

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): September 12, 2023

CAPITAL BANCORP, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of incorporation or organization)

001-38671
(Commission file number)

52-2083046
(IRS Employer Identification No.)

2275 Research Boulevard, Suite 600, Rockville, Maryland 20850
(Address of principal executive offices) (Zip Code)

(301) 468-8848
Registrant's telephone number, including area code

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	CBNK	NASDAQ Stock Market

Item 7.01 Regulation FD Disclosure

Capital Bancorp, Inc. (the "Company") is filing an investor presentation relating to its second quarter of 2023 (the "Presentation") that will be used by Company management for presentations to investors and others. The Presentation replaces and supersedes investor presentation materials previously furnished as an exhibit to the Company's Current Reports on Form 8-K. A copy of the Presentation is attached hereto as Exhibit 99.1.

The information in this Current Report on Form 8-K and in the exhibit is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, nor shall it be incorporated by reference into any filing under the Securities Act of 1933, as amended, except as may expressly be set forth in any such filing by specific reference. The furnishing of the transcript is not intended to constitute a representation that such furnishing is required by Regulation FD or that the transcript includes material investor information that is not otherwise publicly available.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

- 99.1 [Investor Presentation June 2023.](#)
 - 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)
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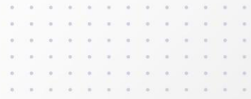
SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

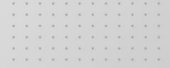
CAPITAL BANCORP, INC.

By: /s/ Jay Walker
Name: Jay Walker
Title: Chief Financial Officer

September 12, 2023



CAPITAL BANCORP, INC.



2Q 2023
Investor Overview



Forward Looking Statements

The statements contained in this presentation that are not historical facts are forward-looking statements based on management's current expectations and beliefs concerning future developments and their potential effects on Capital Bancorp, Inc. (the "Company" or "Capital") including, without limitation, plans, strategies and goals, and statements about the Company's expectations regarding revenue and asset growth, financial performance and profitability, loan and deposit growth, yields and returns, loan diversification and credit management, and shareholder value creation. These statements are often, but not always, made through the use of words or phrases such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "could," "should," "seeks," "projects," "can," "ongoing," "approximately," "predicts," "intends," "plans," "estimates," "anticipates" or the negative version of those words or other comparable words. Such statements involve inherent risks and uncertainties, many of which are difficult to predict and are generally beyond the control of the Company. The inclusion of or reference to forward-looking information in this presentation should not be regarded as a representation by Capital or any other person that the future plans, estimates or expectations contemplated by the Company will be achieved. Any or all of the forward-looking statements in (or conveyed orally regarding) this presentation may turn out to be inaccurate. Accordingly, you are cautioned not to place undue reliance on forward-looking statements and that any such forward-looking statements are not guarantees of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to predict. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the expected results expressed or implied by such forward-looking statements. While there is no assurance that any list of risks and uncertainties or risk factors is complete, below are certain factors which could cause actual results to differ materially from those contained or implied in the forward-looking statements: changes in general economic, political, or industry conditions; geopolitical concerns, including the ongoing war in Ukraine; the magnitude and duration of the COVID-19 pandemic and related variants and mutations and their impact on the global economy and financial market conditions and our business, results of operations, and financial condition; uncertainty in U.S. fiscal and monetary policy, including the interest rate policies of the Board of Governors of the Federal Reserve System; inflation/deflation, interest rate, market, and monetary fluctuations; volatility and disruptions in global capital and credit markets; the transition away from USD LIBOR and uncertainty regarding potential alternative reference rates, including SOFR; competitive pressures on product pricing and services; success, impact, and timing of our business strategies, including market acceptance of any new products or services; the impact of changes in financial services policies, laws, and regulations, including those concerning taxes, banking, securities, and insurance, and the application thereof by regulatory bodies; cybersecurity threats and the cost of defending against them, including the costs of compliance with potential legislation to combat cybersecurity at a state, national, or global level; and other factors that may affect our future results. Additional factors that could cause actual results to differ materially from those expressed in the forward-looking statements are discussed in the Company's 2022 Annual Report on Form 10-K and other periodic and current reports filed with the Securities and Exchange Commission ("SEC") and available at the SEC's Internet site (<http://www.sec.gov>). Unless otherwise required by law, Capital also disclaims any obligation to update its view of any such risks or uncertainties or to announce publicly the result of any revisions to the forward-looking statements made in this presentation.

Except as otherwise indicated, this presentation speaks as of the date hereof. The delivery of this presentation shall not, under any circumstances, create any implication that there has been no change in the affairs of Capital after the date hereof.

Certain of the information contained herein may be derived from information provided by industry sources. The Company believes that such information is accurate and that the sources from which it has been obtained are reliable. Capital cannot guarantee the accuracy of such information, however, and has not independently verified such information. While Capital is not aware of any misstatements regarding the industry data presented in this presentation, Capital's estimates involve risks and uncertainties and are subject to change based on various factors. Similarly, Capital believes that its internal research is reliable, even though such research has not been verified by independent sources.

This presentation may include certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. These non-GAAP financial measures should not be considered in isolation, and should be considered as additions to, and not substitutes for or superior to, measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the Company's non-GAAP financial measures as tools for comparison. If included in this presentation, see the Appendix to this presentation for a reconciliation of the non-GAAP financial measures used in (or conveyed orally during) this presentation to their most directly comparable GAAP financial measures.

