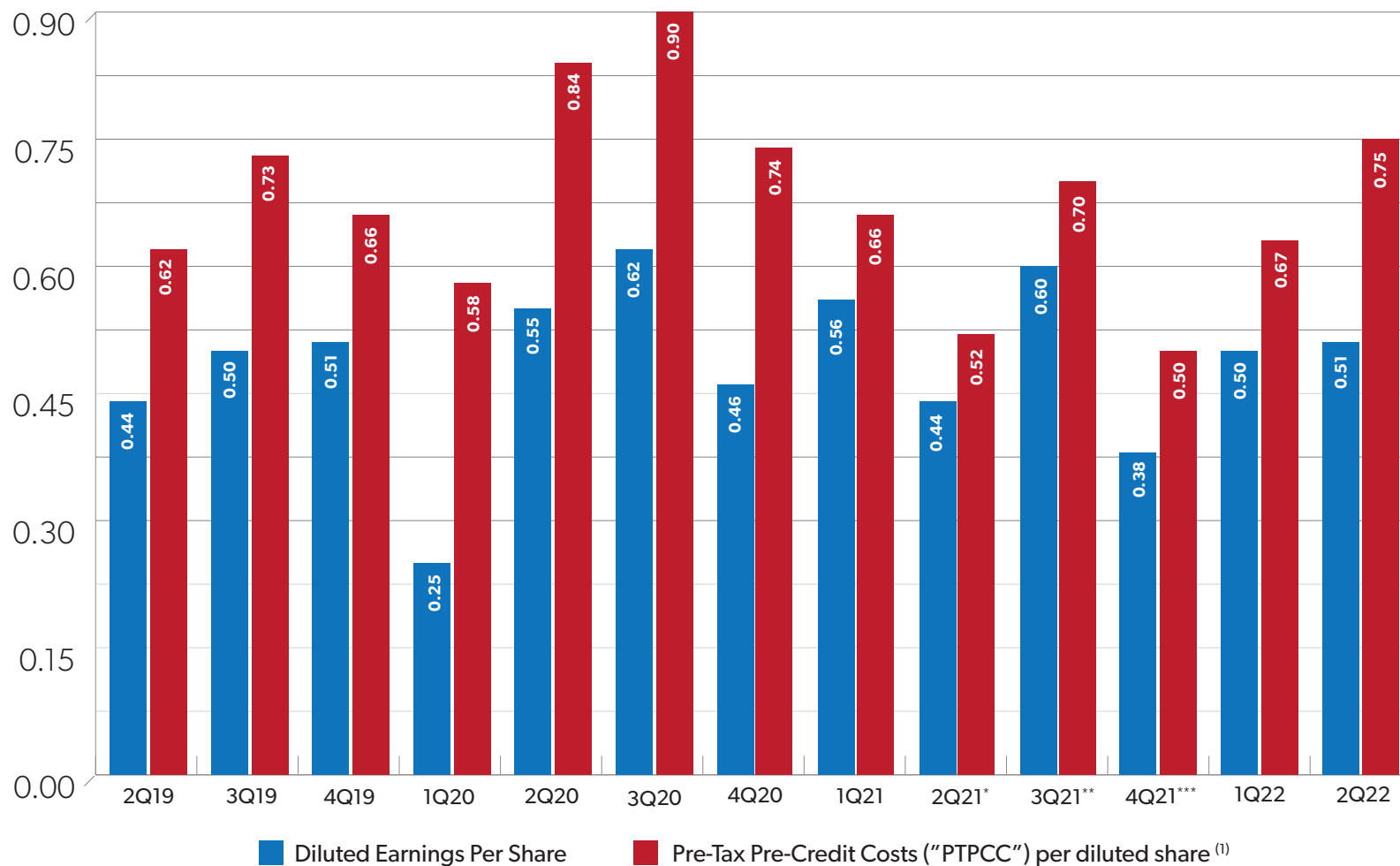
**Capital City**  
**Bank Group**

A blurred background image of a modern office interior. Several people are seated around a white table, and one person is standing in the background, possibly presenting. The scene is brightly lit with large windows.

