

INVESTOR PRESENTATION

SECOND QUARTER 2023



COLONY
BANKCORP, INC.

CAUTIONARY STATEMENTS

This presentation contains "forward-looking statements" within the meaning of, and subject to the protections of, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In addition, certain statements may be contained in Colony Bankcorp, Inc.'s (the "Company") future filings with the Securities and Exchange Commission (the "SEC"), in press releases, and in oral and written statements made by or with the approval of the Company that are not statements of historical fact and constitute "forward-looking statements" within the meaning of, and subject to the protections of, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Examples of forward-looking statements include, but are not limited to: (i) projections and/or expectations of revenues, income or loss, earnings or loss per share, the payment or nonpayment of dividends, capital structure and other financial items; (ii) statement of plans and objectives of Colony Bankcorp, Inc. or its management or Board of Directors, including those relating to products or services; (iii) statements of future economic performance; (iv) statements regarding growth strategy, capital management, liquidity and funding and future profitability; and (v) statements of assumptions underlying such statements. Words such as "believes," "anticipates," "expects," "intends," "targeted" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve known and unknown risks and uncertainties. Factors that might cause such differences include, but are not limited to: the impact of current and economic conditions, particularly those affecting the financial services industry, including the effects of declines in the real estate market, high unemployment rates, inflationary pressures, elevated interest rates and slowdowns in economic growth, as well as the financial stress on borrowers as a result of the foregoing; potential impacts of the recent adverse developments in the banking industry highlighted by high-profile bank failures, including impacts on customer confidence, deposit outflows, liquidity and the regulatory response thereto; risks arising from media coverage of the banking industry; risks arising from perceived instability in the banking sector; the risks of changes in interest rates and their effects on the level, cost, and composition of, and competition for, deposits, loan demand and timing of payments, the values of loan collateral, securities, and interest sensitive assets and liabilities; the ability to attract new or retain existing deposits, to retain or grow loans or additional interest and fee income, or to control noninterest expense; the effect of pricing pressures on the Company's net interest margin; the failure of assumptions underlying the establishment of reserves for possible credit losses, fair value for loans and other real estate owned; changes in real estate values; the Company's ability to implement its various strategic and growth initiatives; increased competition in the financial services industry, particularly from regional and national institutions, as well as from fintech companies; economic conditions, either nationally or locally, in areas in which the Company conducts operations being less favorable than expected; changes in the prices, values and sales volumes of residential and commercial real estate; developments in our mortgage banking business, including loan modifications, general demand, and the effects or judicial or regulatory requirements or guidance; legislation or regulatory changes which adversely affect the ability of the consolidated Company to conduct business combinations or new operations; adverse results from current or future litigation, regulatory examinations or other legal and/or regulatory actions, including as a result of the Company's participation in and execution of government programs; potential impact of the phase-out of the London Interbank Offered Rate ("LIBOR") or other changes involving LIBOR; significant turbulence or a disruption in the capital or financial markets and the effect or a fall in stock market prices on our investment securities; the effects of war or other conflicts including the impacts related to or resulting from Russia's military action in Ukraine; risks related to the Company's recently completed acquisitions, including that the anticipated benefits from the recently completed acquisitions are not realized in the time frame anticipated or at all as a result of changes in general economic and market conditions or other unexpected factors or events; the risks associated with the Company's pursuit of future acquisitions; and general competitive, economic, political and market conditions or other unexpected factors or events. These and other factors, risks and uncertainties could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. Many of these factors are beyond the Company's ability to control or predict.

Forward-looking statements speak only as of the date on which such statements are made. These forward-looking statements are based upon information presently known to the Company's management and are inherently subjective, uncertain and subject to change due to any number of risks and uncertainties, including, without limitation, the risks and other factors set forth in the Company's filings with the Securities and Exchange Commission, the Company's Annual Report on Form 10-K for the year ended December 31, 2022, under the captions "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors," and in the Company's quarterly reports on Form 10-Q and current reports on Form 8-K. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events. Readers are cautioned not to place undue reliance on these forward-looking statements.

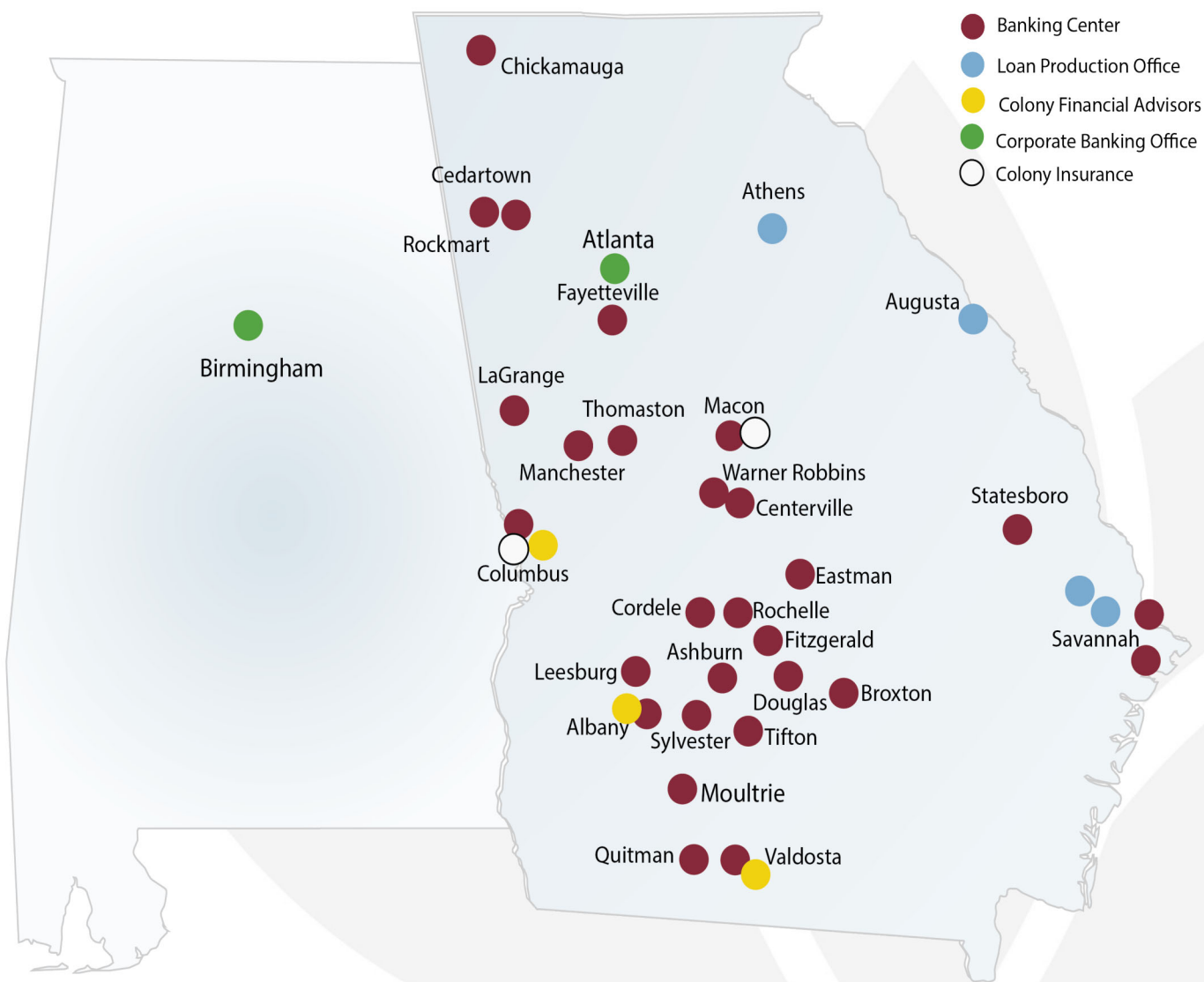
NON-GAAP FINANCIAL MEASURES

Statements included in this presentation include non-GAAP financial measures and should be read along with the accompanying tables, which provide a reconciliation of non-GAAP financial measure to GAAP financial measures. The non-GAAP financial measures used in this presentation include the following: operating noninterest income, operating noninterest expense, operating net income, adjusted earnings per diluted share, tangible book value per common share, tangible equity to tangible assets, operating efficiency ratio, operating net noninterest expense to average assets and pre-provision net revenue. The most comparable GAAP measures are noninterest income, noninterest expense, net income, diluted earnings per share, book value per common share, total equity to total assets, efficiency ratio, net noninterest expense to average assets and net interest income before provision for credit losses, respectively. Operating noninterest income excludes gain on sale of bank premises. Operating noninterest expense excludes acquisition-related expenses and severance costs. Operating net income and operating efficiency ratio both exclude acquisition-related expenses, severance costs and FHLB mark from called borrowings from net income and efficiency ratio, respectively. Operating net noninterest expense to average assets ratio excludes from net noninterest expense, severance costs, acquisition-related expenses and gain on sale of bank premises. Acquisition-related expenses includes fees associated with acquisitions and vendor contract buyouts. Severance costs includes costs associated with termination and retirement of employees. Adjusted earnings per diluted share includes the adjustments to operating net income. Tangible book value per common share and tangible equity to tangible assets exclude goodwill and other intangibles from book value per common share and total equity to total assets, respectively. Pre-provision net revenue is calculated by adding noninterest income to net interest income before provision for credit losses, and subtracting noninterest expense.

Management uses these non-GAAP financial measures in its analysis of the Company's performance and believes these presentations provide useful supplemental information, and a clearer understanding of the Company's performance, and if not provided would be requested by the investor community. The Company believes the non-GAAP measures enhance investors' understanding of the Company's business and performance. These measures are also useful in understanding performance trends and facilitate comparisons with the performance of other financial institutions. The limitations associated with operating measures are the risk that persons might disagree as to the appropriateness of items comprising these measures and that different companies might calculate these measures differently.

