



## **FOR IMMEDIATE RELEASE**

### **FIRST CENTURY BANK AND FIRST COVENANT COMPLETE MERGER**

GAINESVILLE, GA and COMMERCE, GA, December 10, 2019 – First Century Bancorp, its wholly-owned subsidiary First Century Bank, N.A., and First Covenant Bank jointly announced today the consummation of the previously-announced merger of First Covenant Bank with and into First Century Bank. The parties announced the execution of a definitive agreement in September 2019, and the merger received all required regulatory and shareholder approvals in November 2019. The surviving bank will remain a wholly-owned subsidiary of First Century Bancorp and will continue to operate as a national bank under the name First Century Bank, N.A. The consolidated bank has total assets of approximately \$284 million, loans of approximately \$49 million, and deposits of approximately \$245 million.

William R. Blanton will continue in his role as the Chairman and Chief Executive Officer of First Century Bancorp and First Century Bank. The other officers of First Century Bancorp and First Century Bank, many of whom also served as officers of First Covenant Bank, will also continue in their roles. Upon completion of the merger, the board of directors of First Century Bancorp consists of Mr. Blanton, four additional directors of First Century Bancorp and three former directors of First Covenant Bank. Additionally, the board of directors of First Century Bank consists of Mr. Blanton, six additional directors of First Century Bank, and two former directors of First Covenant Bank.

“We are thrilled to finalize the merger and are excited about the opportunities it will provide for our customers, employees and shareholders,” said Blanton. “Together, we will continue to offer diverse business lines and products and anticipate a significant potential for growth. We have been working together under a Master Services Agreement since 2008 and believe the increased efficiencies achieved through consolidation will be significant.”

Subject to the terms of the merger agreement, shareholders of First Covenant Bank (other than non-accredited shareholders who own less than 4,000 shares that receive cash) receive 0.002873 shares of First Century Bancorp common stock in exchange for each outstanding share of First Covenant Bank common stock. Based on various financial analyses performed by the parties' independent financial advisors, this equates to a per share value of \$9.15 for shareholders of First Covenant Bank and an aggregate transaction value of approximately \$22 million.

The transaction is anticipated to provide capital flexibility and efficiency for the combined bank. Additionally, the existing customer bases of each bank will benefit from increased product offerings and lending capacity and will have access to more resources.

FinPro Capital Advisors, Inc. provided a fairness opinion and Nelson Mullins Riley & Scarborough LLP served as legal counsel to First Century Bancorp and First Century Bank in connection with the merger. Janney Montgomery Scott LLC provided a fairness opinion and Troutman Sanders LLP served as legal counsel to First Covenant Bank in connection with the merger.

## **About First Century Bancorp and First Century Bank, N.A.**

First Century Bancorp serves as the holding company for First Century Bank, N.A., a national banking association headquartered in Gainesville, Georgia. First Century Bank provides a well-rounded offering of commercial and consumer products with added functionality through the use of technology driven delivery systems through its single office in Gainesville. For additional information, contact Peter Vasell (CFO) at (770) 280-0874.

### ***Forward Looking Statements:***

*This press release contains forward-looking statements. These forward-looking statements include, but are not limited to, statements about the benefits of the merger of First Century Bank and First Covenant Bank, including future financial and operating results (including the anticipated impact of the transaction on earnings and tangible book value), the combined company's plans, objectives, expectations and intentions, and other statements that are not historical facts. Forward-looking statements may be identified by terminology such as "may," "will," "should," "scheduled," "plans," "intends," "anticipates," "expects," "believes," "estimates," "potential," or "continue" or negatives of such terms or other comparable terminology. All forward-looking statements in this press release, or in any other written or oral communication that relates to the merger of First Century Bank and First Covenant Bank or to matters that may affect such combination are subject to risks, uncertainties and other factors that may cause the actual results, performance or achievements of the combined entity to differ materially from any results expressed or implied by such forward-looking statements. Such factors include, among others, (1) the risk that the cost savings and any revenue synergies from the merger may not be realized or take longer than anticipated to be realized, (2) disruption from the merger with customers, suppliers, employees or other business partners, (3) the risk of unsuccessful integration of First Covenant Bank's business into the business of First Century Bank, (4) the amount of the costs, fees, expenses and charges related to the merger, (5) reputational risk and the reaction of each company's customers, suppliers, employees or other business partners to the merger, (6) the risk that the integration of First Covenant Bank's operations into the operations of First Century Bank will not occur, will be materially delayed or will be more costly or difficult than expected, including as a result of unexpected factors or events, (7) the dilution caused by First Century Bancorp's issuance of additional shares of its common stock in the transaction, and (8) general competitive, economic, political and market conditions.*

*Each of First Century Bancorp, First Century Bank and First Covenant Bank disclaim any obligation to update or revise any forward-looking statements contained in this communication (which statements speak only as of the date hereof), or in any other written or oral communication that relates to the combination of First Century Bank and First Covenant Bank or to matters that may affect such combination, whether as a result of new information, future events or otherwise.*