BAYFIRST

TAKING THE NEXT STEP TOGETHER

HERE FOR WHAT'S NEXT®

PERFORMANCE HIGHLIGHTS

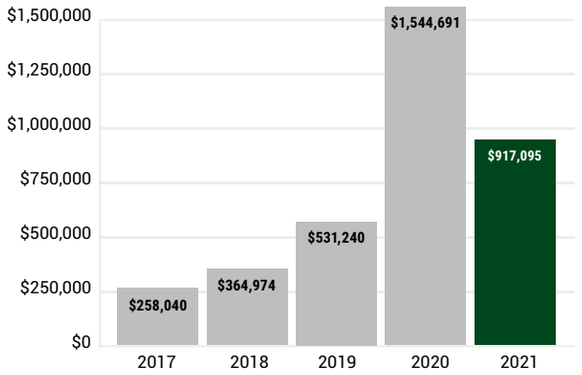
(In thousands, except per share and ratio data)

For the Years Ended December 31	2021	2020	2019	2018	2017
Interest Income	47,543	43,730	25,701	21,599	11,907
Interest Expense	7,300	10,278	8,267	4,368	2,059
Net Interest Income	40,243	33,452	17,434	17,231	9,848
Provision for Loan Losses	(3,500)	16,900	8,869	1,335	4,940
Non-Interest Income	117,577	97,695	53,124	29,538	23,229
Non-Interest Expense	128,842	98,469	55,392	47,104	22,522
Pretax Income (Loss)	32,478	15,778	6,297	(1,670)	5,615
Income Tax Expense (Benefit)	7,860	3,075	1,813	(465)	2,275
Net Income (Loss)	24,618	12,703	4,484	(1,205)	3,340
At Year End					
Total Assets	917,095	1,544,691	531,240	364,974	258,040
Total Loans Held for Investment, Net	570,496	1,207,160	303,192	280,681	170,617
Total Deposits	721,685	558,785	448,594	306,584	197,760
Shareholders' Equity	96,290	71,069	51,332	37,786	29,891
Tier 1 Leverage Ratio (Bank only)	12.22%	11.75%	10.49%	11.72%	10.67%
Total Capital Ratio (Bank only)	21.25%	17.02%	17.84%	18.29%	15.47%
Per Share Data*					
Basic Earnings (Loss) Per Common Share	$6.21	$3.45	$1.27	$(0.43)	$1.51
Tangible Book Value at Year End	$21.75	$16.02	$12.77	$11.49	$11.40
Performance Statistics					
Return on Average Common Equity	32.37%	25.50%	10.55%	(3.33%)	15.07%
Return on Average Assets	1.90%	1.06%	0.99%	(0.37%)	1.48%
Net Interest Margin	3.23%	2.88%	4.08%	5.74%	4.26%

** Per share data was adjusted for years 2017 through 2020 to reflect a 3 for 2 stock split which occurred in May 2021.*

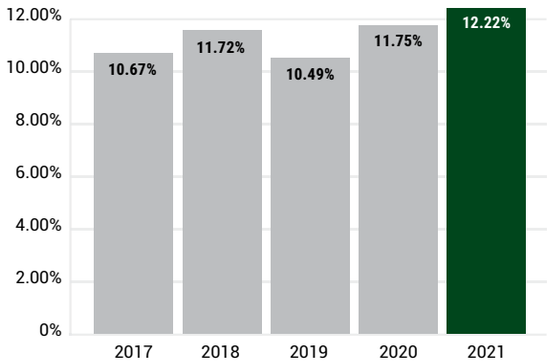
Total Assets

($ in thousands)



Capital Strength

Tier 1 Leverage Ratio



BANK OVERVIEW.

FIRST THINGS FIRST.

Our Story

When we commenced operations more than 20 years ago, BayFirst Financial Corp. and our principal subsidiary, First Home Bank, set a course for success that has resulted in the transformation from a small, privately held bank — with the two branches as of 2015 — into the premier financial institution of the Tampa Bay area. Today, First Home Bank is not only one of the most enviable community banks in the region, it is also a nationwide leader in SBA and residential mortgage lending. We have achieved this exponential growth without losing sight of our commitment to making an impact in our own community and being Here for What's Next® in the lives of every customer we serve.

Our Mission

Our long-term vision is to serve the needs of the Tampa Bay community and enrich the lives of the broad spectrum of individuals, families and small businesses who call it home by assisting them in achieving their goals – whatever they may be. In doing so, we will achieve our mission to become *the* bank of Tampa Bay while simultaneously supporting small businesses and homebuyers across the country through our national business lines in residential and SBA lending, and an advanced technology platform..

2021 AT A GLANCE.

DRIVING PROFITABILITY WITH PURPOSE.

IMPACT

60+
IMPACT Sponsored Community Events

33
New Impact Training Programs
for Business Owners & Community Groups

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

100%
Carbon-Neutral
Banking Centers

PROVIDING EQUAL ACCESS TO CREDIT
ENVOYS (PEACE) TEAM LAUNCH

5
Mortgage Loan Officers
Became NAAMBA Certified Community Leaders

COMMUNITY BANKING STATISTICS

31%
Increase
in Checking & Savings Balances

MINORITY OWNED BUSINESS LENDING PROGRAM GOAL

Over $100 Million
in Minority Lending

RESIDENTIAL STATISTICS

Increased Production by 16% Over 2020

More than $2.2 Billion
in Loans Originated

PPP LOANS

$320 MILLION
in Funding Small Businesses

100,000+
Employees Supported

SBA STATISTICS

#1
SBA 7(a) Lender
in Tampa Bay for SBA Fiscal Year

DIVERSITY, EQUITY AND INCLUSION

$18
Minimum Wage
Established

FOCUSING FORWARD.

