

CAPITAL MARKETS ANNOUNCEMENT

Aquesta Financial Holdings, Inc. (OTC Pink: AQFH) Announces Private Placement of \$15.2 Million of Equity Capital

Sandler O'Neill + Partners, L.P. served as the sole placement agent for this offering.

This transaction represents the 142nd public offering or private placement of common stock for a bank or thrift since January 1, 2013 for which Sandler O'Neill acted as book-runner, co-manager or placement agent – more than any other investment bank during that period. These transactions have raised approximately \$24.0 billion for our clients.¹

About the Offering:

CORNELIUS, NC – Feb 1, 2019 -- Aquesta Financial Holdings, Inc. ("Aquesta") (OTC Markets symbol AQFH), the parent company of Aquesta Bank, announced today that it has successfully closed a \$15.0 million private placement of shares (the "Shares") of common stock and a newly issued series of convertible perpetual preferred stock ("Preferred Stock"). The Shares were issued at \$11.50 per share and net proceeds from the offering were approximately \$14.1 million. Castle Creek Capital LLC ("Castle Creek"), a California based private equity firm and leading investor in the financial institutions sector, was the investor in the offering. Certain members of Aquesta's Board of Directors have also agreed to purchase an additional \$200,000 of Aquesta common stock in the transaction.

Aquesta CEO and President Jim Engel, stated "Castle Creek is a sophisticated and experienced investor specializing in community banks. We are very pleased that they have chosen to invest in Aquesta. Their investment is a validation of Aquesta's strength, strategy and market opportunity. Aquesta recently announced its strongest quarter and year since it was formed more than 12 years ago. This investment will allow us to continue to expand and better serve our community."

About the Company:

Aquesta Financial Holdings, Inc. is the holding company to its wholly owned subsidiary, Aquesta Bank. Aquesta Bank is a full-service community bank headquartered in Cornelius, North Carolina with seven branches in the Charlotte, Lake Norman and Wilmington areas and loan production offices Greenville, Raleigh, and Charleston, South Carolina.

This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.

1) Source: S&P Global Market Intelligence

January 31, 2019

**Private Placement of
Equity Capital
\$15.2 Million**



**Sole Placement Agent
SANDLER O'NEILL + PARTNERS**

Financial Highlights as of December 31, 2018¹

(Dollars in thousands)

Total Assets	\$460,113
Total Net Loans	\$365,532
Total Deposits	\$320,116
Total Equity	\$33,459
TCE / TA	7.27%
NPAs / Assets	0.30%

Sandler O'Neill Contacts:

Scott Clark
Principal, Co-Head of
Investment Banking
(212) 466-7965

Demetrios Hadgis
Managing Director
(212) 466-8019

Alex Bondroff
Vice President
(212) 466-7727

Jennifer Docherty
Managing Director
(212) 466-7796

Tucker Tuberville
Analyst
(212) 466-8033

John Regan
Director
(212) 466-7822