

**First Carolina Financial Services, Inc.**  
*has completed a private placement of*  
**\$31.4 Million in Common Stock**

Hovde Group, LLC Served as Lead Placement Agent for First Carolina Financial Services, Inc.

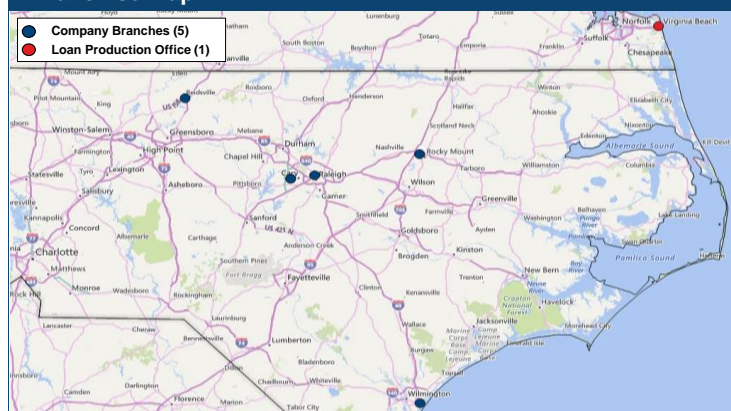
**Offering Summary**

- First Carolina Financial Services, Inc. (the "Company") is headquartered in Raleigh, NC with \$934 million in assets
- Through its subsidiary, First Carolina Bank ("the Bank"), the Company operates 5 branches and 1 loan production office in NC and VA
- The Company has been the fastest growing bank organically in North Carolina the past six years (2014 - 2019)
- First Carolina Bank has consistently been one of the top performing banks in North Carolina, as illustrated by its year-to-date September 30, 2020 return on average assets of 1.20% (#5 in NC), efficiency ratio of 47.1% (#2 in NC), and asset quality (#1 in NC) <sup>(1)(2)</sup>
- This represents Hovde's 55<sup>th</sup> capital transaction since 2017, totaling aggregate proceeds of approximately \$1.8 billion

**Offering Terms**

Issuer:	First Carolina Financial Services, Inc.
Offering Type:	Private Placement
Security Offered:	Common Stock
Completion Date:	December 14, 2020
Gross Proceeds:	\$31.4 Million
Use of Proceeds:	To enhance capital ratios, to support growth of the franchise, and for general corporate purposes

**Franchise Map**



**Issuer Overview (Bank Level Data as of 9/30/2020)**

Headquarters:	Raleigh, NC
Locations:	5 Branches (NC); 1 LPO (VA)
Total Assets (\$000):	934,237
Gross Loans (\$000):	632,110
Deposits (\$000):	707,142
YTD ROAA (%):	1.20
YTD ROAE (%):	10.1
TCE / TA (%): <sup>(3)</sup>	10.8
TCE / TA Post-Offering (%): <sup>(4)</sup>	13.8
NPAs / Assets (%):	0.00

(1) Hovde calculation based on FDIC call reports for commercial banks and depository institutions headquartered in NC as of September 30, 2020  
(2) Asset quality based on NPAs / Assets and NCOs / Loans of 0.00%  
(3) Excludes \$15.0 million of gross proceeds, a portion of the \$31.4 million, raised and downstreamed to the bank in Q3 2020  
(4) Based on gross proceeds before underwriting discounts and offering expenses  
Source: S&P Global Market Intelligence

**Tombstone Announcement**



Raleigh, NC

has completed a private placement of  
**\$31.4 Million in Common Stock**

Hovde Group, LLC served as the Lead Placement Agent



December 14, 2020

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