

August 4, 2017

Dear valued Shareholders, Customers and Friends:

Evolve Bancorp, Inc. followed up on a solid first quarter with another strong performance in the second quarter. Net income for the six months ended June 30, 2017 was \$1.8 million compared to \$1.4 million for the same period in 2016, an increase of 27%. Book value per share increased by 6.6% to \$5.94 at June 30, 2017 from \$5.57 at December 31, 2016.

Evolve Bank & Trust's ("the Bank") total assets increased to \$450.5 million at June 30, 2017 from \$449 million at December 31, 2016. Total loans were \$403.7 million at June 30, 2017 compared to \$391.3 million at December 31, 2016. Excluding Mortgage Loans Held for Sale, the Bank's loan portfolio increased \$14.9 million, or 4.9%, from December 31, 2016 to June 30, 2017. Total deposits increased 13.4% during the first half of 2017 to \$357 million at June 30, 2017 from \$315 million at December 31, 2016.

The Bank's regulatory capital (Tier 1 leverage ratio) remained strong at June 30, 2017 at 8.34%. For more information regarding the Bank's financial performance for the six months ended June 30, 2017, please see the attached Financial Highlights table.

EVOLVE IN THE NEWS

In just a few short weeks, we will roll out our new Payment Processing division. To ensure its success, we have joined forces with First Data Corporation (NYSE: FDC), the global leader in payment technology and services solutions. With 24,000 owner-associates and operations in 36 countries, the company provides secure and innovative payment technology and services to more than six million merchants and financial institutions around the world, from small businesses to the world's largest corporations.

To help lead the successful implementation of our new product lines, we are thrilled to welcome Azita Zahedi to the Payment Processing team as a Senior Account Manager. Azita will serve as product champion within Evolve for all products related to Payment Processing. She comes to us with almost a decade of experience and is intimately familiar with First Data, serving as their Bank Relationship Officer/Senior Account Manager, as well as in other positions for six years. We are confident that with Azita's experience and drive, we will have a seamless launch of our new division and look forward to providing you additional updates in the near future.

In May, Thomas Holmes joined Evolve as our new Director of Marketing and Communications. Thomas comes to Evolve from WATN-TV, the ABC affiliate in Memphis, TN. While there, he served as the Marketing and Creative Services Director. Thomas has extensive experience developing and implementing strategic marketing programs. We know Thomas will bring new energy and fresh ideas to the Marketing Department and has already hit the ground running.

CORPORATE SPONSORSHIPS AND COMMUNITY GIVING

In June, Evolve participated in the Arthritis Foundation's Walk to Cure Arthritis at AutoZone Park. Walk to Cure Arthritis is the Arthritis Foundation's nationwide signature event that unites communities across the country to put an end to arthritis. This event featured a three-mile and one-mile course, with arthritis information and activities for the entire family. Our team raised \$2,425 and was the second highest fundraising team.

We are excited to announce, for the fourth year in a row, we have renewed our title sponsorship of the "Evolve Bank and Trust Cooper Young Festival". In its 30th year, this event has grown tremendously and is one of Memphis' most highly attended festivals. On September 16th, over 130,000 guests will enjoy an appealing mix of art, music and crafts presented by over 435 artisans from around the country. It is a true celebration of the arts, people and culture of Memphis.

WANT TO BUY OR SELL EVOLVE STOCK?

Our partnership with *Community Bank List* is a valuable service, and we trust this partnership is providing you with 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 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 can 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](tel:1.877.257.0854) and select option "2" for support. Also, feel free to contact Jennifer Nelson, Evolve Trust Services, at [901.260.9984](tel:901.260.9984) or jnelson@getevolved.com, and she 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 services to our customers. As new and interesting concepts arise, please do not hesitate to reach out to us. 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, Instagram at www.instagram.com/evolve1925 or on LinkedIn at www.linkedin.com/company/evolve-bank-and-trust.

Sincerely,

A handwritten signature in blue ink that reads "B. Scot Lenoir". The signature is written in a cursive style with a large, stylized initial "B".

B. Scot Lenoir
Chairman
Evolve Bancorp, Inc.

Evolve Bancorp and Evolve Bank & Trust
Financial Highlights For the Six Months Ended
(Unaudited)

Evolve Bancorp

(Dollars in Thousands, except per share data)

| Income Data | | June 30, 2017 | | June 30, 2016 |
|-----------------------------|----|----------------------|----|--------------------------|
| Net Income | \$ | 1,826 | \$ | 1,439 |
| | | | | |
| Balance Sheet Data | | June 30, 2017 | | December 31, 2016 |
| Preferred Stock | \$ | 6,549 | \$ | 6,749 |
| Common Stockholders' Equity | | 27,404 | | 25,721 |
| Total Stockholders' Equity | | 33,953 | | 32,470 |
| Book Value per Common Share | \$ | 5.94 | \$ | 5.57 |

Evolve Bank and Trust

(Dollars in Thousands)

| Income Data | | June 30, 2017 | | June 30, 2016 |
|---------------------|----|----------------------|----|----------------------|
| Net Interest Income | \$ | 8,794 | \$ | 7,074 |
| Non Interest Income | | 21,743 | | 22,685 |
| Net Income | | 1,771 | | 1,462 |

Profitability Ratios

| | | |
|--------------------------|-------|-------|
| Return on Average Assets | 0.81% | 0.81% |
| Return on Average Equity | 9.19% | 8.25% |
| Net Interest Margin | 4.26% | 4.27% |

Balance Sheet Data

| | | June 30, 2017 | | December 31, 2016 |
|---------------------------|----|----------------------|----|--------------------------|
| Total Loans | \$ | 403,687 | \$ | 391,292 |
| Investment Securities | | 20,471 | | 18,822 |
| Total Assets | | 450,454 | | 449,036 |
| Total Deposits | | 357,341 | | 315,048 |
| Allowance for Loan Losses | | 5,876 | | 5,809 |

Ratios

| | June 30, 2017 | December 31, 2016 |
|----------------------------------|----------------------|--------------------------|
| Loans to Deposits | 111.33% | 122.36% |
| Non-Accrual Loans to Total Loans | 0.66% | 0.47% |
| ALLL/Gross Loans, excluding HFS | 1.88% | 2.03% |
| Tier 1 Leverage Ratio | 8.34% | 8.22% |
| Tier 1 Risk-Based Capital Ratio | 10.42% | 9.80% |
| Total Risk Based Capital Ratio | 11.67% | 11.06% |