CHECKING IN WITH OUR CHAIRMAN AND CEO

We are pleased to report that BayFirst Financial Corp. rose to new heights in 2021, while laying the foundation for future growth and sustained profitability. In a year during which the banking industry focused on recovery and adapting to changing customer behavior and expectations resulting from the worldwide pandemic, at First Home Bank, we never lost sight of our long-term strategic goals.

In 2021, we built upon the success and momentum generated in previous years, thanks to the exceptional overall growth and record-breaking financial performance achieved through our principal subsidiary, First Home Bank. Resulting in large part from revenue derived from residential lending and the Paycheck Protection Program (PPP), BayFirst posted an annual record net income of $24.6 million, or $6.21 per common share, as compared to $12.7 million, or $3.45 per common share in 2020, respectively, while providing our shareholders an extraordinary return on average common equity of 32.37%.

CreditBench, First Home Bank's SBA lending division, remained on the frontlines of PPP through the second quarter of 2021, providing more than $320 million in critically needed relief funding for small businesses and bringing its 18-month PPP lending total to more than $1.2 billion. In doing so, CreditBench ranked as the nation's top PPP lender relative to asset size, with a total loan production of more than twice that of the nearest competitor. More importantly, CreditBench helped thousands of businesses endure during another challenging year, putting our overall purpose into greater perspective yet again.

Although we took great pride in this national recognition, our primary objective remained increasing our impact in our own backyard and supporting the businesses that also call it home. This commitment was validated in the third quarter of 2021, when CreditBench reemerged as the preeminent SBA 7(a) lender in Tampa Bay, leading all other community, regional and money center banks in the area in both units and volume, originating more than 370 SBA 7(a) loans totaling $176 million in the SBA's 2021 fiscal year. However, our work has only just begun, and we remain steadfast in our commitment to establishing First Home Bank as the bank of choice for small business owners in the region.

While CreditBench was focused on completing PPP and reemerging as a leading SBA 7(a) lender, First Home Bank's Residential Mortgage Division – which includes 23 mortgage loan production offices (LPOs) across the nation as of year end

– capitalized on near-record-low mortgage rates and increased demand to shatter its own production records. The Division originated more than $2.2 billion in residential mortgage loans and expanded its Tampa Bay production team, positioning it to remain a significant contributor to profitability long term and the development of our franchise in 2022 and beyond.

Likewise, First Home Bank's Community Banking Division experienced another year of unprecedented success while maintaining its focus on delivering an unmatched banking experience. Checking and savings accounts increased by more than 31% in 2021, while total deposits grew by more than 29%. Though deposit growth provides funding for new loans, increasing the total number of accounts remains a key strategic goal as we endeavor to expand our footprint and the breadth of our customer base.

Satisfied customers introduce First Home Bank to friends, families and associates, creating more lending opportunities across all business lines. To complement our retail banking services, we modernized our consumer lending technology, introducing a mobile loan app and creating internal efficiencies in the origination and processing of retail loans. The new consumer loan program quickly gained traction and is poised to become a significant contributor to our overall organization and better position us to support our customers at every stage of their financial journey.

Simultaneously, we remained focused on the continued expansion of our footprint in the Tampa Bay area. In November, we celebrated the opening of our seventh banking center located in Belleair Bluffs, Florida. Now with five offices in our Pinellas County home, we've turned our attention to increasing our presence in neighboring counties, announcing the groundbreaking of a second Sarasota banking center and the opening of an LPO and Financial Resource Center located in the Newtown Community of North Sarasota – the first of its kind in this historically underserved district with a rich African American heritage. Additionally, we are developing banking centers in the Carrollwood section of Tampa, on Bee Ridge Road in Sarasota, and in West Bradenton and Lakewood Ranch in Manatee County.

At a time when other financial institutions are closing offices, First Home Bank remains committed to opening locations where we identify opportunity, confident that each will enjoy the same level of success as those opened in recent years. Our banking centers increase the company's visibility and support the efforts of our lending teams, who in turn can help to grow our core deposit base. More importantly, having physical locations allows us to truly become a part of the community we serve and meet our customers on their terms. This means providing both personal interaction and service, plus the most effective technology available.

To that end, in 2021, we developed an advanced technology platform to support innovative services while optimizing internal efficiencies. We improved the Bank's digital footprint, presence and capabilities, delivering the technologies our customers expect and demand, while enhancing information and cybersecurity. Our web-based Power Loan Operation System (LOS) moved through beta testing and will soon be available to loan customers. This fully integrated, end-to-end commercial LOS provides business customers the capability to complete an application, provide necessary documentation, and track the progress of their loan entirely online, complementing our residential mortgage and consumer loan apps. Moreover, our technology platform provides First Home Bank the capability to seamlessly integrate with a wide range of fintech providers and expand our presence in the growing payments field.

