

CCF Holding Company (OTCQX: CCFH; Jonesboro, GA), Heritage Bancorporation, Inc. (Private; Hinesville, GA), and Providence Bank (Private; Alpharetta, GA) announce that the three companies have agreed to merge, creating a \$1.1 billion in assets community banking institution serving customers in Georgia and Florida under a single holding company to be named Heritage Southeast Bancorporation, Inc.

Aggregate Deal Value: Approximately \$105 million

Sandler O'Neill acted as an independent financial advisor to the special committees of the boards of directors of each of the parties in connection with the business combination and worked with the companies to establish the relative ownership of each company's shareholders in the combined entity.

These two related transactions represent Sandler O'Neill's 209th and 210th bank and thrift transaction nationwide since January 1, 2015 representing \$65.6 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 transaction value than any other investment bank during that time period.¹

With these transactions, since January 1, 2015, Sandler O'Neill has advised on 67 bank or thrift transactions in the Southeast, representing over \$23.1 billion in aggregate transaction value, more than any other investment bank during that time period.¹

JONESBORO, Ga., HINESVILLE, Ga., and ALPHARETTA, Ga. – December 20, 2018 – CCF Holding Company (OTCQX: CCFH) ("CCF"), Heritage Bancorporation, Inc. ("HBI") and Providence Bank ("Providence") jointly announced today the signing of a definitive agreement pursuant to which HBI will merge with and into CCF and a wholly-owned subsidiary of CCF will merge with and into Providence in an all-stock transaction. Following the closing of this transaction, Providence and the subsidiary banks of each of CCF and HBI will each be a wholly-owned subsidiary of CCF. The banks will maintain their existing names, executive management teams and boards of directors. This combination of three community banks under one holding company will create a growth-oriented banking franchise, with branches in Georgia and northeast Florida. As of September 30, 2018 and excluding purchase accounting, the consolidated holding company has pro forma total assets of approximately \$1.1 billion, gross loans of approximately \$793 million, and deposits of approximately \$978 million.

Subject to the terms of the business combination agreement, HBI shareholders will receive 0.9504 shares of CCF common stock for each outstanding share of HBI common stock and Providence shareholders will receive 0.1225 shares of CCF common stock for each outstanding share of Providence common stock. Each outstanding option to purchase shares of HBI common stock or Providence common stock will be assumed by CCF and become an option to purchase shares of CCF common stock, with the exercise price and number of shares underlying the option adjusted to reflect the respective exchange ratios. Based on CCF's closing stock price of \$25.51 as of December 19, 2018, this equates to a per share value of \$24.24 for HBI shareholders and \$3.12 for Providence shareholders and an aggregate transaction value of approximately \$105 million. Based on the exchange ratios above, the current equityholders of CCF will own approximately 44% of the consolidated entity, and the current shareholders of HBI and Providence will own approximately 49% and 7%, respectively.

The transaction is expected to offer shareholders several benefits of a larger, more diversified and scalable company, including increased liquidity in their shares, and the ability to provide capital flexibility and efficiency for each bank subsidiary. Additionally, the existing customer bases of each bank subsidiary will benefit from increased product offerings and lending capacity, and will have access to more resources.

Bank Level Financial Highlights

(Dollars in thousands)

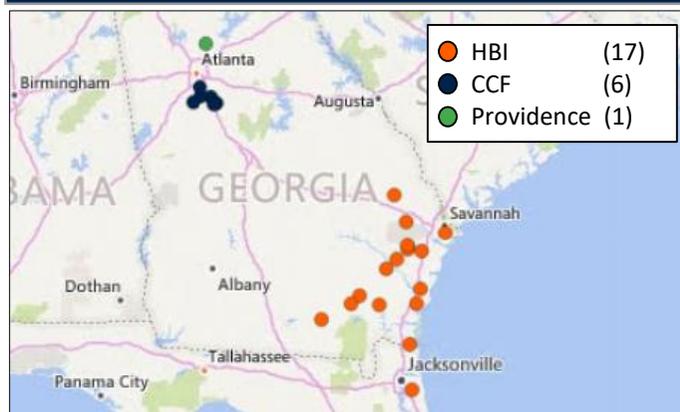
	CCF	HBI	Providence
Total Assets	\$501,476	\$531,895	\$83,504
Gross Loans	\$390,640	\$343,714	\$58,519
Total Deposits	\$433,215	\$485,366	\$61,748
Total Equity	\$45,822	\$43,238	\$14,626
TCE / TA	9.14%	8.12%	17.52%

1) Includes majority and minority transactions; Excludes terminated transactions and self-advisory roles

Note: Financial data as of September 30, 2018; Pro forma financial information excludes purchase accounting adjustments

Source: S&P Global Market Intelligence, Company documents

Pro Forma Branch Map



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