

**Citizens Independent Bancorp, Inc. (OTCQX: CZID; Logan, OH) has agreed to merge with Merchants Bancorp, Incorporated (Private; Hillsboro, OH)**

**Deal Value: Approximately \$33.3 Million**

Sandler O'Neill served as financial advisor and provided a fairness opinion to Citizens Independent Bancorp, Inc. in this transaction. This represents Sandler O'Neill's 208<sup>th</sup> bank or thrift transaction since January 1, 2015, representing approximately \$65.5 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.<sup>1</sup>

Since January 1, 2015, Sandler has advised on 43 deals involving bank and thrifts based in the Midwest, representing over \$20.1 billion in aggregate deal value, more than any other investment bank during that time period.<sup>1</sup>

**Hillsboro, Ohio and Logan, Ohio — December 20, 2018** — Merchants Bancorp, Inc. ("Merchants"), the holding company for Merchants National Bank, and Citizens Independent Bancorp, Inc. ("Citizens"), the holding company for Citizens Bank of Logan, announced today that they have signed a definitive merger agreement whereby Merchants will acquire Citizens in an all-cash transaction. Citizens (OTCQX: CZID) operates two branches in Logan, Ohio and one branch in Athens, Ohio. Citizens had approximately \$201.1 million in assets, \$178.8 million in loans, \$178.7 million in deposits and \$20.2 million in common equity as of September 30, 2018.

This transaction extends Merchants National Bank's operations into the attractive markets of Logan and Athens where Merchants' expanded lending capabilities, complementary products and long history of commitment to its communities will provide exceptional value to the Citizens banking customers. Once finalized, Merchants National Bank will have 18 branches serving ten counties across southern Ohio.

Subject to the terms of the merger agreement, which has been approved by the Board of Directors of each company, Citizens shareholders will receive \$47.00 per share in cash for each outstanding common share of Citizens. For all outstanding stock appreciation rights ("SARs") of Citizens, Merchants will pay in cash the spread between the exercise price of each SAR and the per share merger consideration. Citizens has 687,769 shares outstanding, as well as 46,600 SAR's with a weighted average exercise price of \$25.48. The transaction is valued at \$33.3 million, or approximately 160% of Citizens' tangible book value as of September 30, 2018.

Paul Pence, Chairman and CEO of Merchants and its wholly-owned subsidiary, Merchants National Bank, noted, "We hold Citizens Bank of Logan in high regard, and we are very pleased that the Citizens board has decided to join forces with us." Jim Evans, President and COO of Merchants, noted, "While some of the large regional banks are relatively less interested in smaller markets, we view Logan and Athens as key components of our continued growth and profitability. We look forward to the continued delivery of quality community banking services to the Citizens customers."

Dan Fischer, President and CEO of Citizens, stated, "This transaction gives our shareholders an attractive valuation and the certainty of cash consideration. We also believe that our communities will be served very well by the combined products and resources of our two banks. We are pleased that we will still be part of a community bank, and Merchants is a very strong and well-managed company."

**Financial Highlights**

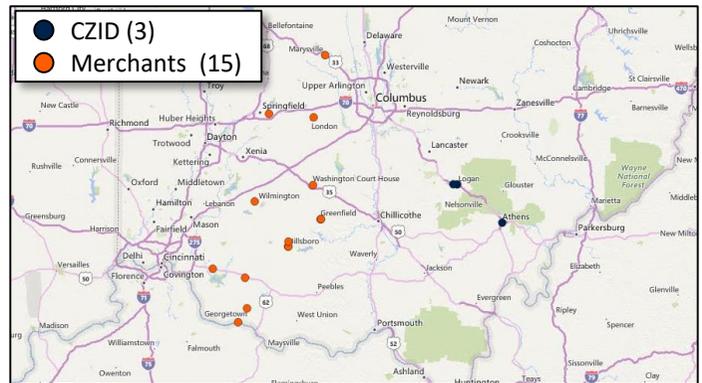
*(Dollars in millions)*

	<b>Merchants</b>	<b>CZID</b>
Total Assets	\$711	\$201
Total Net Loans	\$605	\$177
Total Deposits	\$615	\$179
Total Equity	\$71	\$20
TCE / TA	9.94%	10.05%

*Note: Financial data as of September 30, 2018*

*1) Majority and Minority transactions; Excludes terminated transactions and self-advisory roles  
Source: S&P Global Market Intelligence, Company documents*

**Pro Forma Branch Map**



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