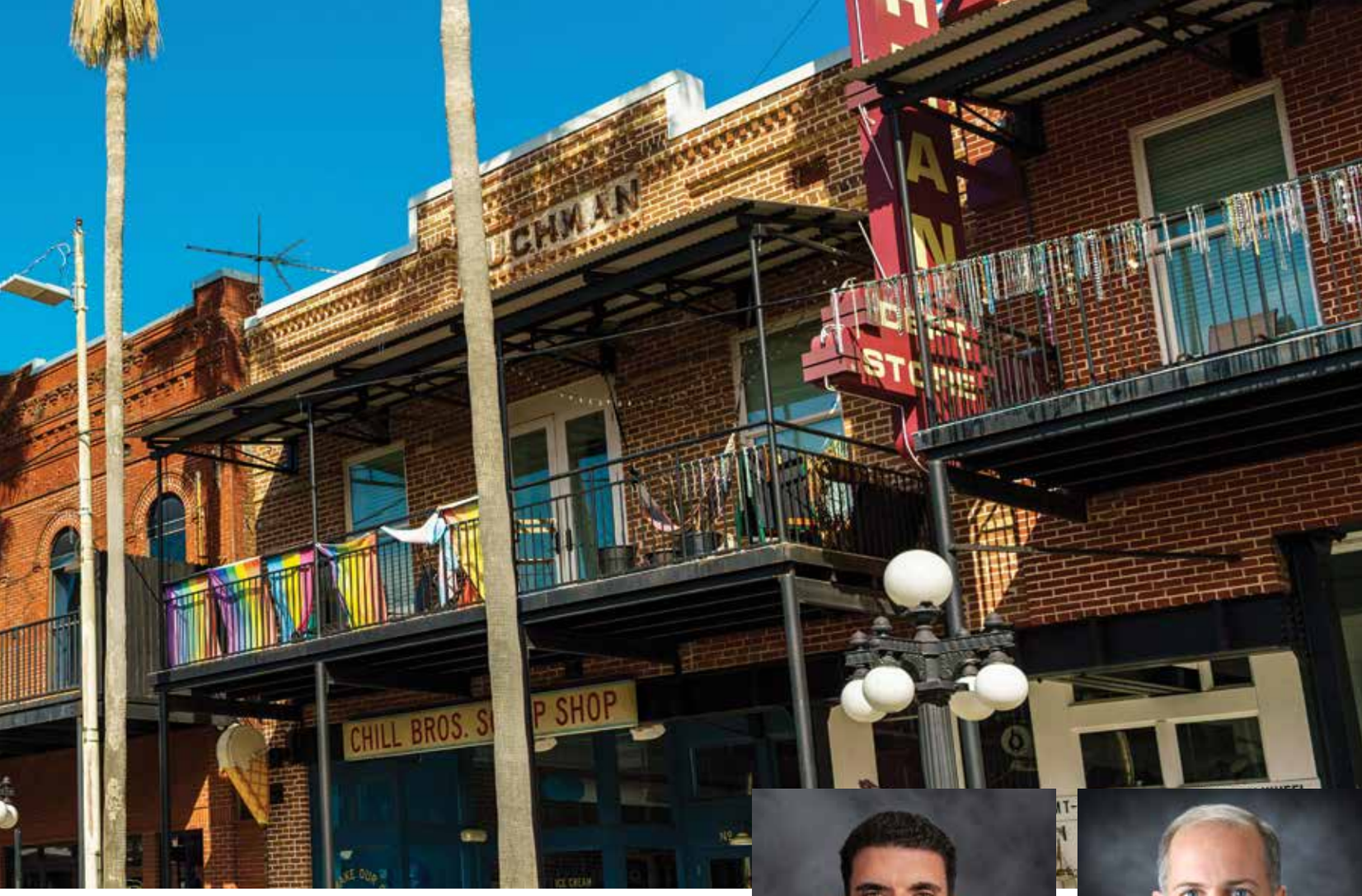
While innovation, growth and profitability remain our key objectives, our Environmental Social and Governance Committees ensure we meet our commitment to serving all of First Home Bank's stakeholders, including the broader community and the world around us. In early 2021, we launched Impact, a comprehensive community engagement and support program through which we provide both financial and volunteer support critical to local community organizations. In doing so, we also foster team building among our staff, as employees from across the Company band together to better the communities we serve.

In late 2020, we launched a Minority Owned Business Lending Program (MOBLP) designed to address the financial challenges facing minority-owned small businesses and combat inequalities in the allocation of capital. We set an ambitious two-year lending goal of $50 million, which we surpassed just ten months later in August 2021. With that success, we have doubled our MOBLP goal for 2022 and extended our efforts to include home financing. In mid-2021, we also established a dedicated group of mortgage lenders known as the PEACE Team (Providing Equitable Access to Credit Envoys) with the special goal of providing home financing to minority and low-to-moderate income individuals and families.

Doing our part to address the global challenge of climate change is another component of our commitment to corporate social responsibility. We are proud to report that all of our banking centers are now carbon neutral, and we have obtained LEED certification of our Seminole Banking Center, with certification of the remaining banking centers underway.

Recognizing that our employees are our most valuable resource and key stakeholders in our success, we are dedicated to cultivating a diverse, inclusive, and rewarding work environment where employees are valued and understood. In 2021, we added a host of new employee benefit programs, including paid parental leave, childcare match, tuition reimbursement, student loan reimbursement, a robust corporate wellness initiative, and the most attractive employee mortgage program available. Together with progressive workplace policies, career development opportunities, two-way communication channels and more, we ensure First Home Bank is a preeminent workplace that reflects our social landscape.

