

Carolina Financial Corporation (NASDAQ: CARO; Charleston, SC) has agreed to acquire Carolina Trust Corporation (NASDAQ: CART; Lincolnton, NC)

Deal Value: Approximately \$100.1 Million

Sandler O'Neill served as financial advisor and provided a fairness opinion to Carolina Financial Corporation in this transaction.

This transaction represents Sandler O'Neill's 226th bank or thrift transaction since January 1, 2015, representing approximately \$67.2 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions and for a greater aggregate deal value than any other investment bank during that time period.¹

Since January 1, 2015, Sandler has advised on 71 deals involving bank and thrifts based in the Southeast, which is more than any other investment bank during that time period.¹

Since January 1, 2015, Sandler has advised on 18 deals involving bank and thrifts based in North & South Carolina, representing \$8.6 billion in aggregate transaction value, which is more than any other investment bank during that time period and represents 85% of the total deal value in North & South Carolina.¹

Charleston, S.C. & Lincolnton, N.C., July 15, 2019 - Carolina Financial Corporation (Nasdaq: CARO) ("Carolina Financial") and Carolina Trust BancShares, Inc. (Nasdaq: CART), the parent company of Carolina Trust Bank (together, "Carolina Trust") jointly announced today the signing of a definitive merger agreement.

Subject to the terms of the merger agreement, Carolina Trust shareholders will receive 0.3000 shares of Carolina Financial common stock, or \$10.57 in cash for each share of Carolina Trust's common stock outstanding, subject to election and proration such that the aggregate consideration will consist of 90 percent Carolina Financial stock and 10 percent cash. Based on Carolina Financial Corporation's closing stock price of \$35.62 as of July 12, 2019, this equates to an aggregate deal value of approximately \$100.1 million.

"This transaction allows for Carolina Financial to deepen its market presence in North Carolina. Carolina Trust represents the best opportunity for Carolina Financial to expand our footprint in these markets and the merger will allow us to execute on many of our publicly stated goals," said Jerry Rexroad, Chief Executive Officer of Carolina Financial. "We welcome the Team Members at Carolina Trust to our organization. This partnership is an excellent opportunity to create value for both institutions." Upon completion of the acquisition, the combined company will have over \$4.5 billion in assets, \$3.1 billion in loans and \$3.3 billion in deposits. This transaction will further solidify Carolina Financial's position as one of the largest Carolinas-based community banks.

Jerry Ocheltree, President and Chief Executive Officer of Carolina Trust, will be named President of CresCom Bank's North Carolina Commercial Banking Operations. "We are excited about partnering with a high-performing company that shares our community banking culture and values like Carolina Financial. We find the strategic fit of the two organizations compelling, especially for our customers that will benefit from the broader array of products and services," commented Jerry Ocheltree. "We will leverage the new resources and products available to us through CresCom Bank and are attracted to the opportunity to operate in our current markets with a significantly larger scale."

Financial Highlights

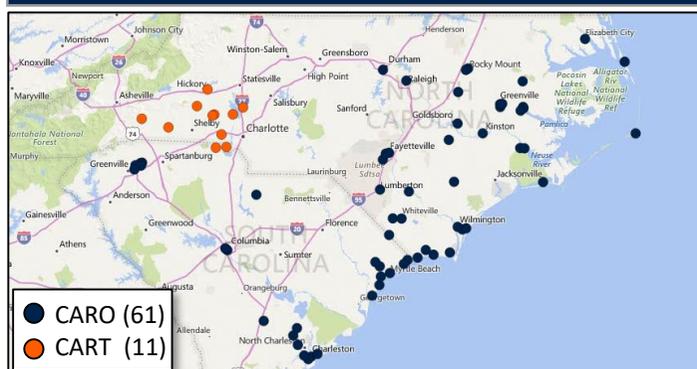
(Dollars in millions)	CARO	CART
Total Assets	\$3,842	\$621
Total Net Loans	\$2,599	\$470
Total Deposits	\$2,817	\$523
Total Equity	\$589	\$67
TCE / TA	12.05%	9.62%

Note: Financial data as of March 31, 2019

(1) Majority and Minority transactions; Excludes terminated transactions and self-advisory roles

Source: S&P Global Market Intelligence, Company documents

Pro Forma Branch Map



Sandler O'Neill Contacts:

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

Thomas Sullivan
Managing Director
(212) 466-7740

Alex Bondroff
Vice President
(212) 466-7727

Mackenzie Boydston
Associate
(212) 466-7747

Tucker Tuberville
Analyst
(212) 466-8033