Non-GAAP financial measures should not be considered as an alternative to any measure of performance or financial condition as promulgated under GAAP, and investors should consider Colony Bankcorp, Inc. performance and financial condition as reported under GAAP and all other relevant information when assessing the performance or financial condition of Colony Bankcorp, Inc. Non-GAAP financial measures have limitations as analytical tools, and investors should not consider them in isolation or as a substitute for analysis of the results or financial condition as reported under GAAP.

COMPANY PROFILE



- Founded in 1975
- Headquartered in Fitzgerald, Georgia
- Georgia's largest community bank, headquartered outside of Atlanta⁽¹⁾
- \$3.1 billion in assets as of June 30, 2023
- 38 locations in Georgia and 1 LPO in Alabama
- Strategic plan for profitable growth
- Track record of solid organic growth
- Successful execution of acquisitions

(1) Community bank defined as having less than \$10.0 billion in total assets and providing a full suite of consumer and commercial products, as of March 31, 2023. Source: S&P Global Market Intelligence.

EXECUTIVE LEADERSHIP TEAM

Name	Position	Years In Banking	Years With Colony
T. Heath Fountain	Chief Executive Officer, Acting Chief Financial Officer	23	4
R. Dallis "D" Copeland, Jr.	President	31	1
Brian D. Schmitt	Executive Vice Chairman	40	1
Edward "Lee" Bagwell	EVP, Chief Risk Officer and General Counsel	20	20
Leonard H. "Lenny" Bateman	EVP, Chief Credit Officer	27	4
Kimberly Dockery	EVP, Chief of Staff	17	4

OBJECTIVES AND FOCUS

Short-Term Objectives

- Achieve performance objectives in complementary lines of business
- Reduce noninterest expense for slower growth outlook
- Return on assets target of 1.00% during 2024
- Focus on growing core deposits and customer relationships
- Improve mortgage profitability

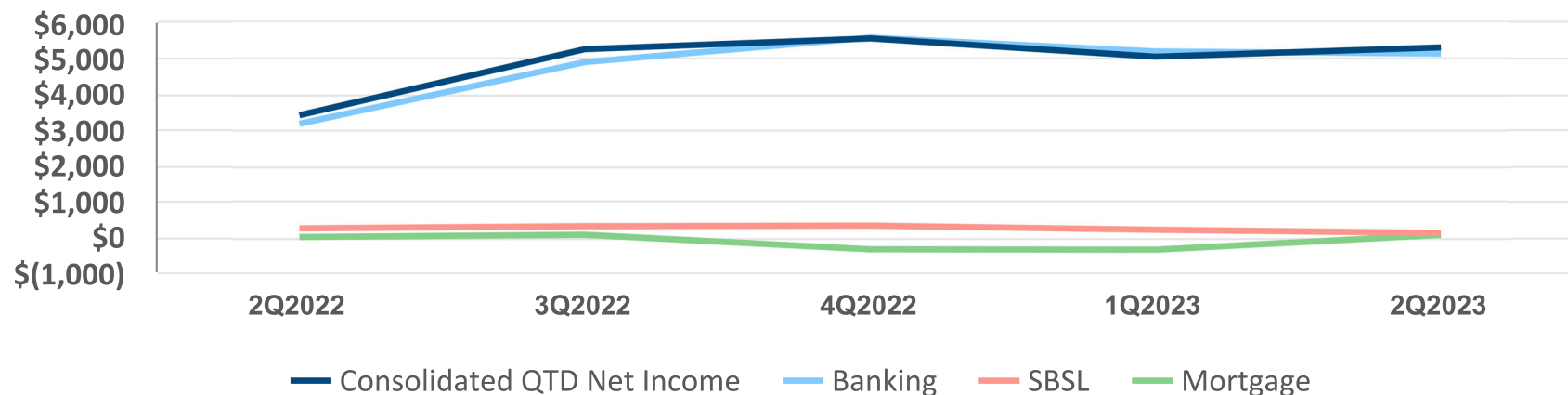
Long-Term Objectives

- 5 complementary lines of business > \$1 million in net income
- Manage expenses in an uncertain economy
- Return on assets target of 1.20%
- Continue to benefit from industry consolidation
- Grow our customer base by 8 - 12% per year

LINES OF BUSINESS PERFORMANCE

(Dollars in thousands)

Segment Profit



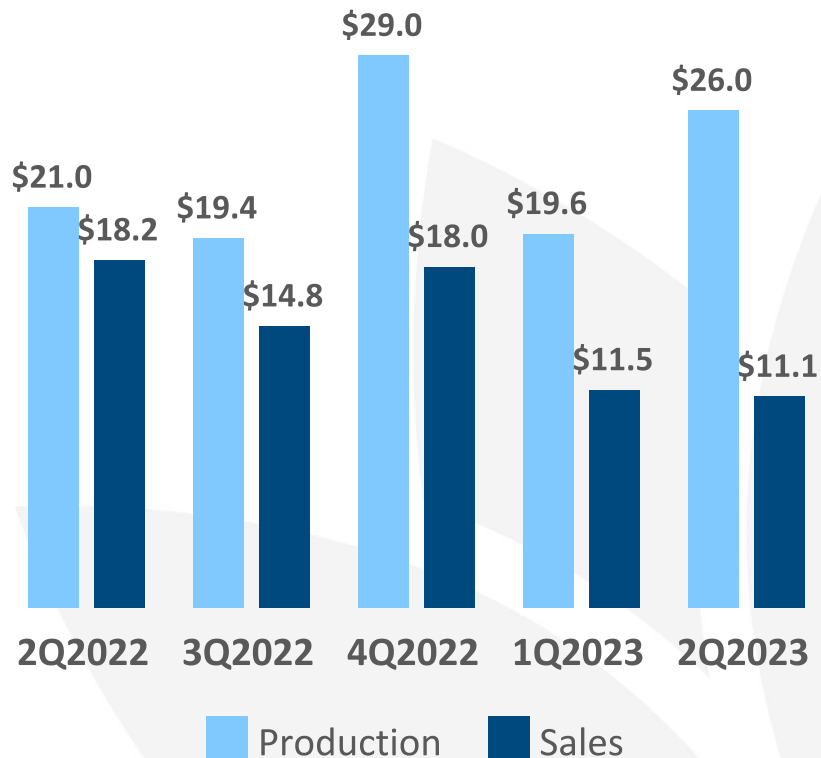
STARTUP LINES OF BUSINESS

	2Q2022	3Q2022	4Q2022	1Q2023	2Q2023
Pre-tax loss					
Alabama LPO	\$ (139)	\$ (298)	\$ (304)	\$ (223)	\$ (179)
Marine/RV Lending	(13)	(70)	(109)	(101)	(20)
Merchant Services	(120)	(141)	(130)	(124)	(64)
TOTAL	\$ (272)	\$ (509)	\$ (543)	\$ (448)	\$ (263)

SMALL BUSINESS SPECIALTY LENDING GROUP

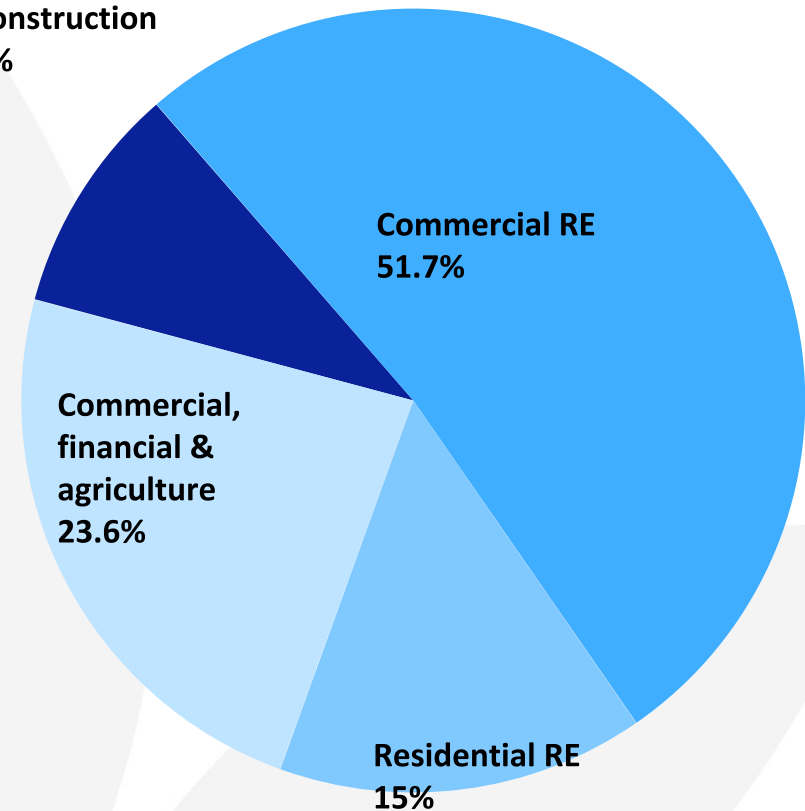
Production and Sales Volume

(Dollars in millions)



