

May 3, 2016

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Dear valued Shareholders, Customers and Friends:

Evolve Bancorp, Inc. had a solid first quarter. Net income for the three months ended March 31, 2016 was \$661,069 which was a 49% increase over the prior year's Q1 net income of \$442,586. Book value per share increased to \$5.22 at March 31, 2016 from \$5.10 at December 31, 2015.

Evolve Bank and Trust's ("the Bank") total assets were \$356 million at March 31, 2016 compared to \$368 million at December 31, 2015. Total loans were \$303 million at both the end of the first quarter of 2016 and the end of the prior year. Total deposits increased to \$271 million at March 31, 2016 from \$267 million at December 31, 2015.

The Bank's regulatory capital (Tier 1 leverage ratio) remained strong at the end of Q1 2016 at 8.5%. For more information regarding the Bank's first quarter 2016 financial performance, please see the attached Financial Highlights table.

Also in the first quarter of 2016, Evolve initiated another new business line – our Private Asset Lending Division headed up by Ms. Ronda Feldman. This new service complements our existing service offerings of commercial and private banking, mortgage banking, SBA lending and trust services. This new business line is a securities-based loan offered by Evolve. This strategy will allow customers to finance real estate purchases, construction, or invest in business opportunities by taking a loan against their personal portfolio. We are excited to have Ronda on the team and the new opportunities she will bring with her.

EVOLVE IN THE NEWS

We are excited to be listed as #4 on the the Memphis Business Journal's list of Memphis-based Top Commercial Lenders. To see our listing, follow this link <http://www.bizjournals.com/memphis/subscriber-only/2016/04/01/memphis-based-commercial-lenders.html>.

In other news, after a 41 year banking career, Joe Jenkins retired at the end of March to spend time with family, friends, and dedicating more time to his many community services. Joe will continue to serve in his capacity as a Director for Evolve Bank and Trust. It goes without saying that Joe did an outstanding job of serving the communities of Marion and West Memphis and will be greatly missed in this capacity.

We are pleased to announce that Heath Jackson joined Evolve Bank and Trust as the Community Bank President serving the West Memphis and Marion offices. Heath is no stranger to the Bank as he worked here in the early years of Evolve from 2004 through 2006 as a Senior Loan officer. He most recently was employed with

Financial Federal Bank of Memphis in their Private Banking department. We feel extremely fortunate to have Heath returning since he has been a resident of Marion for many years. Heath has over 15 years of banking experience and will be a great asset in growing these two markets in Arkansas.

WANT TO BUY OR SELL EVOLVE STOCK?

Our partnership with *Community Bank List* continues to be a valuable service, and we trust this partnership is providing you a convenient and transparent marketplace to post notices to buy or sell Evolve Bancorp stock. Through our agreement with *Community Bank List*, you may post your listings at no cost by entering our exclusive access code [EVOLVE] for any listing (buying or selling) of Evolve Bancorp shares.

We are pleased to offer this valuable service to you and hope that you will take advantage of it. On the Investor Relations page of www.getevolved.com, you will find a link to www.communitybanklist.com where you may create a free profile to begin viewing and posting share offers. For help getting started, please call *Community Bank List* at 1-877-257-0854 and select option "2" for support. They will be happy to assist you.

HOW CAN YOU HELP EVOLVE AND YOUR INVESTMENT?

At Evolve, we are continually looking for new opportunities to grow and ways to improve our service to our customers. As new and interesting concepts arise, please do not hesitate to reach out to us. We are always happy to hear your thoughts.

As always, we welcome your observations, concerns and questions. For current information about everything happening at Evolve, please visit us at www.getevolved.com and follow us on Facebook at www.facebook.com/getevolved, Twitter at www.twitter.com/getevolved1925 or on LinkedIn at www.linkedin.com/company/evolve-bank-and-trust.

Sincerely,



B. Scot Lenoir
Chairman
Evolve Bancorp, Inc.

Evolve Bancorp & Evolve Bank & Trust
Financial Highlights for the Three Months Ended
(unaudited)

Evolve Bancorp

Income Data	March 31, 2016	March 31, 2015
Net income	\$661,069	\$442,586
Balance Sheet Data	March 31, 2016	December 31, 2015
Preferred Stock	\$6,749,000	\$8,349,000
Common Stockholders' Equity	24,061,506	23,466,213
Total Stockholders' Equity	30,810,506	31,815,213
Book value per common share	\$5.22	\$5.10

Evolve Bank & Trust

Income Data	March 31, 2016	March 31, 2015
Net Interest Income	\$3,538,921	\$3,291,778
Non-Interest Income	9,751,515	9,588,326
Net Income	632,930	432,761
Profitability Ratios		
Return on Average Assets	0.70%	0.46%
Return on Average Equity	7.13%	4.96%
Net Interest Margin	4.29%	3.80%
Balance Sheet Data	March 31, 2016	December 31, 2015
Total Loans	\$302,922,153	\$303,227,711
Investment Securities	19,374,918	19,243,204
Total Assets	355,784,902	367,679,838
Total Deposits	270,930,254	266,707,393
Allowance for Loan Losses	5,174,802	4,710,272
Ratios		
Loans to Deposits	109.91%	111.93%
Non-Accruing Loans to Total Loans	1.12%	1.36%
ALLL/Gross Loans, excluding HFS	2.33%	2.17%
Tier 1 Leverage Ratio	8.50%	9.00%
Tier 1 Risk-Based Capital Ratio	11.33%	12.00%
Total Risk Based Capital Ratio	12.60%	13.26%