



Coastal Financial Corporation Announces Pricing of Upsized Initial Public Offering of Common Stock

Everett, Wash., July 17, 2018 —Coastal Financial Corporation (“Coastal”), the bank holding company for Coastal Community Bank, today announced the pricing of its initial public offering of 2,850,000 shares of its common stock at a public offering price of \$14.50 per share. The offering was upsized from the previously announced offering size of 2,720,000 shares of common stock. Of the offered shares, 2,150,000 shares are being offered by Coastal and 700,000 are being offered by a selling shareholder. Coastal has granted the underwriters a 30-day option to purchase up to an additional 427,500 shares of its common stock. Coastal’s common stock is expected to begin trading on the Nasdaq Global Select Market under the trading symbol “CCB” on Wednesday, July 18, 2018.

Coastal intends to use the net proceeds from the offering to support its growth, organically or through mergers and acquisitions, and for general corporate purposes, which may include the repayment or refinancing of debt and maintenance of required regulatory capital levels. Coastal will not receive any proceeds from the sale of shares of common stock by the selling shareholder in the offering.

Keefe, Bruyette & Woods, *A Stifel Company*, and Hovde Group, LLC are acting as joint book-running managers for the offering.

The offering is being made only by means of a prospectus. Copies of the prospectus relating to the offering may be obtained from Keefe, Bruyette & Woods, Inc., Attention: Equity Capital Markets, 787 Seventh Avenue, 4th Floor, New York, NY 10019, or by calling (800) 966-1559, or from Hovde Group, LLC, 120 W Madison Street, Suite 1200, Chicago, IL 60602 or by calling (866) 971-0961.

A registration statement relating to these securities has been declared effective by the Securities and Exchange Commission on July 17, 2018. This press release shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Coastal Financial Corporation

Coastal is the bank holding company for Coastal Community Bank, headquartered in Everett, Washington, which provides a wide range of banking products and services to consumers and small to medium sized businesses in the Puget Sound region in the state of Washington. As of March 31, 2018, Coastal had total assets of \$831.0 million, total loans of \$678.5 million and total shareholders’ equity of \$66.9 million.

Cautionary Statement Regarding Forward-Looking Information

This press release contains forward-looking statements. These forward-looking statements reflect Coastal's current views with respect to, among other things, the commencement and completion of the initial public offering of its common stock. Any statements about Coastal's expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as "anticipate," "believes," "can," "could," "may," "predicts," "potential," "should," "will," "estimate," "plans," "projects," "continuing," "ongoing," "expects," "intends" and similar words or phrases. Coastal cautions that the forward-looking statements in this press release are based largely on Coastal's expectations and are subject to a number of known and unknown risks and uncertainties that are subject to change based on factors which are, in many instances, beyond Coastal's control. Actual results, performance or achievements could differ materially from those contemplated, expressed, or implied by the forward-looking statements. Any forward-looking statements presented herein are made only as of the date of this press release, and Coastal does not undertake any obligation to update or revise any forward-looking statements to reflect changes in assumptions, new information, the occurrence of unanticipated events, or otherwise, except as required by law.

Contact:

Eric Sprink
esprink@coastalbank.com
425.357.3659

Laura Byers
lbyers@coastalbank.com
425.349.2674