Loan Portfolio Breakdown - \$69.2 million

Construction
9%

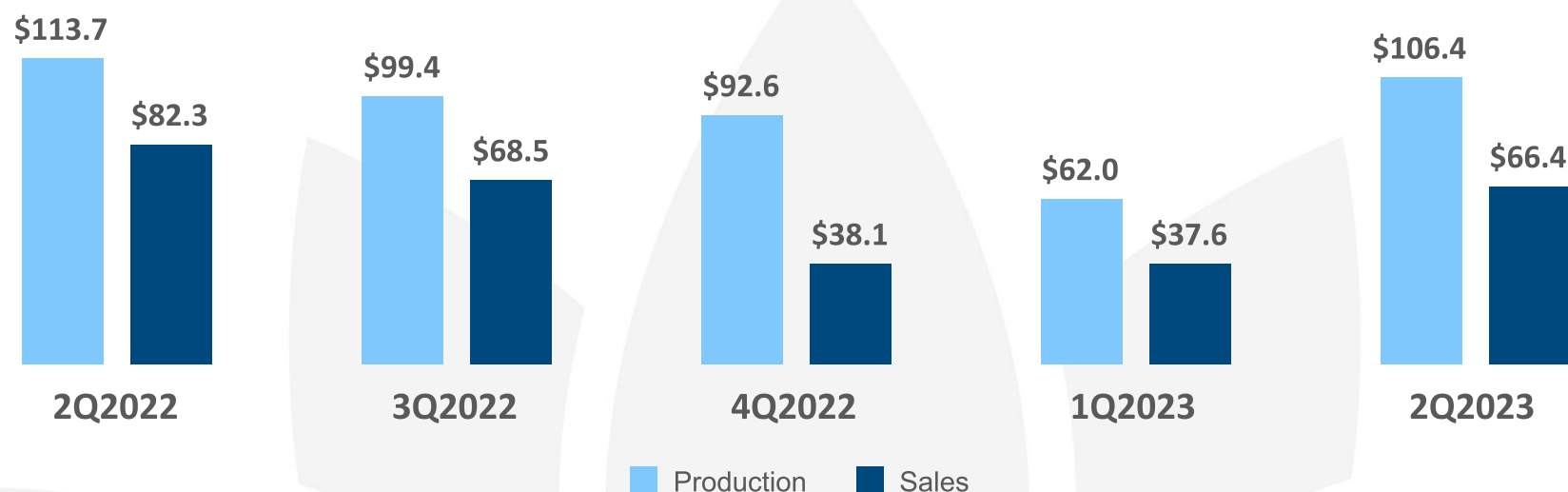


- SBSL production continues to remain strong in the second quarter of 2023 despite the challenging rate environment

MORTGAGE DIVISION

(Dollars in millions)

Production and Sales Volume



- Mortgage production was strong in the second quarter of 2023 despite the challenging rate environment
- Second quarter 2023 shift to sale of mortgage loans from retention in the portfolio of mortgage loans in the first quarter of 2023
- Adjusted staffing levels in the first and second quarters of 2023
- Expect cumulative profitability for the year

INNOVATION STRATEGY

- Improving the digital customer experience
- Research and develop all potential technology-based opportunities
- Increase customer wallet share through data gathering and analytics
- Full implementation of Salesforce to influence a more complete customer relationship through targeted marketing
- Implemented nCino to allow an upgrade of the customer loan experience and reduce operational friction, leading to increased production capacity and efficiency
- Renewed core contract resulting in cost savings and enhanced flexibility for applying API-based technology and Fintech partnerships

QUARTERLY FINANCIAL HIGHLIGHTS

	2Q2022	3Q2022	4Q2022	1Q2023	2Q2023
<i>(dollars in millions, except per share data)</i>					
Diluted earnings per share	\$ 0.19	\$ 0.30	\$ 0.31	\$ 0.29	\$ 0.30
Adjusted earnings per diluted share ⁽¹⁾	0.30	0.30	0.31	0.31	0.33
Dividends per share	0.1075	0.1075	0.1075	0.11	0.11
Return on average assets	0.51 %	0.75 %	0.77 %	0.69 %	0.70 %
Return on average total equity	5.68 %	8.85 %	9.76 %	8.64 %	8.88 %
Net interest margin	3.15 %	3.25 %	3.23 %	3.04 %	2.77 %
Efficiency ratio	83.75 %	73.57 %	75.03 %	74.98 %	76.18 %
Total assets	2,728.4	2,805.9	2,936.6	2,996.9	3,101.1
Loans	1,452.8	1,586.5	1,737.1	1,799.9	1,838.8
Allowance for loan losses	(14.0)	(15.2)	(16.1)	(16.6)	(17.1)
Total loans, net	1,438.8	1,571.4	1,721.0	1,783.3	1,821.8
Total deposits	2,331.5	2,409.7	2,491.0	2,516.1	2,627.2
NPA/Total assets	0.19 %	0.20 %	0.22 %	0.26 %	0.38 %

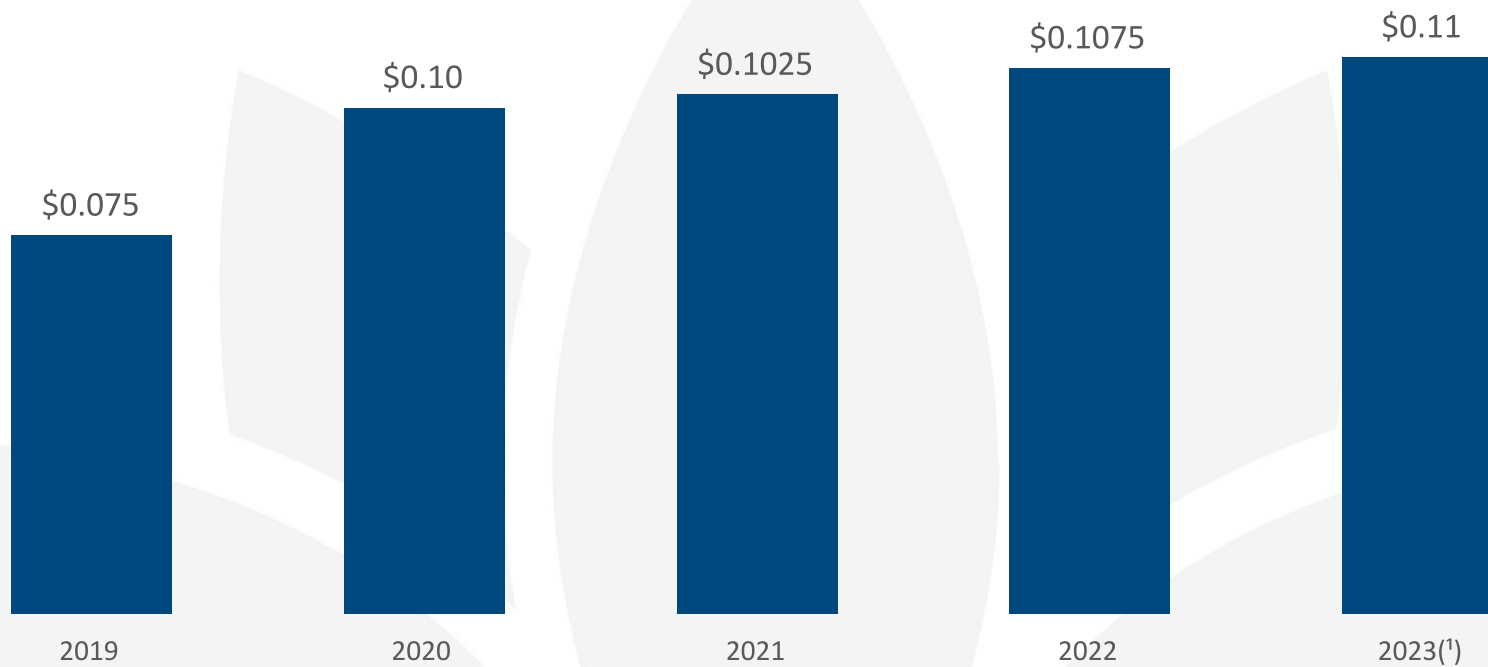
⁽¹⁾ Non-GAAP measure. See non-GAAP reconciliation table on slide 29.

ANNUAL FINANCIAL HIGHLIGHTS

	2018	2019	2020	2021	2022
<i>(dollars in millions, except per share data)</i>					
Diluted earnings per share	\$ 1.40	\$ 1.12	\$ 1.24	\$ 1.66	\$ 1.14
Dividends per share	0.20	0.30	0.40	0.41	0.43
Return on average assets	0.99 %	0.72 %	0.70 %	0.89 %	0.71 %
Return on average total equity	13.32	8.72	8.56	10.60	8.27
Net interest margin	3.56	3.61	3.50	3.39	3.20
Efficiency ratio	70.05	77.93	73.34	72.21	77.34
Total assets	\$ 1,251.9	\$ 1,515.3	\$ 1,763.9	\$ 2,691.7	\$ 2,936.6
Loans	782.4	971.2	1,062.8	1,339.4	1,737.4
Allowance for loan losses	(7.3)	(6.9)	(12.1)	(12.9)	(16.1)
Total loans, net	774.3	962.0	1,047.4	1,325.1	1,721.0
Total deposits	1,085.1	1,294.2	1,445.1	2,374.6	2,491.0
NPA/Total assets	0.90 %	0.73 %	0.58 %	0.21 %	0.22 %