# APPENDIX



# QUARTERLY RESULTS



\*Includes \$0.10 per share partial pension settlement expense

\*\* Includes \$0.02 per share partial pension settlement expense

\*\*\* Includes \$0.03 per share partial pension settlement expense

(1) Adjusted Non-GAAP; See Appendix for Reconciliation



# SECOND QUARTER 2022

## HIGHLIGHTS

- Net interest income grew 14.7% driven by strong loan growth and higher interest rates
- Period end loan balances grew \$228.1 million, or 11.5%, with residential loan purchases from Capital City Home Loans (CCHL) contributing \$132 million and solid growth from residential construction and commercial mortgage
- Provision for credit losses increased \$1.5 million driven by strong loan growth – overall credit quality remained strong
- Average deposit balances grew \$51.3 million, or 1.4%, driven by higher noninterest bearing and savings balances
- Noninterest income decreased \$0.9 million, or 3.5%, due to lower insurance commission revenues at Capital City Strategic Wealth (CCSW), which had a very strong first quarter – deposit, bank card, and retail brokerage fees all realized solid improvement
- Noninterest expense increased \$1.3 million, or 3.2%, primarily due to higher performance-based compensation and to a lesser extent annual merit raises and staffing additions in new markets
- Tangible book value per share declined \$0.04, or 0.2%, buoyed by strong earnings that significantly mitigated the impact of rapidly increasing interest rates and the related impact on our unrealized loss on investment securities

(Dollars in thousands)	1Q.2022		2Q.2022		\$ Change	% Change
	Core CCBG	CCHL	Core CCBG	CCHL	Core CCBG	Core CCBG
Net Interest Income	24,621	75	28,173	160	3,552	14.4%
Provision for Credit Losses	-	-	1,542	-	1,542	-
Deposit Fees	5,191	-	5,447	-	256	4.9%
Bank Card Fees	3,763	-	4,034	-	271	7.2%
Wealth Management Fees	6,070	-	4,403	-	(1,667)	-27.5%
Mortgage Banking Fees	-	8,946	-	9,065	-	-
Other	1,381	467	1,444	510	63	4.6%
Total Noninterest Income	16,405	9,413	15,328	9,575	(1,077)	-6.6%
Salaries	14,640	6,024	14,608	6,854	(32)	-0.22%
Other Associate Benefits	4,011	181	3,799	122	(212)	-5.29%
Total Compensation	18,651	6,205	18,407	6,976	(244)	-1.31%
Occupancy, Net	5,208	885	5,271	804	63	1.21%
Other	6,971	1,313	7,646	1,394	675	9.68%
Total Noninterest Expense	30,830	8,403	31,324	9,174	494	1.60%
Operating Profit	10,196	1,085	10,635	561	439	4.31%
Income Taxes	2,108	127	2,110	68	2	0.09%
Net Income (Before CCHL)	8,088	958	8,525	493	437	5.40%
CCHL 51% Interest, net of tax	367	367	188	188	(179)	-48.77%
CCBG Consolidated Net Income	8,455	-	8,713	-	258	3.05%
CCBG Consolidated Diluted EPS	0.48	0.02	0.50	0.01	0.02	5.12%

0.50

0.51

# FINANCIAL HIGHLIGHTS

<i>Dollars in Thousands, except Earnings per Share</i>	2018	2019	2020	2021	2Q22
<b>Interest Income</b>	\$99,395	\$112,836	\$106,197	106,351	54,758
<b>Interest Expense</b>	6,891	9,493	4,871	3,490	1,729
<b>Net Interest Income</b>	92,504	103,343	101,326	102,861	53,029
<b>Provision for Credit Losses</b>	2,921	2,027	9,645	(1,553)	1,542
<b>Noninterest Income</b>	51,565	53,053	111,165	107,545	50,721
<b>Noninterest Expense</b>	111,503	113,609	149,962	162,508	79,731
<b>Income Taxes</b>	3,421	9,953	10,230	9,835	4,412
<b>Less: NCI</b>	—	—	11,078	6,220	897
<b>Net Income - Common</b>	26,224	30,807	31,576	33,396	17,168
<b>Diluted Earnings Per Share - Common</b>	1.54	1.83	1.88	1.98	1.01
<b>Ratios</b>					
<b>Return on Average Assets</b>	.92%	1.03 %	.93%	.84 %	.81 %
<b>Return on Average Equity</b>	8.89	9.72	9.36	9.92	9.14
<b>Net Interest Margin</b>	3.64	3.85	3.30	2.83	2.71
<b>Net Charge-offs to Average Loans</b>	.12	.13	.12	(0.03)	.19
<b>Efficiency Ratio (FTE)</b>	77.05	72.40	70.43	77.11	76.73
<b>Dividend Payout Ratio</b>	20.78	26.23	30.32	31.31	31.42

