

Sub Debt Issuance – First Carolina Financial Services, Inc.

December 2019

First Carolina Financial Services, Inc.

holding company for:



Subordinated Debt Offering

\$32.0 Million

5.50% Fixed-to-Floating
Notes Due December 2029

Sole Placement Agent

Performance Trust Capital Partners

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Transaction Overview

On December 6, 2019, Rocky Mount, North Carolina-based First Carolina Financial Services, Inc., the holding company for First Carolina Bank, completed the issuance of \$32.0 million in 10-year fixed-to-floating rate subordinated notes. The subordinated debt is structured such that it qualifies as Tier 2 capital at the holding company. The notes will initially bear interest at 5.50% per annum through December 5, 2024, and thereafter pay a quarterly floating rate equal to three-month LIBOR or the applicable successor or substitute rate plus 394 basis points.

The Company intends to use the net proceeds for general corporate purposes, including future growth opportunities, strengthening its capital ratios and improving its capital structure flexibility to support First Carolina Financial Services, Inc.'s continued growth.

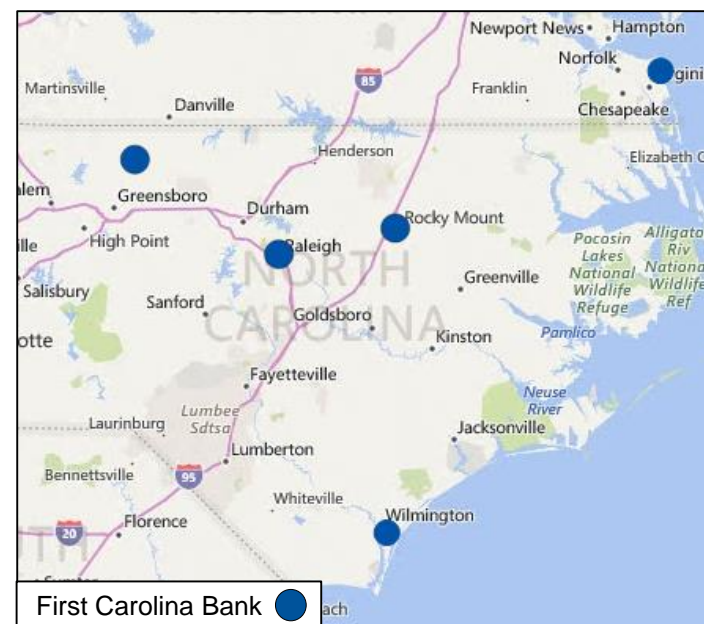
Performance Trust Capital Partners served as sole placement agent for First Carolina Financial Services, Inc. in connection with this issuance of subordinated debt.

Financial Highlights (September 30, 2019)

	First Carolina Bank
(\$000s)	
Assets:	\$ 593,187
Loans:	379,986
Deposits:	512,743
Tang. Equity:	62,151
TCE / TA:	10.51%
NPAs (ex. TDR's):	0.00%
LTM Net Income:	\$ 5,225
LTM ROAA:	1.02%
LTM ROATCE:	10.00%

Note: bank-level financials displayed

Office Locations



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