SHAREHOLDER FOCUSED DIVIDEND POLICY

Quarterly Dividend Payment

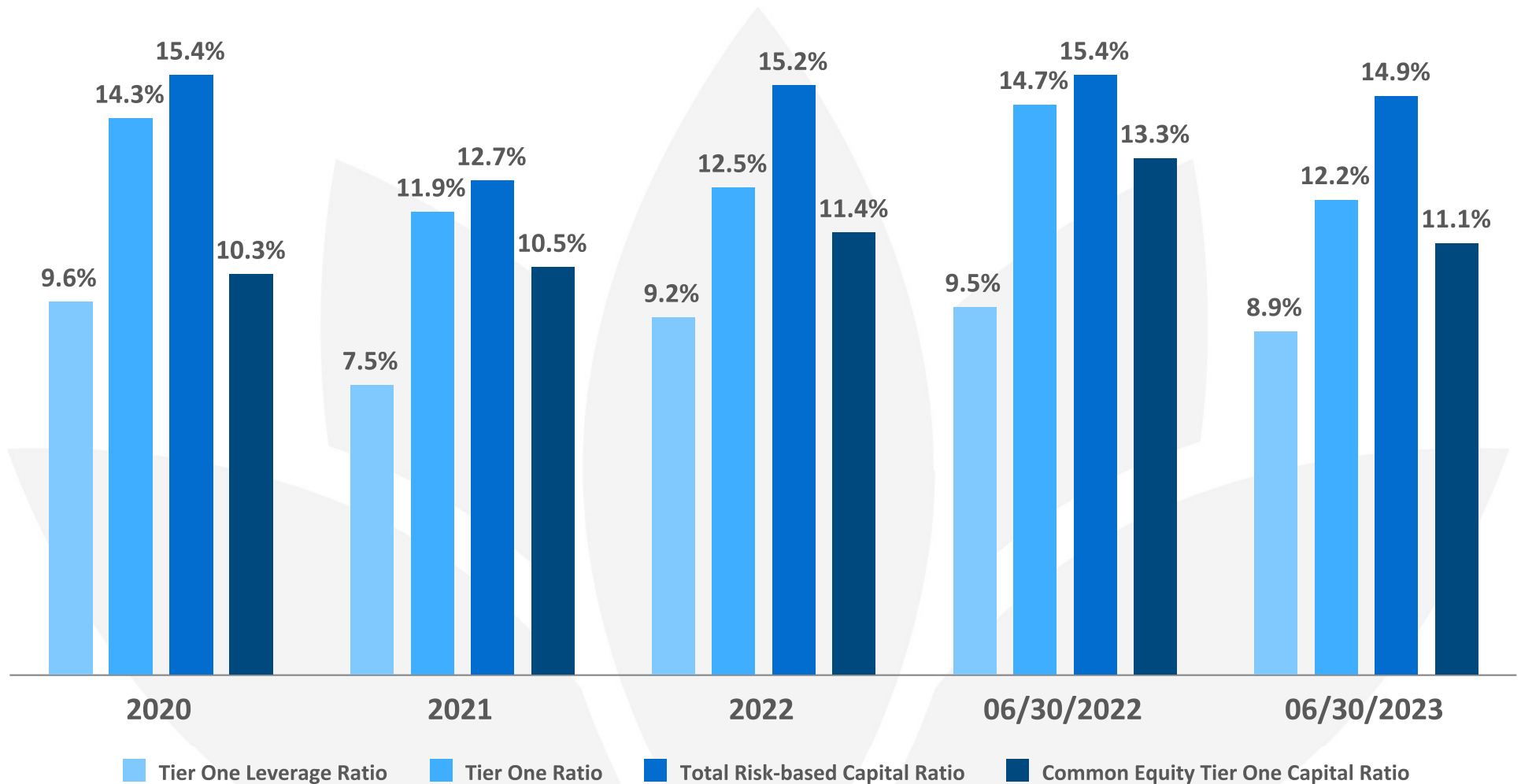


The current indicated annual rate is \$0.44 per share, equating to a yield of 4.2%.⁽²⁾

(1) The Board of Directors declared a dividend to be paid on its common stock on August 23, 2023, to shareholders of record as of the close of business on August 9, 2023.

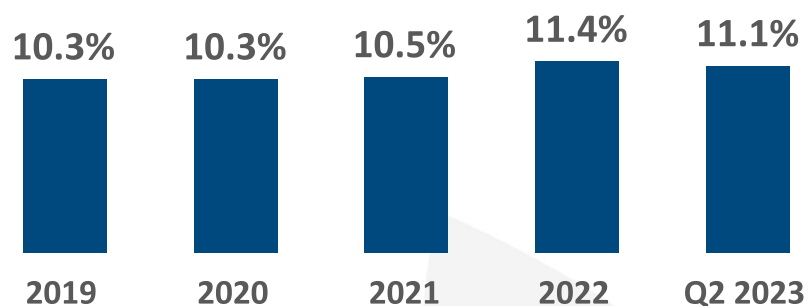
(2) Yield is based on closing stock price on July 24, 2023 of \$10.39.

CAPITAL RATIOS



STRENGTH IN OUR CAPITAL & LIQUIDITY POSITION

Maintains strong CET1 ratio



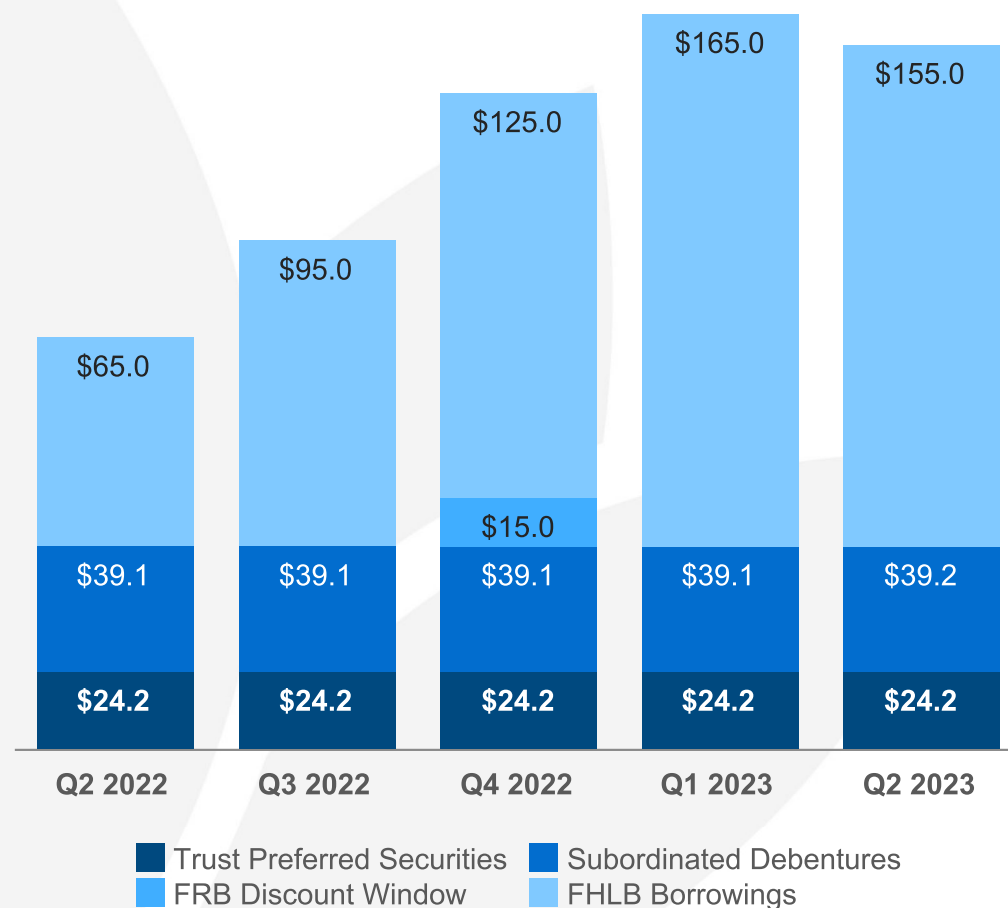
Significant liquidity sources As of June 30, 2023

(dollars in millions)

FRB Reserves	\$ 121.2
Unencumbered Securities	436.3
FHLB Borrowing Capacity	591.9
Fed Fund Lines	64.5
FRB Discount Window	56.9
FRB Term Funding Program	100.0
Total Liquidity Sources	\$ 1,370.8

Debt Funding*

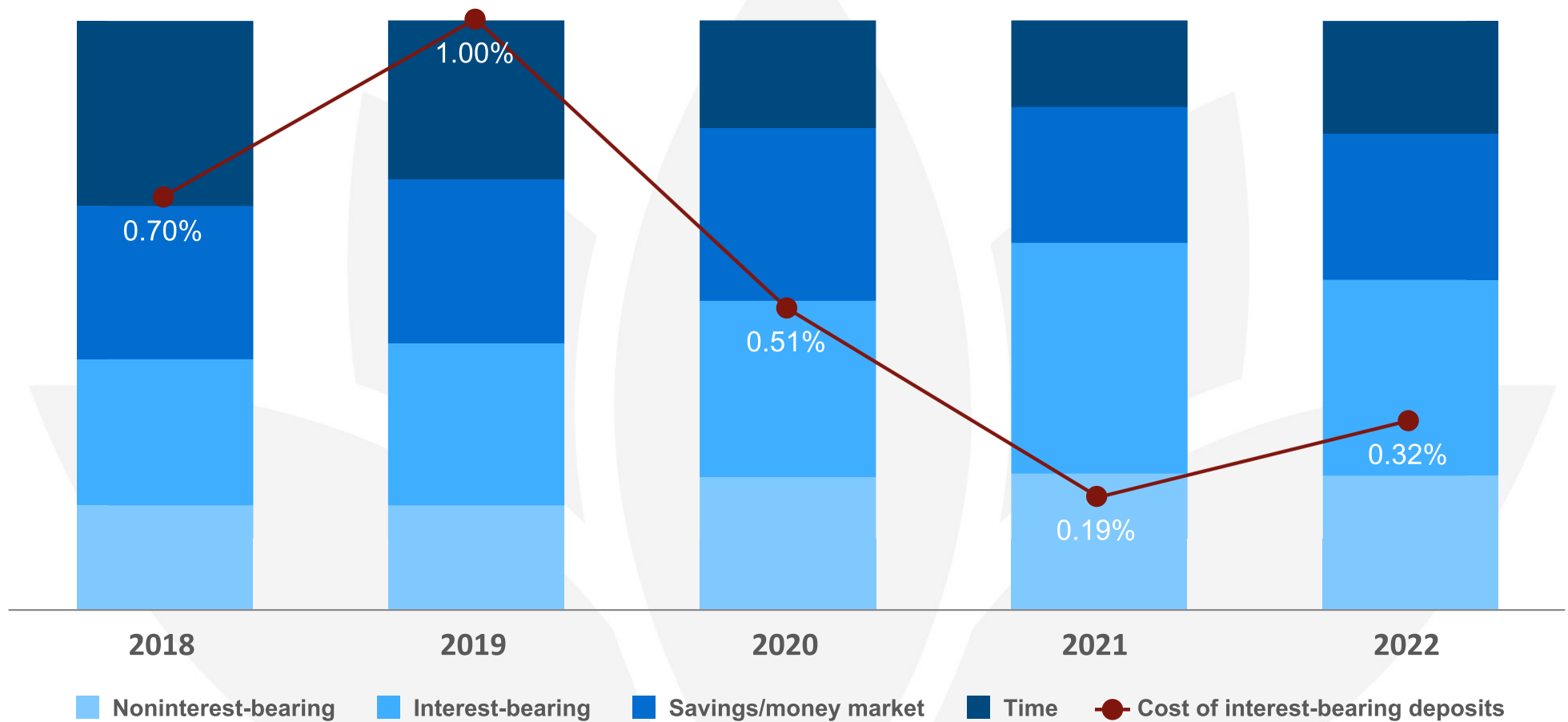
(dollars in millions)