In spring 2022, we will rebrand First Home Bank to BayFirst, matching our corporate name. We are modernizing the design of our brand, marketing, and facilities to better reflect the progressive nature of our organization, which we believe stands out among our competitors as *the* bank of Tampa Bay. In November, BayFirst Financial Corporation began



trading its common stock on the NASDAQ under the symbol BAFN, positioning itself as the only publicly traded bank on the west coast of Florida, and only one of eight in the state. The NASDAQ listing represents the culmination of our efforts to transform First Home Bank from a small bank with two offices and $69 million in total assets in 2013 into a premier community bank with first-in-class, nationwide residential mortgage and SBA lending divisions.

In the following report we will expand upon the highlights and milestones of 2021, as well as the people, products and services that will continue to propel BayFirst in its upward trajectory in the years to come. And though the future looks bright today, we know we would not be enjoying our success were it not for the trust of our customers, the dedication of our employees, the support of our shareholders and the guidance of our Board of Directors. Because of them, BayFirst Financial Corp. was able to remain focused on its long-term goals during a time of great uncertainty, when many others took their foot off the pedal.

Thank you for your interest in BayFirst Financial Corp. We look forward to building on our momentum in 2022 and looking back together on 2021 as a great year, but only the beginning of something even greater. ■

Anthony Saravanos
Chairman of the Board

Anthony Leo
Chief Executive Officer

OUR COMMUNITY.
OUR RESPONSIBILITY.

PUTTING THE BAY FIRST.

To First Home Bank, responsible banking means more than minimizing risk. As both a Tampa Bay community bank and a nationwide lender, we know that every action we take has a ripple effect on the world around us, so we strive to make sure these ripples leave a positive impact in their wake. We do this by ensuring Environmental, Social and Governance (ESG) standards are core components of our overall efforts and guide us as we evaluate best business practices, seek responsible growth, and work to align our initiatives with the vision we have for the future.

First Home Bank is committed to the highest ESG standards in all aspects of our operations, including:

- Being an exemplary corporate citizen
- Providing fair & equitable access to the banking system
- Engaging with our communities
- Offering the best possible workplace & opportunities for advancement

To that end, in 2021 we formed management and board-level ESG committees. Together they developed an official ESG policy and published an ESG policy statement focused on environmental sustainability; social responsibility, diversity, equity and inclusion; community engagement; employee/workforce management and well-being; and governance and transparency.

As we enter a new year, we are armed with a solid plan, a clear path for measurement, and many reasons to celebrate the strides made in each of the three core pillars of our overall ESG plan.

ENVIRONMENT

First Home Bank is committed to doing our part to protect the planet we all share, and we recognize that climate change presents the greatest challenge. Accordingly, we are undertaking numerous initiatives encouraging energy efficiency and sustainability to ensure we are the best stewards of the environment.

In 2021, we began the process of obtaining LEED certification of our banking centers through the United States Green Business Council, and as of December reached the final stages of a plan developed with We Are Neutral to achieve a carbon neutral footprint throughout our retail banking locations. We are proud to announce that today we are 100% carbon neutral at all seven banking centers and are committed to achieving net zero carbon emissions at each that we build going forward. We also continue to look for ways to minimize our carbon footprint at future banking centers and have worked features such as energy efficient lighting and equipment and free electric vehicle charging stations into the plans for each.

In 2021, First Home Bank also engaged in a comprehensive recycling program in our banking centers and corporate offices to limit waste of paper and plastic and to ensure proper disposal of electronic waste and other office products. We also made substantial investments in infrastructure and leveraged technological advancements in an effort to reduce paper usage.

SOCIAL

Putting the Bay First

When we say we're Here for What's Next®, we don't just mean assisting customers with their next home purchase, business venture or savings plan. As a community bank, our commitment to improving lives runs deeper and includes focusing on the impact we have on the communities we serve. Through progressive initiatives, listening and learning, and continual evaluation of our efforts, we are working towards a better, more inclusive future for all.

Making Our Impact

In January 2021, First Home Bank launched Impact, a new community engagement program designed to encourage and increase volunteerism throughout the Bank and ensure a more significant community presence. Through Impact we created a corporate-wide focus on selected nonprofits in the four key areas of Community and Human Services, Education and Financial Literacy, Arts and Culture and Animal Services and Programs.

Q1 Deuces Live

$5,000 Donation | Breakfast Event Sponsorship

First Home Bank partnered with Deuces Live, a nonprofit organization committed to reviving the historic 22nd Street South District of St. Petersburg – the former hub of black businesses, homes, and entertainment during the time of segregation.

> **"The grant was used to fund a Community Coupon program for our neighborhood and community members."**
> - Veatrice Farrell, Executive Director of Deuces Live Inc.

Q2 The Arts Conservatory for Teens (ACT)

$100,000 Donation

The Arts Conservatory for Teens (ACT) improves the lives of over 2,500 youth and teens throughout our community by providing arts education to under-served school systems and communities.

> **"[First Home Bank] has had an amazing impact on ACT's realization of its mission, not just with its financial commitment, but with the support encouraged and offered by its employees."**
> - Carlos Navedo, Director of Development at the Arts Conservatory for Teens

Q3 SPCA Tampa Bay

57 Volunteer Hours | $5,000 in Matched Donations

First Home Bank joined SPCA Tampa Bay – a nonprofit, animal welfare agency that runs an open-admission-for-all animal shelter and public veterinary center in Pinellas County. We also took part in its Paw It Forward, a donation match program that raises money to help animals in need.

> **"SPCA Tampa Bay is so grateful for partners like [First Home Bank] who go above and beyond in supporting our shelter pets!"**
> - Colleen Cherry, Volunteer Program Manager at SPCA Tampa Bay

Q4 HEAT Program

Campus Beautification + Employee Donations | Volunteer Mentoring Program

First Home Bank employees volunteered to beautify the campus of the HEAT Program which provides educational and social work services to children, youth, and families transitioning out of homelessness.