Capital Bancorp, Inc. (NASDAQ-CBNK)

Financial Highlights

Corporate Headquarters - Rockville, MD

Balance Sheet (\$M, except per share amounts)	Unaudited June 30, 2023	QoQ Result ¹	YoY Result
Assets	\$ 2,228	(0.8)%	3.4 %
Portfolio Loans	1,845	2.9 %	14.2 %
Deposits	1,934	(0.5)%	2.4 %
Quarterly Financial Performance			
Earnings per Share, Diluted	\$ 0.52	(23.7)%	(35.3)%
ROAA	1.34 %	-50 bps	-70 bps
ROATCE	12.30 %	-468 bps	-986 bps
Tangible Book Value per Share	\$ 16.98	2.0 %	14.8 %
Efficiency Ratio	70.41 %	573 bps	841 bps
Net Interest Margin	6.63 %	-2 bps	-43 bps
Net Interest Margin, excluding credit cards & SBA-PPP Loans	4.06 %	25 bps	20 bps

Footprint



DC-MD-VA

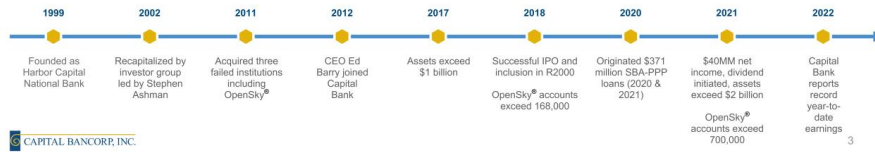


Maryland



Pennsylvania

Corporate Timeline



CAPITAL BANCORP, INC.

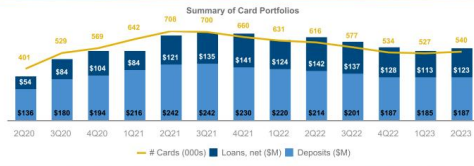
¹ Results comparing current quarter with immediately prior quarter

Digital Challenger Bank with Diversified Lines of Business

Differentiated Go-to-Market Strategy

OpenSky® Digital Bank

- Initial lead product - nationwide, secured credit card to help under-banked customers (re)establish their credit
- Secured and unsecured credit card availability to customers
- Building capabilities to cross-sell products and services as card-holders progress on their customer journeys
- Return to normalized card growth after fast expansion during 2020 and 2021.



Capital Bank Home Loans

- Increasing interest rates have resulted in steep declines in mortgage origination volumes
- Gain on sale margin returning to normalized levels
- Production team focused on purchase (~93% of volume) and niche products



Capital Bank - Commercial Lending

- Commercial branch-lite model focused on attractive Maryland, D.C. and Northern Virginia markets
- High value-added services generate above-average risk-adjusted loan yields
- Non-interest bearing DDA: 36% of total deposits



CAPITAL BANCORP, INC. (1) Portfolio loans include loans held by Church Street Capital and Capital Bancorp.

Distinctive Investment Opportunity



Track Record of Leveraging Technology to Execute Innovation-Focused Business Plan

- Investments in proprietary technology, data analytics and digital marketing
- Scalable OpenSky® and Capital Bank Home Loans infrastructure
- Continued investment and talent acquisitions to bolster innovation capabilities



Growth and Diversified Revenue Generation Drive Superior Profitability

- Organic growth has consistently exceeded community banking peers
- OpenSky® drives high non-interest income and provides resiliency during economically stressed periods
- Asset growth and differentiated businesses drive margins, profitability and book value



Experienced Entrepreneurial Management Team

- Experts in their fields combining large bank and community bank skills to scale the business
- Capabilities in data, analytics, marketing and technology
- Significant (>30%) board and management ownership



Operate in Exceptional Market

- The D.C. and Baltimore MSAs comprise one of the largest and wealthiest regions in the U.S
- Opportunities for customer and talent acquisition created by consolidation
- Market historically insulated from economic downturns by federal government presence and provides core profitability to invest in Digital Challenger Bank expansion



Strong Balance Sheet and Robust Capital Positions

- Stable credit performance and track record
- Well-reserved portfolio and robust capital to provide support in economic downturn and finance continued growth



Data and Analytics

Proprietary data and analytics support consumer and commercial lending



Digital-lead Generation

Fintech partnerships driving growth in mortgage, OpenSky® and deposits



Customer Experience

Investment and partnerships providing enhanced customer experience



Back Office Automation & Fraud Prevention

Technology facilitating gains in operating leverage and fraud prevention

Technology facilitates growth and profitability



- Proprietary technology facilitating acquisition of middle-market customers
- Strategic fintech partnerships driving niche deposit growth
- Internally-developed commercial score tracking micro market performance



- OpenSky® mobile app enabling cost-effective customer acquisition and servicing
- Proprietary data, credit scoring (B-Score), and algorithms improving customer retention with unsecured credit initiative
- NPV models driving product and marketing decisions



- Social media marketing programs efficiently accessing diverse, nationwide customer base
- QuickClose digital mortgage platform reducing costs
- Expense reduction initiatives completed in 2022