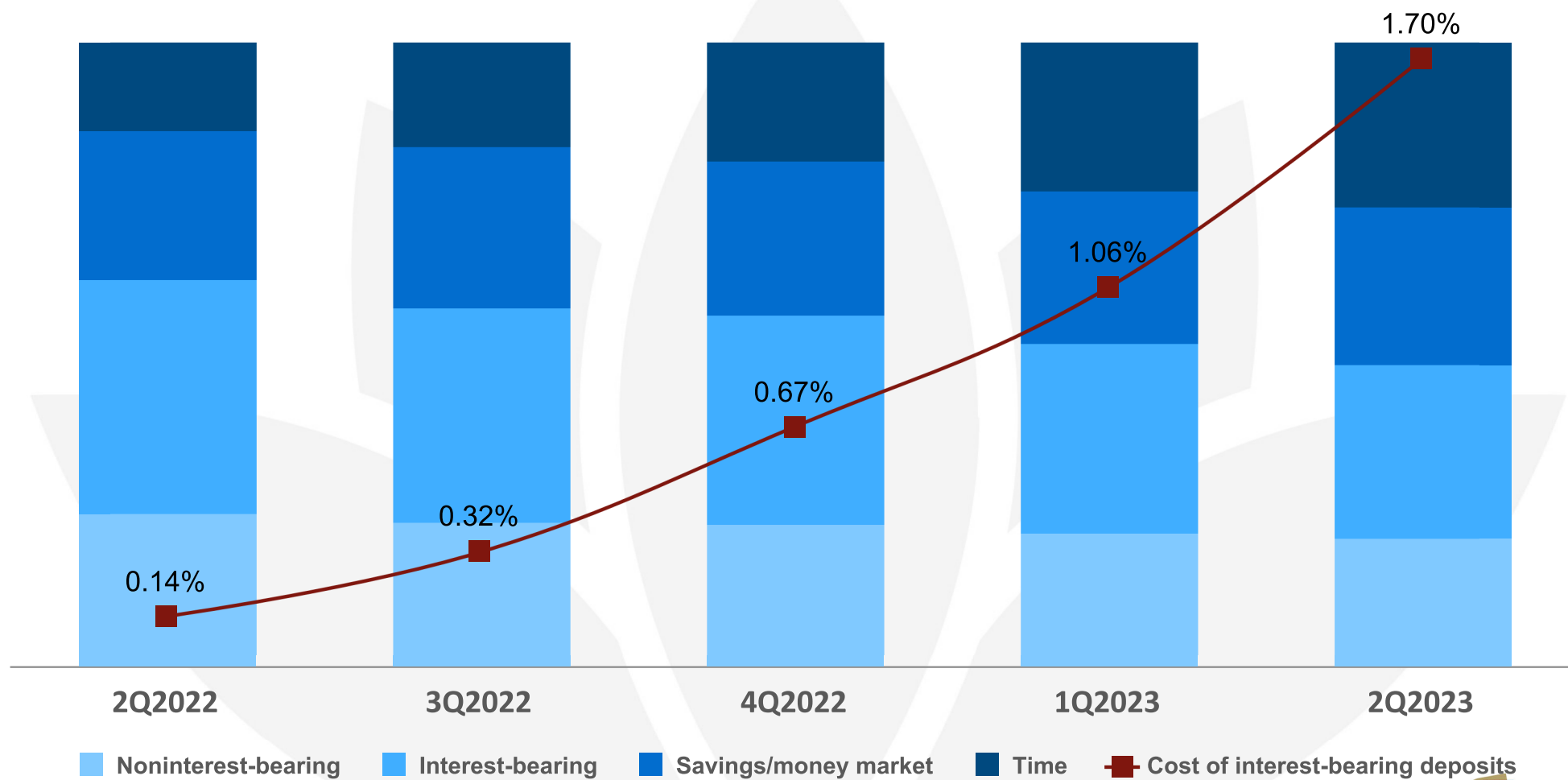
*Reported as of last day of each period



DEPOSIT MIX AND PRICING



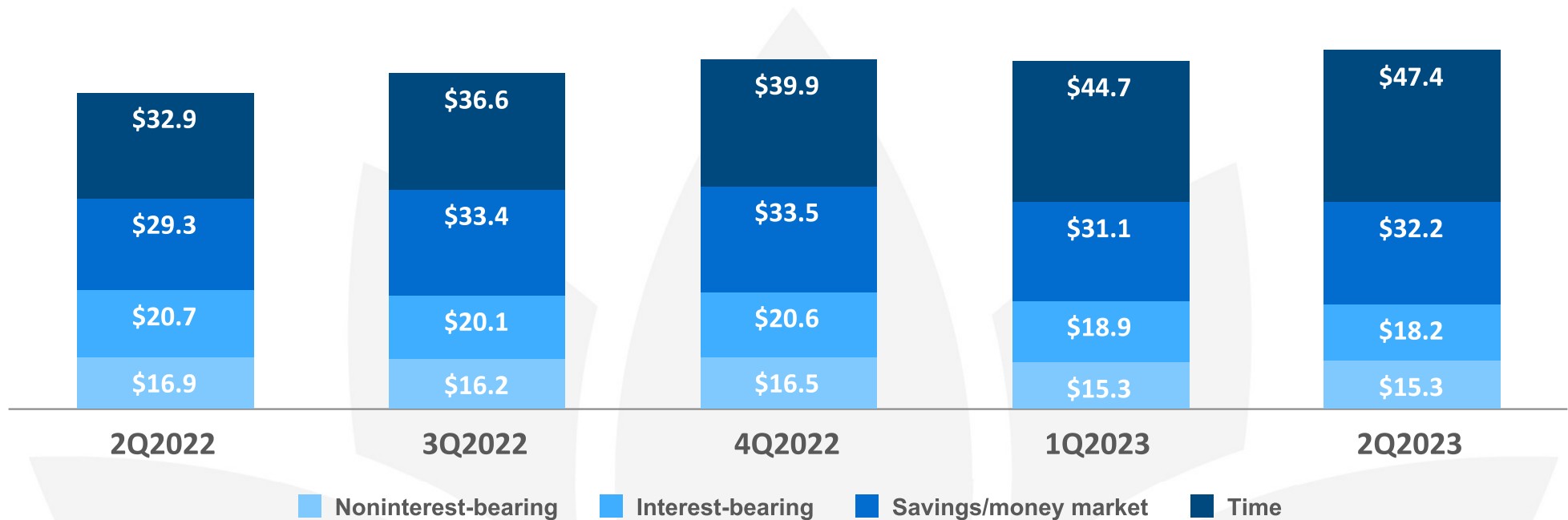
DEPOSIT MIX AND PRICING



DEPOSIT BALANCE DATA

(Dollars in thousands)

AVERAGE DEPOSIT BALANCE PER ACCOUNT



- Commercial/business is 12.7% of accounts and represents 46.8% of total deposits balance; Consumer is 87.3% of accounts and represents 53.2% of total deposits balance (excludes brokered, CDARs and ICS deposits) as of June 30, 2023

Number of Accounts:	December 31, 2022	March 31, 2023	June 30, 2023
Demand deposits	71,900	72,481	71,787
Savings/Money market deposits	17,232	17,449	17,967
Time deposits	<u>9,959</u>	<u>10,936</u>	<u>11,709</u>
TOTAL	99,091	100,866	101,463