> **"I can't express enough the positive impact that the Day of Caring meant to our school."**
> - Dr. Robert Ovalle, Principal Mount Vernon Elementary

DIVERSITY, EQUITY AND INCLUSION

Opportunity for Everyone

One of our primary goals is to ensure First Home Bank is an institution where employees are proud to work and customers are proud to bank. To do so, we continuously look inward to create a culture that fosters Diversity, Equity and Inclusion (DEI) and reflects the values of our community members and employees. We also seek to build an environment where everyone is given the opportunity to succeed, which includes focusing on assisting those who face unnecessary obstacles in their journey toward achieving their dreams.

In May, we established a minimum wage of $18 per hour for all First Home Bank employees to ensure responsible growth of the institution while best serving the needs of our customers and diverse workforce. The standard ensures that every employee, regardless of position, is paid a living wage and enables us to play our role in building a better society for all.

In an effort to also address the needs of the broader community, First Home Bank continues to move the needle and do its part to combat inequities that exist in both residential mortgage and small business lending to minority populations.

PROVIDING EQUAL ACCESS TO CREDIT ENVOYS (PEACE)

In June, we formed The PEACE (Providing Equal Access to Credit Envoys) Team, a group of residential mortgage experts focused on serving the needs of minority and low-to-moderate income borrowers in every phase of the homebuying process. Comprised of loan officers trained specifically to support these often underrepresented and underserved community members through financial education and additional resources, the Team's impact is already being felt.

To support the PEACE Team in its efforts and provide an educational resource for its members, we partnered with the National Association of Minority Mortgage Bankers of America (NAAMBA), an organization

"It's about helping low-to moderate income people who typically don't qualify for the average loan that the banks roll out… the PEACE program is about getting them qualified."

Keith Cook
Residential Loan Originator

dedicated to increasing the engagement of minorities within the mortgage industry. By year end, five of our nationwide mortgage lending officers completed the NAAMBA certification program, becoming a Certified Community Lender. We also became one of the first companies in the country to seek Accredited Social Impact Lender (ASIL) Certification through NAAMBA, further demonstrating our commitment to social impact and racial equity in the marketplace.

Homeownership will always be a large part of the American Dream. It's a symbol of personal pride and independence; the embodiment of hard work and achievement; and the promise of greater opportunities and financial stability for future generations to come. With the PEACE Team up and running and NAAMBA as a trusted partner, we hope to serve many more first-time homebuyers who previously thought this dream was unattainable.

MINORITY-OWNED BUSINESS LENDING

To address disparities in business lending, in 2020, we introduced our Minority-Owned Business Lending Program (MOBLP), designed to address the financial challenges facing minority-owned small businesses. Through the MOBLP, First Home Bank assists minority-owned businesses at every stage of growth, from startup to expansion, also focusing on those that have been disproportionally affected by the COVID-19 pandemic.

Valerie Fulbright is Vice President and Community Engagement Officer for First Home Bank. "We decided to move forward with the $50 million goal to lend to women and minorities really in the local footprint." **In less than a year, the bank has passed that goal and is hoping to expand the program to help businesses continue to grow.**

In an effort to establish First Home Bank as the preeminent minority business lender in Tampa Bay and a leader in corporate social responsibility, we set the ambitious goal of lending $50 million to women and minority business owners. In less than ten months, we surpassed our goal and, in doing so, assisted more than 130 businesses. Looking ahead, we've set a goal of $100 million for 2022.

In December, as part of First Home Bank's additional efforts to find new ways to support every community it serves, we announced the upcoming opening of a new Loan Production Office and Financial Resource Center in the Newtown community of North Sarasota – a historically underserved African American neighborhood. The facility will be the first financial institution to call Newtown home and will operate under the direction of two North Sarasota residents who will serve as both business development specialists and PEACE Team members.

Further, the Newtown office will become an important part of our Community Reinvestment Act (CRA) activities. Because the office is not a traditional banking center, we have the opportunity to focus on reinvesting and maximizing our impact in this community by helping residents realize the dream of homeownership and providing business owners the resources and tools they need to succeed.

As the year drew to a close, we created an official Diversity, Equity and Inclusion (DEI) Council charged with actively advocating for the ongoing implementation and evaluation of internal and external programs – such as the MOBLP and PEACE Team – plus company-wide initiatives and procedures to ensure the bank remains progressive and aligned with the ever-evolving societal landscape.

"We hope to help the community thrive, prosper, grow and make a better life for everybody. We are eager to meet with everybody."

- Tom Quale, SVP Market President

This year we've also rolled out our Spanish website and marketing materials to better meet the needs of our current customers and prospects.

GOVERNANCE

In 2021, First Home Bank sought new ways to ensure that the Company continues to evolve at the same speed as social and cultural attitudes while also maintaining the highest standards of corporate governance.

Throughout the year, we focused on strengthening our diversity at every level of the organization, as we continuously work to build a company that accurately represents the world around us and the diverse communities we serve. Looking ahead, we will continue to seek talent from all genders and backgrounds as we remain reliant on the different perspectives and experiences of our team members to improve our overall organization and help us to better address issues affecting First Home Bank, our customers, and our community.

