



PRESS RELEASE  
FOR IMMEDIATE RELEASE

## **First Carolina Financial Services Announces Completion of Historic \$115 Million Private Placement of Common Stock**

**Raleigh & Rocky Mount, North Carolina (March 28, 2022)** – First Carolina Financial Services, Inc. (“First Carolina”), parent company of First Carolina Bank (the “Bank”), announced today the completion of a private placement of 4.6 million shares of its common stock to accredited individual and institutional investors. The shares were sold at a \$25.00 per share offering price, resulting in gross proceeds to the company of \$115 million before deducting fees and expenses of the offering. First Carolina intends to use the proceeds from the private placement to enhance capital ratios, to support growth of the franchise, and for general corporate purposes.

Commenting on the capital raise, Ron Day, President and CEO, said, “The completion of this private placement, our ninth and largest to date, represents a significant milestone for the company and reflects increasing customer demand for our service model across an expanding footprint. Our new and existing Southeast markets are experiencing significant growth and banking industry consolidation. We continue to see opportunity as the inevitable disruption of consolidation causes customers and talented bankers alike to demand better responsiveness and skill from their financial institution. Our strengthened capital base will enable us to continue investing in the businesses, people, and communities that make our banking markets so attractive.”

Mr. Day continued, “We are humbled by significant support from our loyal and growing North Carolina shareholder base and are encouraged by contributions from newer markets in South Carolina and Atlanta. This well-planned capital raise successfully achieved all of our objectives, sourcing more than \$90 million locally and upsizing to \$115 million with support from several institutional investors providing us with further validation of our performance and strategic plan. I am extremely proud to report that this capital raise represents the largest private placement of common equity in North Carolina banking history led by local investors, based on publicly available information.”

Keefe, Bruyette & Woods, *A Stifel Company* served as Sole Placement Agent for the offering. Wyrick Robbins Yates & Ponton LLP served as First Carolina’s legal counsel and Covington & Burling LLP served as legal counsel to Keefe, Bruyette & Woods.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities. The securities offered and sold in the private placement have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), or any state securities laws, and may not be offered or sold in the United States absent registration, or an applicable exemption from registration under the Securities Act and applicable state securities laws.

### **About First Carolina Financial Services, Inc.**

First Carolina Financial Services, Inc. is headquartered in Raleigh, North Carolina, and is the registered bank holding company of First Carolina Bank, a North Carolina state-chartered bank with its main office in Rocky Mount, North Carolina. First Carolina Bank has total assets exceeding \$1.5 billion and full-service banking offices in Rocky Mount, Raleigh, Wilmington, Cary and Reidsville, North Carolina, Virginia Beach, Virginia and Columbia, South Carolina. The Bank will open a full-service branch in Atlanta, Georgia on May 2, 2022 and in Greenville, South Carolina during the third quarter of 2022. To learn more about First Carolina and its subsidiary bank, please visit our website at [www.firstcarolinabank.com](http://www.firstcarolinabank.com).

**Forward-Looking Statements**

This press release contains forward-looking statements. Forward-looking statements are typically preceded by, followed by or include words such as “may,” “could,” “should,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “intend,” “plan,” “projects,” “outlook” or similar expressions. Actual results or events might differ materially from those explicit or implicit in the forward-looking statements, and readers of this press release should not place undue reliance on such statements. Important factors that could cause actual results to differ materially include, without limitation: changes in strategy or events that result in different use or uses of the offering proceeds than currently expected; our ability to successfully deploy the new capital; our ability to grow loans and the banking franchise more generally; the effects of future economic conditions, including impacts from inflation and supply chain shortages; adverse changes in real estate values that affect the value of collateral securing our loans; changes in governmental fiscal and monetary policies; legislative and regulatory changes; changes in interest rates and the resulting impacts on our net interest income, loan demand and borrowings; fluctuations in our financial results; loss of key personnel; privacy, security and other risks associated with our business. First Carolina assumes no obligation and does not intend to update these forward-looking statements, except as required by law.