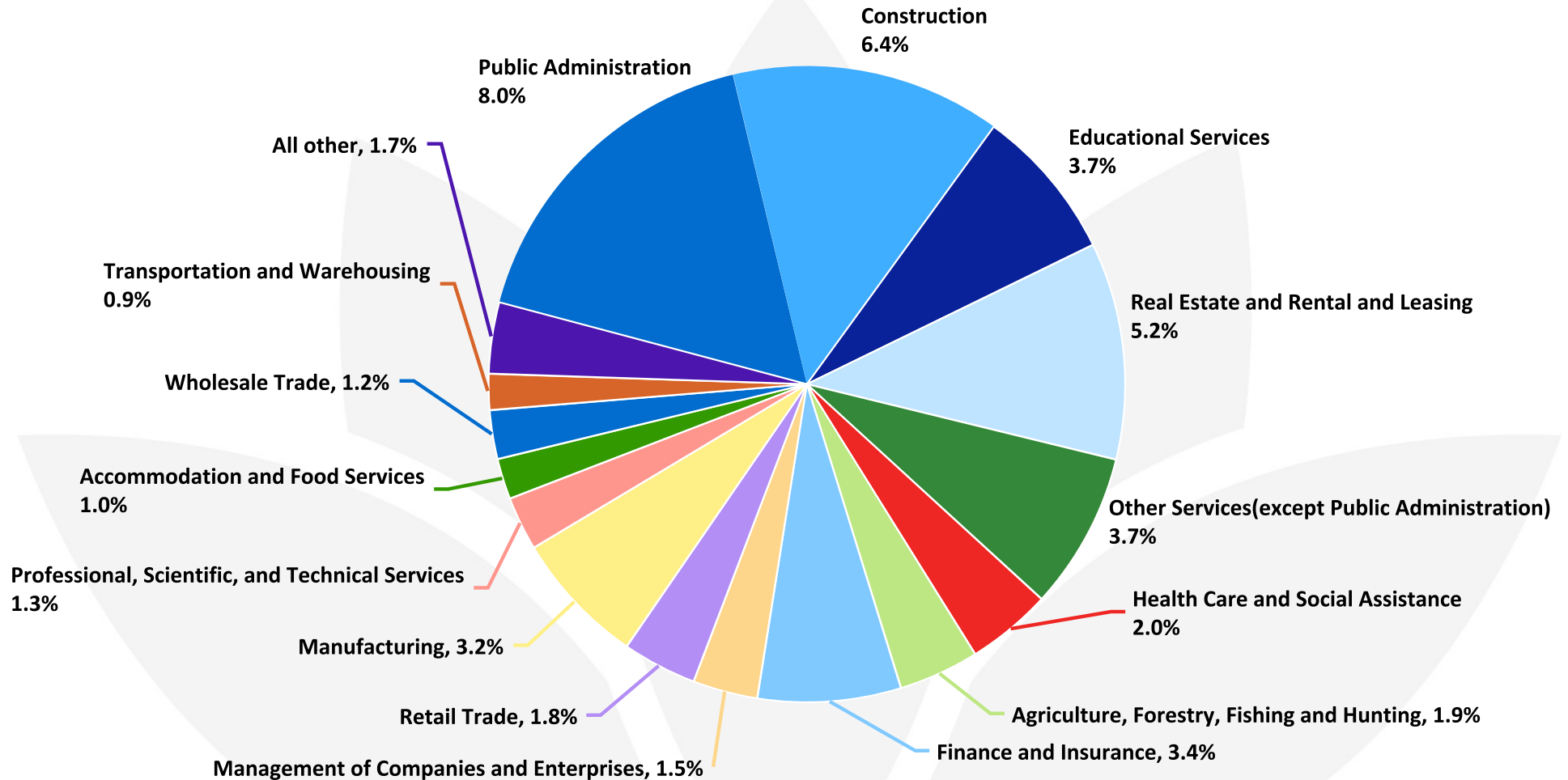
DEPOSITS BY REGION

(Dollars in thousands)

Geographic Location	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Coastal Georgia	\$ 105,399	\$ 113,117	\$ 112,694	\$ 116,082	\$ 133,536
Middle Georgia	236,038	274,804	274,736	261,866	265,615
Atlanta and North Georgia	342,100	324,067	336,890	338,990	341,664
South Georgia	1,124,536	1,144,429	1,193,425	1,167,595	1,197,545
West Georgia	390,644	397,091	397,042	389,594	402,665
Brokered deposits	9,518	30,419	50,770	87,334	112,372
ICS deposits	122,490	100,264	99,990	129,041	148,342
CDARs deposits	786	25,471	25,450	25,627	25,472
Total deposits	\$ 2,331,511	\$ 2,409,662	\$ 2,490,997	\$ 2,516,129	\$2,627,211