To that end, we also remain focused on improving the two-way communication between the Board, Executive Team and all employees. In addition to important surveys related to corporate policies, philanthropic interests, and company-wide communication, in early 2021 we launched the CEO's Council, a quarterly employee focus group addressing a wide range of operational and cultural matters. The CEO's Council provides our Executive Team critical perspectives and insights to ensure continuous improvement throughout the organization.

As we work to achieve our goals and ensure progress endures, we will rely on the guidance and expertise of our ESG Committees and DEI Council, members of which will be responsible for the further development, oversight and evaluation of important ESG standards, programs, policies and procedures.

While we have made many improvements, we are also proud to report that when it comes to some of our

most critical governance standards, some things will never change. As we continue to set our sights on adapting to the ever-changing societal landscape and customer expectations, First Home Bank will always demand honest and ethical conduct from our Board and employees.

We will also prioritize information security and data privacy and adhering to the highest legal and ethical responsibilities of a trusted financial institution.

PUTTING PEOPLE FIRST.

HERE FOR OUR EMPLOYEES AND THEIR NEXT STEPS.

At First Home Bank, we know that our achievements are a result of the hard work and dedication of each and every one of our team members. Therefore, gauging our overall success goes far beyond an examination of our balance sheet. It's also measured by the happiness and well-being of our employees and the quality of candidates we attract and retain.

To maximize this success and more effectively support our team, in 2021 we further developed our Learning and Development Department to better execute on processes, programs and resources to enable every employee to develop and grow meaningful careers at First Home Bank.

We also greatly enhanced and expanded our employee benefits, adding to an industry-leading benefits package that already included comprehensive medical plans, 100% employer paid life insurance, an exceptional 401(k) plan, plus multiple means for

PLEASE JOIN US IN CONGRATULATING THIS YEAR'S

PINNACLE AWARD RECIPIENTS

First Home Bank established the Pinnacle awards to recognize those who go above and beyond both in and outside of work. Throughout 2021, we received nearly 100 nominations and presented Pinnacle awards to 16 members of the Bank's family who were nominated by their peers for their success and accomplishments.

Q1

Dawn Million Senior Residential Loan Processor
Shantel Asman Senior Residential Loan Processor
Elizabeth Wilson Residential Servicing Specialist

Q2

Kasie Bedell Residential Branch Recruiter
Emily Friend Human Resources Generalist
Jennifer Mayer FlashCap Underwriter I
Kevin Nguyen SBA Document Specialist II
Cheryl McDonough SBA Loan Administration Supervisor

Q3

Tim Sensenig SBA Portfolio Relationship Specialist
Amber Ventura AVP, SBA Core Closing Team Lead
Emmi Wilson Senior Residential Underwriter
Mary Jones Senior Residential Loan Processor

Q4

Cindy Bivans Senior Mortgage Accountant
Katie Bobb AVP, Senior Portfolio Manager
Tiffany Thornock SBA Loan Coordinator
Kelsey Payton Residential Loan Processor
Nick Smith VP, Director of Human Resources

"Cheryl is the glue to the entire SBA loan process. She goes above and beyond every day to ensure that the entire SBA loan process is smooth for both the client and the CreditBench staff."

"Emily is the first to volunteer to help, even though she doesn't have to. She asks me thoughtful questions and volunteers to help me with day to day tasks, and I know this is because she is not only a team player, but she also really wants to grow her career with the bank."

employees to become owners in our company, including a discounted stock purchase plan, an ESOP, and other equity-based compensation plans.

Our philosophy will always be to provide the most robust benefit plans possible, a progressive and highly productive professional environment, competitive pay, and opportunities for professional development and career advancement at every level of the Bank. Investing in our team is not at the expense of our shareholders or our customers, but rather these things are synergistic and compounding in their effect. Investing in our team produces more engaged employees. More engaged employees produce more satisfied customers. More satisfied customers produce more revenue, and more revenue produces better returns for shareholders and allows us to better reward our employees. ■

2021

MARCH

Parental Leave

Provides Maternity and Paternity paid leave for the birth or adoption of a child.

APRIL

VTO

Provides paid Volunteer Time Off annually for employee support of community programs.

