



Capital Bancorp - Integrated Financial Holdings Investor FAQ

September 30, 2024 at 9:00 PM EDT

1. As a previous IFHI shareholder, when will I receive the special dividend of Dogwood State Bank shares owned by IFHI as declared by the board of directors of IFHI on August 28, 2024?

- This dividend was paid prior to completion of the merger with CBNK. The distribution of the Dogwood shares was made on September 23, 2024 to all IFHI shareholders of record as of September 9, 2024. IFHI shareholders received cash in lieu of any fraction of a share of Dogwood stock that they otherwise would have received. Previous IFHI shareholders are encouraged to consult their own financial and/or tax advisors regarding the specific implications of the special dividend of Dogwood shares.

2. Now that the merger has closed, what will holders of Integrated Financial Holdings common Stock receive?

- Under the terms of the merger agreement, IFHI shareholders will receive \$5.36 in cash and 1.115 shares of CBNK common stock for each share of IFHI common stock, as well as cash in lieu of any fractional shares of CBNK common stock that would otherwise be received.

3. What are the tax implications to me as a result of the merger?

- The transaction was structured as a reorganization under Section 368(a) of the Internal Revenue Code. Previous IFHI shareholders are encouraged to consult their own financial and/or tax advisors regarding the specific implications of consideration received in the transaction including taxable income as it relates to short-term or long-term gains.

4. What happens to Common Stock fractional shares that result from the conversion?

- IFHI shareholders will receive cash in lieu of any fractional shares that result from the conversion. The amount of cash to be paid in lieu of fractional shares will be determined by multiplying (i) \$25.28, which was the average of the daily closing-sale prices of CBNK for the five (5) full trading days ending on the day immediately preceding the Closing Date by (ii) the fraction of a share (rounded to the nearest thousandth when expressed in decimal form) of CBNK common stock which would otherwise have been received as a result of the exchange ratio.

5. As a prior IFHI shareholder is there any action I must take?

- You should receive a packet in the mail from our Exchange Agent, Equiniti Trust Company, shortly after the combination. Once received, you should fully complete the questionnaire and mail it back to Equiniti, along with any physical certificates you may hold with respect to IFHI common stock.

6. Where can I find historical information about my IFHI common shares?

- For questions regarding information and documentation prior to IFHI's combination with CBNK, please reach out to Equiniti at 877-248-6417 (toll free) or 718-921-8317. They will be able to help over the phone and handle document requests.

7. It has been several weeks and I have not received anything in the mail. What can I do?

- Please reach out to Equiniti at 877-248-6417 (toll free) or 718-921-8317 to get a status update and more specific information regarding your account.

8. What happens to dividends until the information packet is returned to Equiniti?

- All dividends are still yours and accruing but will be held until paperwork is received by Equiniti.