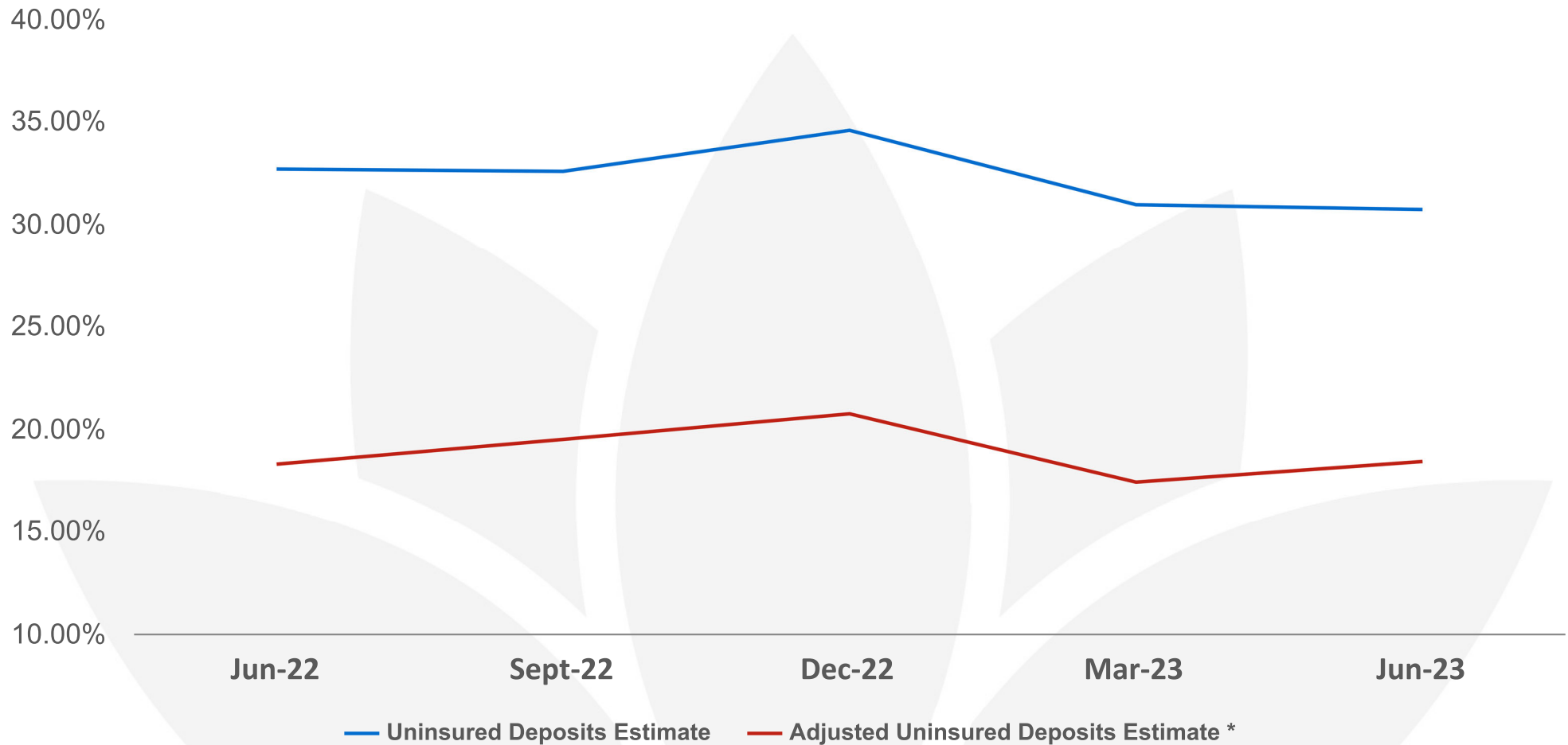
DIVERSITY OF BUSINESS DEPOSIT BASE

As of June 30, 2023



As determined by customer provided NAICS Codes

UNINSURED DEPOSITS

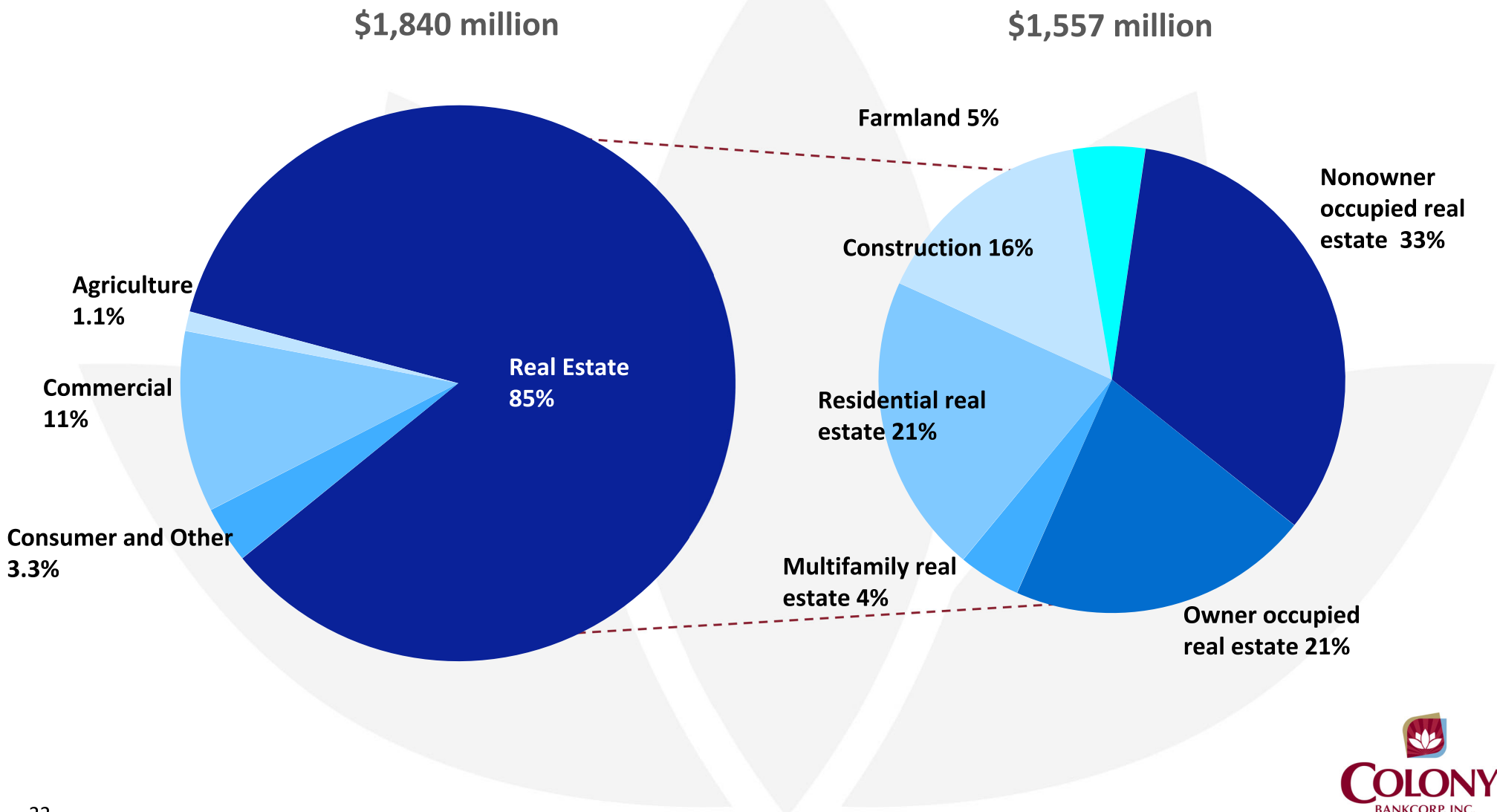


*Adjusted uninsured deposit estimate excludes deposits collateralized by public funds or internal accounts.

All deposits are held at Colony Bank and include the Company's own funds.

LOAN PORTFOLIO BREAKDOWN

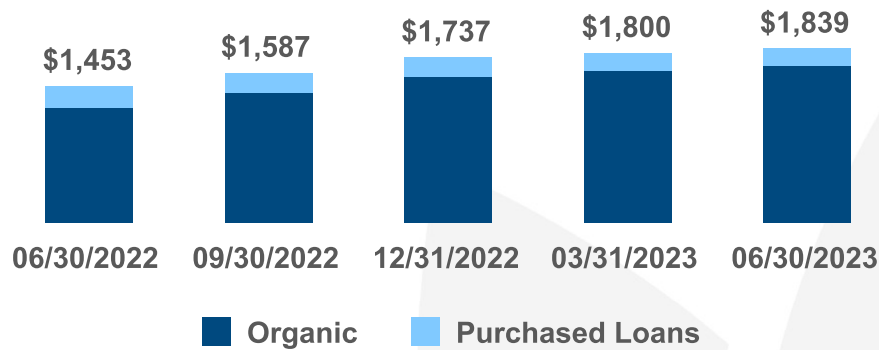
As of June 30, 2023



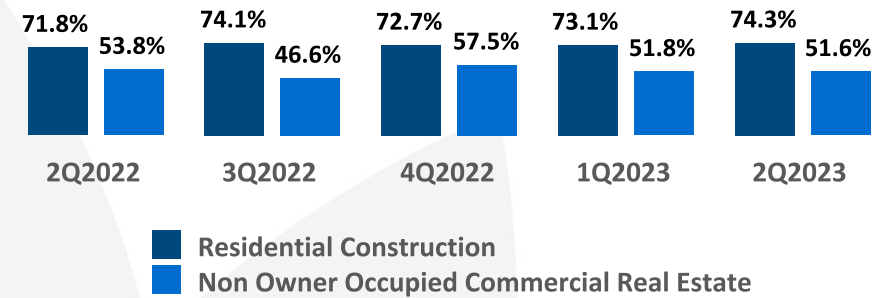
LOAN PORTFOLIO

(Dollars in millions)

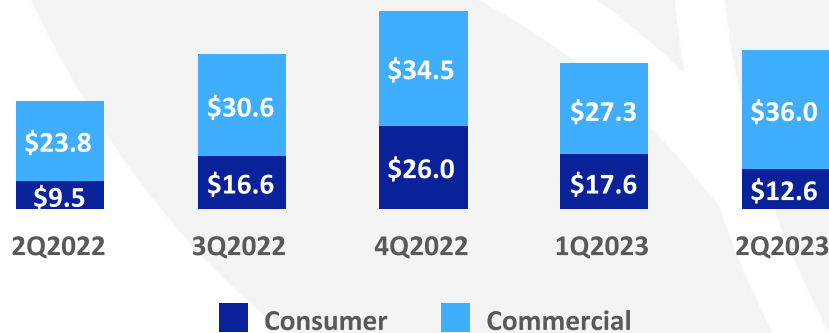
Organic Loan Growth



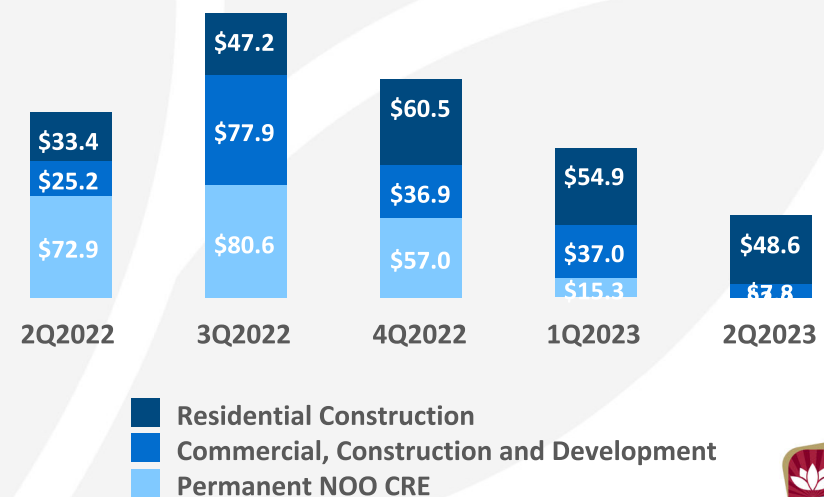
Weighted Average Loan to Values



Residential Construction Loans Commitments by Quarter*



Commercial Real Estate Production



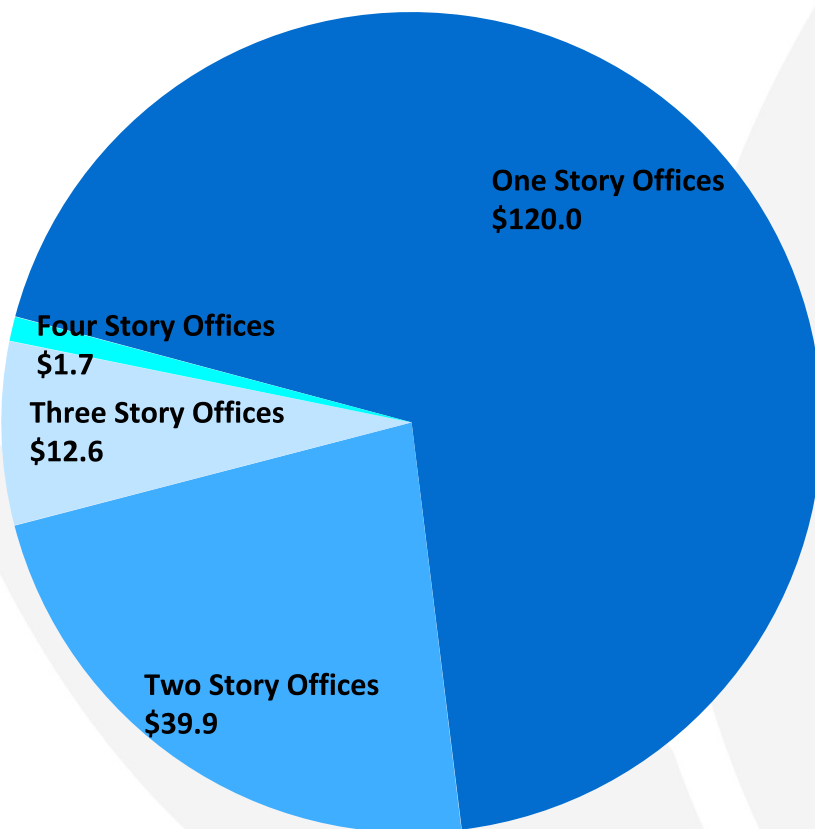
* Residential Construction loans remaining as of 6/30/2023- Originations

OFFICE PORTFOLIO BREAKDOWN

(dollars in millions)

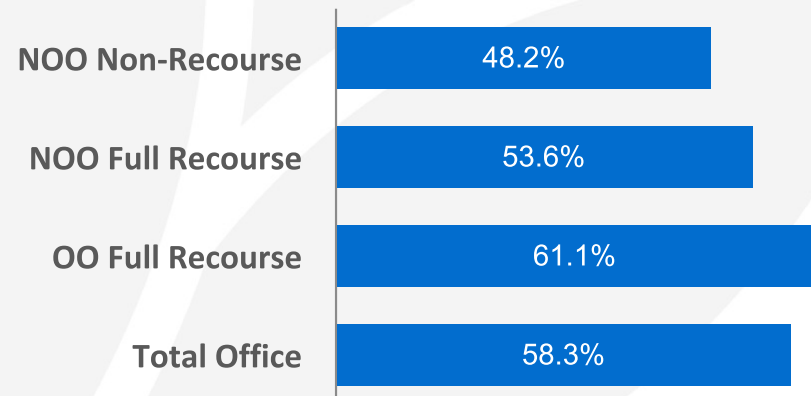
June 30, 2023

Offices by Number of Floors



- Total loans secured by office buildings - \$174.2 million
- Owner-occupied (OO) - 49.4%
- Non owner-occupied (NOO) - 50.6%
- Non-Recourse loans - \$1 million or 0.58%
- Past dues 0.04% of total portfolio and 0.47% of office portfolio

