

March 9, 2016

Dear valued Shareholders, Customers and Friends:

In the fourth quarter of 2015, Evolve Bank and Trust, (“the Bank”) introduced two new business lines -- equipment finance and payment processing through our cash management team. These new services complement our existing offerings of commercial and private banking, mortgage banking, SBA lending and trust services.

Also in the fourth quarter, We introduced Doug Miller as our new President of the Mortgage Division. Doug comes to the Bank with nearly 45 years of experience in the mortgage industry. Over the course of his career, Doug worked at Wachovia Mortgage, Citicorp Mortgage, Union Planters/Regions Bank, and GMAC Bank/Ally Bank.

Evolve Bancorp, Inc. had another good year in 2015. Net income was \$1,783,000 which was a 5.4% increase over the prior year net income of \$1,691,000. Common Stockholders’ Equity increased to \$23,466,000 at December 31, 2015 from \$21,852,000 at December 31, 2014. Book value per share at December 31, 2015 was \$5.10 compared to \$4.77 at the end of 2014.

The Bank’s total assets were \$368 million at the end of 2015 compared to \$378 million at the end of 2014. The decrease was primarily the result of a decrease of \$69 million in the inventory of mortgage loans during 2015 as the Bank discontinued the business line of purchasing and selling wholesale mortgage loans. Excluding wholesale mortgage loans, the Bank’s loan portfolio increased 20.04% from the end of 2014 to the end of 2015. Total deposits decreased 2.6% from 2014 to 2015 while core retail deposits increased 25.6%.

The Bank’s regulatory capital (Tier 1 leverage ratio) remained strong at the end of 2015 at 9%. For more information regarding the Bank’s 2015 financial performance, please see the attached Financial Highlights table.

EVOLVE IN THE NEWS

For the second year in row, Evolve was named a Top Workplace by the Commercial Appeal. To read the article, follow this link, <http://topworkplaces.com/frontend.php/regional-list/company/memphis/evolve-bank-trust>. The evaluation for the Top Workplaces program is based upon feedback from an employee survey that we completed in mid-year of 2015. We had nearly 300 responses to the survey, and we are honored to have been selected for the award—particularly as the judges were our employees!

CORPORATE SPONSORSHIPS AND COMMUNITY GIVING

New this year, Evolve will be joining the Volunteer Memphis Corporate Volunteer Council, which is an initiative driven by Leadership Memphis. The Corporate Volunteer Council is a membership group of 30+ corporate partners and their volunteer or community engagement staff that recognize the critical importance of community engagement. To find out more about Volunteer Memphis, please visit <http://www.volunteermemphis.org/>.

By joining the Council, Evolve will continue to increase awareness of the Company, while at the same time, help to broaden our services to the community as we have done throughout 2015 by supporting the following organizations and events: Opera Memphis, Cooper Your Festival and The Dixon Art on Fire.

WANT TO BUY OR SELL EVOLVE STOCK?

We are pleased that our partnership with *Community Bank List* has been going well, and hope 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 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 Years Ended
(unaudited)

	December 31, 2015	December 31, 2014
Evolve Bancorp		
Net income	\$1,782,629	\$1,691,399
Preferred Stock	8,349,000	8,549,000
Common Stockholders' Equity	23,466,213	21,851,845
Total Stockholders' Equity	31,815,213	30,400,845
Book value per common share	\$5.10	\$4.77
Evolve Bank & Trust		
Income Data		
Net Interest Income	\$13,393,236	\$12,846,658
Non-Interest Income	45,013,163	42,169,065
Net Income	1,769,402	1,657,902
Balance Sheet Data		
Total Loans	303,227,711	324,844,220
Investment Securities	19,243,204	20,031,906
Total Assets	367,679,838	377,710,204
Total Deposits	266,707,393	273,703,268
Allowance for Loan Losses	4,710,272	4,239,229
Profitability Ratios		
Return on Average Assets	0.48%	0.49%
Return on Average Equity	4.96%	5.63%
Net Interest Margin	3.92%	4.18%
Ratios		
Loans to Deposits	111.9%	117.1%
Non-Accruing Loans to Total Loans	1.4%	0.7%
ALLL/Gross Loans, excluding HFS	2.2%	2.4%
Tier 1 Leverage Ratio	9.00%	8.72%
Tier 1 Risk-Based Capital Ratio	12.00%	11.72%
Total Risk Based Capital Ratio	13.26%	12.98%