APRIL

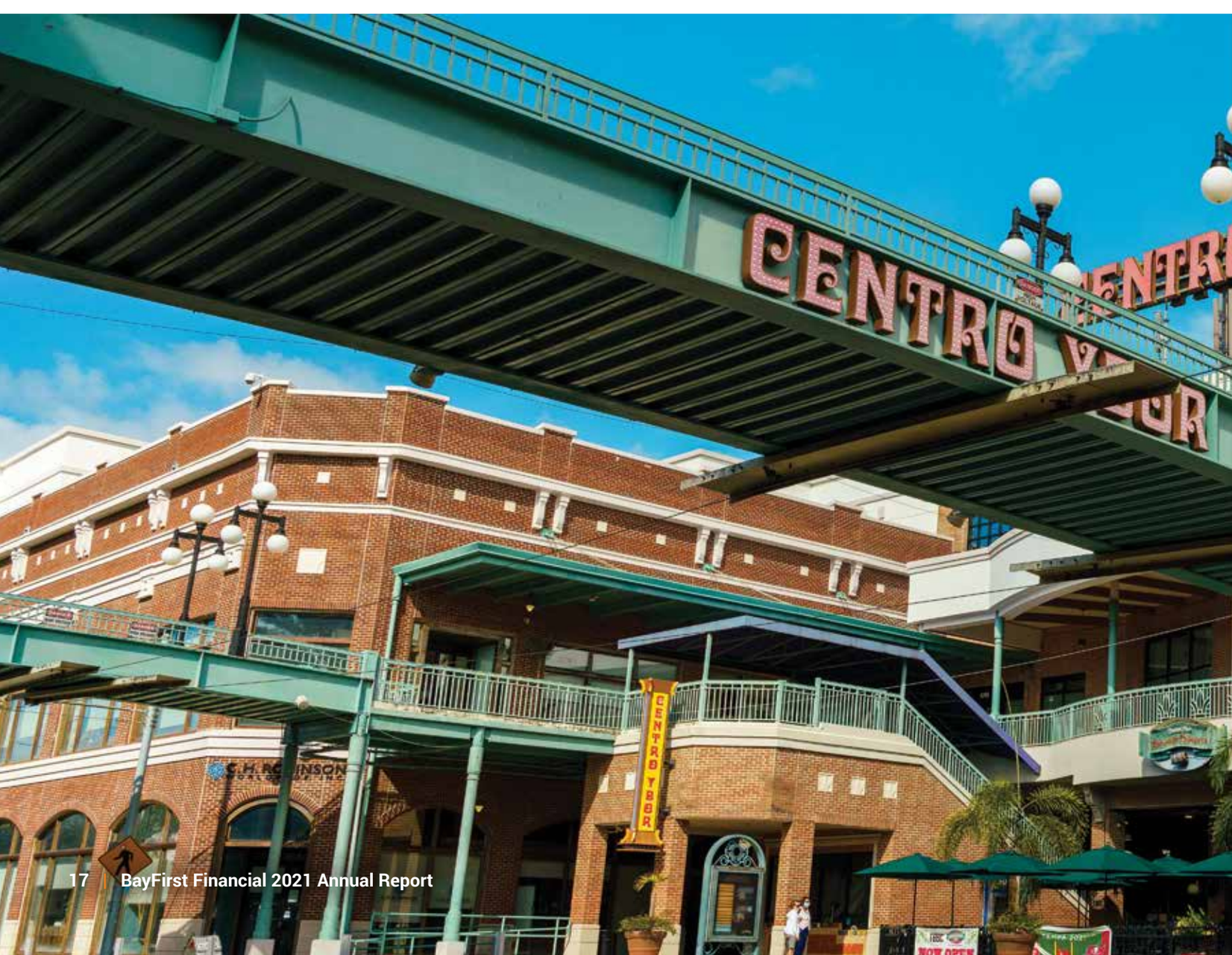
NextMortgage

Offers employees mortgages at amazing rates and with no origination fee.

APRIL

Home Run Program

Rewards and recognizes team members celebrating their work anniversaries.



Minimum Wage

MAY

Established an $18 minimum wage to ensure that every employee, regardless of position, is paid a living wage.

Tuition Reimbursement

MAY

Provides reimbursement to employees enrolled in an accredited degree program.

Wellness First Program

AUGUST

Focuses on various aspects of health and wellness that encompass physical, mental, social, and financial wellness.

Dependent Care FSA Match

MAY

Provides matching funds for child and elderly care.

Student Loan Assistance

JULY

Provides eligible employees a monthly payment towards their student loans, paid directly to the employee's student loan servicer for convenience.

PROGRESS.

PREPARING FOR THE NEXT GENERATION OF TECH.

At a time when the importance of a strong digital presence and an unwavering focus on the future have never been more important, BayFirst Financial Corp. is leading the charge.

In 2021, we launched a mobile-based consumer loan platform to complement our existing mortgage application which quickly gained traction. Our retail banking customers also continue to find value in our mobile banking app, with more than 50% currently utilizing the app in some capacity. We also reached the final stages of testing a new web-based commercial loan origination system we've named Power LOS. We anticipate that Power will revolutionize how we do both conventional and SBA commercial lending, dramatically improving the customer experience while providing internal efficiencies.

DIGITAL MOMENTUM **Five Goals Met:**

1. Improve digital footprint/presence
2. Improve Cybersecurity
3. Leverage Bank data to analyze information
4. Expand FinTech products & extend banking service to Fintech & other partners
5. Strengthen the Bank's position as a tech-focused bank

We also significantly improved our cybersecurity capabilities with an improved monitoring system to eliminate potential threats. Under the leadership of our Chief Technology Officer, the team also implemented a new phishing prevention program to further educate and protect bank employees and improved our ability to limit viruses and other non-banking software. These measures provide our internal teams and digital banking customers more security than ever before.

In 2021, First Home Bank also sought ways to better engage customers in a digital environment by identifying ways to better partner with FinTech and commercialize our tech products in the near future. In doing so, we will better meet the needs of customers who seek the latest digital functionalities, becoming a stronger institution overall, and remaining ahead of the curve.

As a forward-looking institution, our world-class Technology Group will continue to build the underlying technology that will allow us to increase internal efficiencies, drive more volume, foster further innovation, focus on our technological differentiators, and serve as the rails through which innovation flows far into the future.

BANKING CENTER BALANCE

In 2021, while reacting to increased usage of digital banking services, First Home Bank simultaneously continued its physical expansion.

We know that many customers will always prefer the option of face-to-face interaction and that the quality of the in-person experience, even if not experienced by all customers on a regular basis, will remain pivotal to customer acquisition and retention.