Weighted Average Loan to Value of Offices



INVESTMENT SECURITIES

(Dollars in thousands)

Portfolio Composition June 30, 2023

Description	Book Value	Percentage
U.S. Agency MBS/CMO	\$ 360,377	38 %
Municipal	274,123	29 %
Private Label MBS	121,467	13 %
U.S. Treasuries	98,201	10 %
Corporates	54,701	6 %
SBA and Asset-Backed Securities	32,168	3 %
U.S. Government Agencies	17,620	2 %

Municipal Securities June 30, 2023

With a rating of at least:	Number of Securities	Book Value	Market Value (HTM and AFS)	Unrealized Loss
AAA/Aaa	45	\$ 69,685	\$ 56,535	\$ (13,150)
AA+/Aa1	56	70,534	60,094	(10,440)
AA/Aa2	48	92,236	76,848	(15,388)
AA-/Aa3	21	40,469	33,779	(6,690)
A+/A1	1	685	605	(80)
Unrated	1	214	213	(1)
TOTAL	172	\$ 273,823	\$ 228,074	\$ (45,749)

INVESTMENT SECURITIES

(Dollars in thousands)

Private Label MBS June 30, 2023

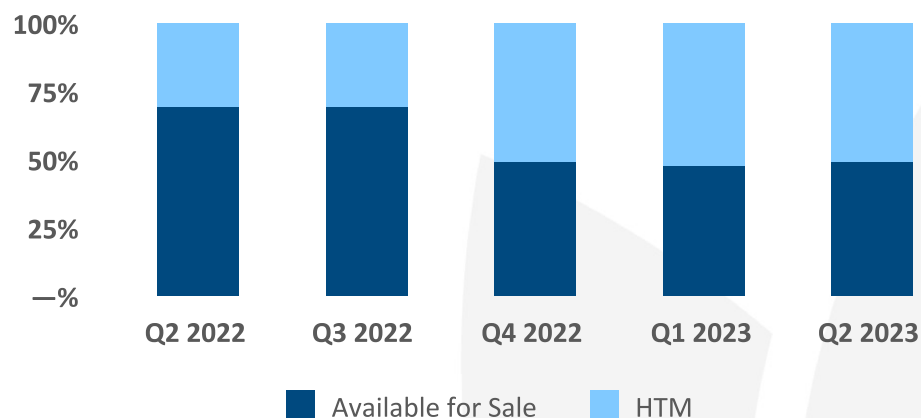
Rating:	Number of Securities	Book Value	Market Value	Unrealized Loss
AAA	26	\$ 92,943	\$ 78,477	\$ (12,466)
NR	14	30,523	30,045	(478)
TOTAL	40	\$ 121,466	108,522	\$ (12,945)

Corporate Securities June 30, 2023

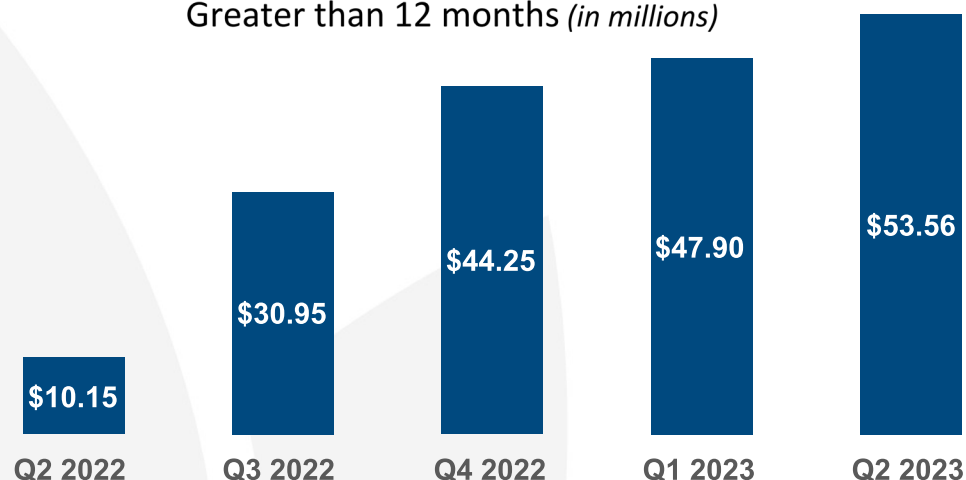
Type	Book Value	Market Value	Unrealized Loss
Bank Sub-Debt/TPS	\$ 39,545	\$ 33,117	\$ (6,428)
Other Corporates	15,155	13,619	(1,536)
Total	\$ 54,700	\$ 46,736	\$ (7,964)

INVESTMENT SECURITIES

AFS/HTM



Unrealized Losses on AFS Securities Greater than 12 months (*in millions*)



Other Portfolio Metrics

As of:	Average Life	Effective Duration	Book Yield
6/30/2022	8.05	5.95	2.27%
9/30/2022	8.39	5.76	2.47%
12/31/2022	8.10	5.64	2.56%
3/31/2023	7.98	5.55	2.60%
6/30/2023	7.87	5.36	2.65%

Current base case assumptions and modeling suggest principal and interest cash flow from the investment portfolio estimated to be between \$18 million and \$22 million per quarter for the next 4 quarters

INVESTMENT CONSIDERATIONS

- Premier Georgia community bank franchise
- Focus on growing the core deposit base
- Improving earnings outlook as new business lines mature
- Upside to tangible book value as unrealized losses improve
- Deep leadership bench with a proven track record
- Ability to manage expenses in an uncertain economy

RECONCILIATION OF NON-GAAP MEASURES

(dollars in thousands, except per share data)	2023			2022		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	
Operating noninterest income reconciliation						
Noninterest income (GAAP)	\$ 8,952	\$ 7,659	\$ 7,688	\$ 8,145	\$ 10,045	
Gain on sale of bank premises	(125)	—	—	—	—	
Operating noninterest income	\$ 8,827	\$ 7,659	\$ 7,688	\$ 8,145	\$ 10,045	
Operating noninterest expense reconciliation						
Noninterest expense (GAAP)	\$ 21,432	\$ 21,165	\$ 21,826	\$ 21,367	\$ 24,476	
Severance costs	(635)	(431)	—	—	(1,346)	
Acquisition-related expenses	—	(161)	—	(2)	(1)	
Operating noninterest expense	\$ 20,797	\$ 20,573	\$ 21,826	\$ 21,365	\$ 23,129	
Operating net income reconciliation						
Net income (GAAP)	\$ 5,302	\$ 5,043	\$ 5,551	\$ 5,252	\$ 3,415	
FHLB mark from called borrowings	—	—	—	—	751	
Severance Costs	635	431	—	—	1,346	
Acquisition-related expenses	—	161	—	2	1	
Gain on sale of bank premises	(125)	—	—	—	—	
Tax effect of adjustment items	(93)	(107)	—	—	(272)	
Operating net income	\$ 5,719	\$ 5,528	\$ 5,551	\$ 5,254	\$ 5,241	
Weighted average diluted shares	17,580,557	17,595,688	17,630,971	17,645,119	17,586,276	
Adjusted earnings per diluted share	\$ 0.33	\$ 0.31	\$ 0.31	\$ 0.30	\$ 0.30	
Tangible book value per common share reconciliation						
Book value per common share (GAAP)	\$ 13.65	\$ 13.57	\$ 13.08	\$ 12.81	\$ 13.34	
Effect of goodwill and other intangibles	(3.07)	(3.08)	(3.10)	(3.12)	(3.44)	
Tangible book value per common share	\$ 10.58	\$ 10.49	\$ 9.98	\$ 9.69	\$ 9.90	
Tangible equity to tangible assets reconciliation						
Equity to assets (GAAP)	7.72 %	7.97 %	7.84 %	8.06 %	8.60 %	
Effect of goodwill and other intangibles	(1.63)	(1.70)	(1.74)	(1.84)	(2.08)	
Tangible equity to tangible assets	6.09 %	6.27 %	6.10 %	6.22 %	6.52 %	
Operating efficiency ratio calculation						
Efficiency ratio (GAAP)	76.18 %	74.98 %	75.03 %	73.57 %	83.75 %	
Severance costs	(2.26)	(1.53)	—	—	(4.61)	
Acquisition-related expenses	—	(0.57)	—	(0.01)	—	
FHLB mark from called borrowing	—	—	—	—	(0.65)	
Gain on sale of bank premises	0.44	—	—	—	—	
Operating efficiency ratio	74.36 %	72.88 %	75.03 %	73.56 %	78.49 %	
Operating net noninterest expense ⁽¹⁾ to average assets calculation						
Net noninterest expense to average assets	1.65 %	1.86 %	1.96 %	1.89 %	2.16 %	
Severance Costs	(0.09)	(0.06)	—	—	(0.20)	
Acquisition-related expenses	—	(0.02)	—	—	—	
Gain on Sale of bank premises	0.02	—	—	—	—	
Operating net noninterest expense to average assets	1.58 %	1.78 %	1.96 %	1.89 %	1.96 %	
Pre-provision net revenue						
Net interest income before provision for credit losses	\$ 19,181	\$ 20,568	\$ 21,400	\$ 20,899	\$ 19,180	
Noninterest income	8,952	7,659	7,688	8,145	10,045	
Total income	28,133	28,227	29,088	29,044	29,225	
Noninterest expense	21,432	21,165	21,826	21,367	24,476	
Pre-provision net revenue	\$ 6,701	\$ 7,062	\$ 7,262	\$ 7,677	\$ 4,749	

⁽¹⁾ Net noninterest expense is defined as noninterest expense less noninterest income



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