# FINANCIAL HIGHLIGHTS

<b>As of Period-End</b> <i>Dollars in Thousands</i>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2Q22</b>
<b>Investments</b>	\$663,477	\$643,140	\$494,809	\$995,073	\$1,130,563
<b>Loans Held for Investment</b>	1,774,225	1,835,929	2,006,426	1,931,465	2,219,653
<b>Total Assets</b>	2,959,183	3,088,953	3,798,071	4,263,849	4,354,297
<b>Noninterest Bearing Deposits</b>	947,858	1,044,699	1,328,809	1,668,912	1,724,671
<b>Interest Bearing Deposits</b>	1,583,998	1,600,755	1,888,751	2,043,950	2,061,587
<b>Total Deposits</b>	2,531,856	2,645,454	3,217,560	3,712,862	3,786,258
<b>Capital</b>	302,587	327,016	320,837	383,166	371,675
<b>Ratios</b>					
<b>Risk Based Capital</b>	17.13%	17.90%	17.30%	17.15 %	16.07%
<b>Tangible Equity</b>	7.58	8.06	6.25	6.95	6.54
<b>Diluted Tangible Book Value Per Share</b>	12.96	14.37	13.76	17.12	16.40
<b>Nonperforming Loans to Loans HFI</b>	.39	.24	.29	.22	.14
<b>Reserve to Loans (ex. SBA PPP)</b>	.80	.75	1.30	1.12	.96
<b>Reserve to Nonperforming Loans</b>	206.79	310.99	405.66	499.93	677.57

# MARKET DEMOGRAPHIC

LEGACY MARKETS PROVIDE STABLE AND PREDICTABLE GROWTH,  
WHILE ATTRACTIVE NEW MARKETS PROVIDE HIGHER GROWTH OPPORTUNITIES.

	Population Growth Rate		Household	
	2010-2022	2022-2027	Median Income 2022	Projected Change 2022-2027
<b>Tallahassee MSA</b>	7.0%	2.8%	\$59,127	11.5%
<b>Walton</b>	43.5%	6.5%	\$69,418	10.2%
<b>CCBG Florida Markets</b>	15.6%	3.7%	\$59,942	11.1%
<b>Florida</b>	16.9%	4.6%	\$66,251	12.4%
<b>Northern Arc</b>				
<b>Cobb</b>	12.1%	4.3%	\$88,159	9.7%
<b>Gwinnett</b>	19.1%	5.5%	\$80,869	10.4%
<b>CCBG Georgia Markets</b>	0.4%	1.5%	\$48,085	3.2%
<b>US</b>	8.3%	3.2%	\$72,465	12.1%

# NON-GAAP FINANCIAL MEASURES

We present a tangible common equity ratio that removes the effect of goodwill resulting from merger and acquisition activity. We believe this measure is useful to investors because it allows investors to more easily compare our capital adequacy to other companies in the industry. The GAAP to non-GAAP reconciliation is provided below.

<i>Dollars in Thousands</i>		2018	2019	2020	2021	2Q22
<b>TANGIBLE COMMON EQUITY RATIO</b>						
<b>Shareowners' Equity (GAAP)</b>		\$302,587	\$327,016	\$320,837	\$383,166	\$371,675
<b>Less: Goodwill (GAAP)</b>		\$84,811	\$84,810	\$89,095	\$93,523	\$93,173
<b>Tangible Shareowners' Equity (non-GAAP)</b>	A	\$217,776	\$242,206	\$231,742	\$289,643	278,502
<b>Total Assets (GAAP)</b>		\$2,959,183	\$3,088,953	\$3,798,071	\$4,263,849	\$4,354,297
<b>Less: Goodwill (GAAP)</b>		\$84,811	\$84,810	\$89,095	\$93,523	93,173
<b>Tangible Assets (non-GAAP)</b>	B	\$2,874,372	\$3,004,143	\$3,708,976	\$4,170,326	4,261,124
<b>Tangible Common Equity Ratio</b>	A/B	7.58%	8.06%	6.25%	6.95%	6.54%

Pre-tax pre-credit costs per diluted share is a measure used by management to evaluate core operating results exclusive of credit costs, including loan loss provision and other real estate expenses. We believe this measure is useful to investors because it allows investors to more easily compare our core operating results to other companies in the industry. The GAAP to non-GAAP reconciliation is provided below.

<i>Dollars in Thousands</i>		2020	2021	2Q22
<b>PRE-TAX PRE-CREDIT COSTS Per Diluted Share</b>				
<b>Income Before Income Taxes (GAAP)</b>		\$41,806	\$43,231	22,477
<b>Plus: Provision for Loan Losses (GAAP)</b>		\$9,645	\$ (1,553)	\$1,542
<b>Plus: Other Real Estate Owned Expense (GAAP)</b>		\$104	\$ (1,488)	(4)
<b>Pre-Tax Pre-Credit Costs (non-GAAP)</b>	A	\$51,555	\$40,190	\$24,015
<b>Average Diluted Common Shares (GAAP)</b>	B	16,822	16,893	16,958
<b>Pre-Tax Pre-Credit Costs Per Diluted Share</b>	A/B	\$3.06	\$2.38	1.42



**Capital City  
Bank Group**

**Corporate Headquarters**

217 North Monroe Street

Tallahassee, FL 32301

**[www.ccbg.com](http://www.ccbg.com)**