



Bank OZK Announces Sale of its Alabama Branches

July 1, 2020

LITTLE ROCK, Ark., July 01, 2020 (GLOBE NEWSWIRE) -- Bank OZK (the "Bank") (Nasdaq: OZK) today announced that it has entered into two separate Purchase and Assumption Agreements to sell its only two Alabama branches. The Bank has agreed to sell its Mobile, Alabama branch ("Mobile Branch") to Merchants & Marine Bank ("M&M"), a wholly owned subsidiary of Merchants & Marine Bancorp, Inc. headquartered in Pascagoula, Mississippi. The Bank has agreed to sell its Geneva, Alabama branch ("Geneva Branch") to 22nd State Bank ("22nd State"), a wholly owned subsidiary of FEB Bancshares, Inc., headquartered in south Alabama.

Pursuant to the terms of the Purchase and Assumption Agreements, M&M and 22nd State have agreed to assume certain deposit liabilities and to acquire certain loans, as well as cash, real property, personal property and other fixed assets associated with the Mobile Branch and Geneva Branch, respectively. Subject to obtaining the necessary regulatory approvals, the pending sales are expected to close in the fourth quarter of 2020 and should result in small gains on sale. Customers of these branches will receive additional information regarding the impact of the sales in the near future.

The deposit and loan balances at the Mobile Branch as of March 31, 2020 were approximately \$26 million and \$23 million, respectively. The deposit and loan balances at the Geneva Branch as of March 31, 2020 were approximately \$66 million and \$8 million, respectively. The Bank has found it difficult to operate efficiently within Alabama with just two branches that are in separate markets. After the transactions close, the Bank will have no branch offices in the state of Alabama.

DD&F Consulting Group served as financial advisor to the Bank in the transactions. ProBank Austin served as financial advisor and Bass, Berry & Sims PLC served as legal advisor to M&M in the Mobile Branch transaction. Olson Palmer LLC served as financial advisor and Jones Walker LLP served as legal advisor to 22nd State in the Geneva Branch transaction.

About Bank OZK

Bank OZK (Nasdaq: OZK) is a regional bank providing innovative financial solutions delivered by expert bankers with a relentless pursuit of excellence. Bank OZK is the #1 capitalized bank among the nation's top 100 U.S. publicly traded banks based on asset size and Tier 1 Leverage Capital Ratio as of March 31, 2020, according to data obtained from S&P Global Market Intelligence. Bank OZK was named Best Bank in the South for 2019-2020 by Money, the personal finance news and advice brand. Established in 1903, Bank OZK conducts banking operations through more than 250 offices in ten states including Arkansas, Georgia, Florida, North Carolina, Texas, Alabama, South Carolina, New York, California and Mississippi and had \$24.57 billion in total assets as of March 31, 2020. Bank OZK can be found at www.ozk.com and on [Facebook](#), [Twitter](#) and [LinkedIn](#) or contacted at (501) 978-2265 or P.O. Box 8811, Little Rock, Arkansas 72231-8811.

The Bank files annual, quarterly and current reports, proxy materials, and other information required by the Securities Exchange Act of 1934 with the Federal Deposit Insurance Corporation ("FDIC"), copies of which are available electronically at the FDIC's website at <https://efr.fdic.gov/cxweb/efr/index.html> and are also available on the Bank's investor relations website at <http://ir.ozk.com>. To receive automated email alerts for these materials please visit <http://ir.ozk.com/EmailNotification> to sign up.

About Merchants & Marine Bank

Merchants & Marine Bank (M&M Bank), a wholly owned subsidiary of Merchants & Marine Bancorp, Inc. (OTCQX: MNMB), is a full-service state-chartered community bank with over \$600 million in total assets. M&M Bank operates 13 branch offices across the Mississippi and Alabama Gulf Coast and offers a full suite of traditional and electronic banking services for both personal and business clients. M&M Bank has earned numerous awards, including a listing in the U.S. Banker Magazine as a Top 200 Community Bank and multiple 5-Star Superior Ratings from Bauer Financial, Inc.

About 22nd State Bank

Founded in south Alabama in 1917 as Farmers Exchange Bank, 22nd State is a community bank providing a full suite of banking services built on local and personalized service and a willingness to adapt to the changing needs of customers and communities. 22nd State operates five banking locations in Mobile, Brewton, Clayton, Eufaula, and Louisville, AL. For more information about 22nd State please visit www.22ndstatebank.com.

Forward-Looking Statements

Certain of the statements in this release may constitute forward-looking statements. The words "expect," "anticipate," "intend," "plan," "believe," "should," "seek," "will," "may," and "estimate," and similar expressions are intended to identify such forward-looking statements, but other statements not based on historical information may also be considered forward-looking. All forward-looking statements are subject to risks, uncertainties and other factors that may cause actual results, performance or achievements of any of the parties to the purchase and assumption agreements to differ materially from any results, performance, or achievements expressed or implied by such forward-looking statements. Such risks include, without limitation, the possibility that regulatory and other approvals and conditions to the transaction are not received or satisfied on a timely basis or at all, or contain unanticipated terms and conditions; the possibility that modifications to the terms of the transaction may be required in order to obtain or satisfy such approvals or conditions; delays in closing the transaction; difficulties, delays and unanticipated costs in transferring the business of the branches being sold or realizing expected other benefits; negative effects of the transaction, including the loss of customers; diversion of management time to address transaction-related issues; and local economic and national economic conditions; competitive conditions; and regulatory conditions. Forward-looking statements are not guarantees of performance. You should not put undue reliance on these statements which speak only as of the date hereof. You should understand that other factors could affect future results and could cause those results or other outcomes to differ materially from those expressed or implied in its forward-looking statements.

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