

First Western Bancshares, Inc. (Private; Booneville, AR) Closes Private Placement of \$9.0 Million of 6.75% Fixed to Floating Rate Subordinated Notes due June 2028

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

This transaction is the 89th subordinated note or senior note transaction for a community bank since January 1, 2016 in which Sandler O'Neill acted as a placement agent, sole underwriter, book runner or initial purchaser.¹ These transactions have raised approximately \$5.4 billion for our clients, representing 64.0% market share of announced transactions.¹

About the Offering:

First Western Bancshares, Inc. ("First Western"), the holding company for First Western Bank, today closed a private placement of \$9 million aggregate principal amount of 6.75% Fixed to Floating Rate Subordinated Notes due 2028.

First Western intends to use the net proceeds from this offering to repay its existing holding company bank loan, improve its overall liquidity position, to fund organic growth, support regulatory bank capital ratios, and for general corporate purposes.

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

About the Company:

First Western Bancshares, Inc. is a privately-held bank holding company established in 1984 and headquartered in Booneville, AR. Through its subsidiary, First Western Bank, the Company provides traditional consumer and commercial banking products, personal and business insurance coverage, and comprehensive financial planning services to customers throughout Western and Northwestern Arkansas. First Western operates 10 branch locations.

(1) Source: Sandler O'Neill Syndicate Desk, Bloomberg. Deal count includes subordinated debt or senior note offerings for Community Banks reported by Bloomberg; Community Banks defined as banks or bank holding companies with less than \$35 billion in assets.

(2) Source: S&P Global Market Intelligence; Bank level financial data, not pro forma for the offering.

June 13, 2018

6.75% Fixed to Floating Rate
Subordinated Notes
due June 2028

\$9.0 Million



FIRST WESTERN

Sole Placement Agent

SANDLER O'NEILL + PARTNERS

Financial Highlights (as of 3/31/2018)²

(Dollars in thousands)

Total Assets	\$390,886
Total Loans	\$330,881
Total Deposits	\$352,397
Total Equity	\$31,616
MRQ ROAA	0.94%
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Tier 1 Leverage Ratio	8.10%
Tier 1 Risk-Based Capital Ratio	10.19%
Total Risk-Based Capital Ratio	11.27%

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