So, while we deployed the most effective technology to deliver our services digitally and adapt to the evolving competitive and technological landscape, we also grew our branch network and optimized our in-person banking experience at each. ■

AREA BANKING LOCATIONS

BELLEAIR BLUFFS
401 N. Indian Rocks Rd
Belleair Bluffs, FL 33770

ST. PETERSBURG
700 Central Ave
St. Petersburg, FL 33701

SEMINOLE
9190 Seminole Blvd
Seminole, FL 33772

PINELLAS PARK
5250 Park Blvd
Pinellas Park, FL 33781

CLEARWATER
2520 Countryside Blvd
Clearwater, FL 33763

SARASOTA
2033 Main St, Suite 101
Sarasota, FL 34237

WEST TAMPA
3015 W. Columbus Dr
Tampa, FL 33607

FUTURE AREA BANKING LOCATIONS

SARASOTA TAMIAMI TRAIL
Design, Permitting, & Contractor Selection
2075 S. Tamiami Trail
Sarasota, FL 34239

WEST BRADENTON
Purchase, Design, Permitting, Contractor Selection, Renovation Started - *To be complete 5/31/22*
2102 59th Street West
Bradenton, FL 34209

CARROLLWOOD
Purchase, Design, Permiting
16002 N. Dale Mabry
Tampa, FL 33618

SARASOTA BEE RIDGE
Purchase, Design
5600 Bee Ridge Road
Sarasota, FL 34242

EAST BRADENTON
Purchase
8704 State Road 70
Bradenton, FL 34202

NATIONAL LOAN PRODUCTION OFFICES

COLORADO
Highlands Ranch

DELAWARE
Dover
Millsboro

FLORIDA
Orlando
Sarasota
Sarasota (Newtown)
Tampa

GEORGIA
Suwanee

IDAHO
Meridian

INDIANA
Indianapolis

KANSAS
Kansas City

MARYLAND
Baltimore
Ellicott City
Westminster

NEW JERSEY
Hainesport
Morganville
Totowa

NEW YORK
Staten Island

NORTH CAROLINA
Raleigh

OHIO
Columbus

TEXAS
Houston
Sugar Land

WASHINGTON
Puyallup

LOOKING AHEAD.

TAKING A LOOK AT TOMORROW.

Though 2021 was a year of record-breaking success and significant milestones, our job is far from complete as we continue to look for new ways to execute against long-term strategies and serve as a source of hope, support and stability for our customers going forward. With First Home Bank's national business lines thriving, its community involvement growing and its purpose at the forefront of it all, we are on course to become *the* bank of Tampa Bay.

Looking ahead, we will maintain our focus on achieving sustainable growth, assisting those who need it most, delivering differentiators to clients, increasing operational efficiency, attracting and retaining the best and brightest talent, and fulfilling a critical role in the continued recovery of the local economy – all while continuing to generate long-term value for our shareholders.

In addition, we have embarked on a $100 million minority-owned business lending goal, while focusing on the expansion of our residential PEACE team, both to ensure equitable access to the financial resources every community member and business owner deserves. We will also continue to seek partnerships and increase our community involvement to directly impact the communities we serve.

While we will remain a Tampa Bay community bank, having a national footprint presents opportunities to grow. As such, we will also pursue selective migration to national portfolio lending through the expansion of our nationwide loan production offices and SBA business development officer network outside of Tampa Bay in key areas of the country.

BayFirst will also begin converting First Home Bank from a state-charted bank into a national bank, which better suits our business model, including our nationwide residential mortgage operations. Doing so will provide an even more efficient banking system under the unified supervision of a common regulatory authority in the Office of the Comptroller of Currency.

Simultaneously, BayFirst will rename First Home Bank consistent with its holding company, which will provide consistent messaging conveying the values, progressive nature, and overall strategic direction of the Institution. We are currently in the early stages of officially changing the bank's name to BayFirst National Bank – a fitting choice for a financial institution that will always put the **Tampa Bay community first**.

Now, a new era begins, and one with endless possibilities. ■

BOLD VISION.
BOLD LEADERSHIP.

MEET THE TEAM

Pictured Left to Right Front Row:

Lewis O. Benner Executive Vice President, Chief Credit Officer | **Anthony N. Leo** Chief Executive Officer
Thomas G. Zernick President, CreditBench | **Brandi N. Jaber** President, Residential Mortgage Division

Pictured Left to Right Back Row:

Matthew M. Luckey Executive Vice President, Chief Banking Officer | **John Macaluso** Chief Technology Office
Jeffrey M. Hunt, SVP, Chief Strategy Officer | **Robin L. Oliver** Executive Vice President, Chief Financial Officer

BOARD OF DIRECTORS

George Apostolou
Principal - Apostolou Construction Company

Mark S. Berset
Chief Executive Officer - Comegys Insurance Agency

Derek S. Berset
Vice President - Comegys Insurance Agency

D. "Rep" DeLoach III
Partner - DeLoach, Hofstra & Cavonis, P.A.

Dr. Alex Harris
CEO & Co-founder - Arts Conservatory for Teens

Tarek Helal
Senior Vice President - Raymond James

Anthony N. Leo
Chief Executive Officer - BayFirst Financial Corp.+ & First Home Bank

Christos Politis, M.D.
Senior Vice President - Partner of Xenia Management Corp

Anthony Saravanos
Chairman - BayFirst Financial Corp.; Director - First Home Bank; President - Greenleaf Capital, LLC

Bradly W. Spoor
Chief Executive Officer - Spoor Street Investments

Harold J. Winner
Chairman - First Home Bank; Retired Banker

Barbara Zipperian
Retired Bank CFO (CPA)

BAYFIRST

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700 Central Avenue
St. Petersburg, Florida 33701
727.440.6848