



FOR IMMEDIATE RELEASE

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CAB Financial Corporation Announces Completion of the Reorganization of Carolina Alliance Bank into a Bank Holding Company

SPARTANBURG, S.C. October 23, 2017 – CAB Financial Corporation (the “Corporation”) and Carolina Alliance Bank (OTCQX: CRLN) (the “Bank”) announced that, effective today, they have consummated their corporate reorganization whereby the Corporation, a South Carolina corporation created by the Bank’s Board of Directors for this specific purpose, became the Bank’s holding company. The Bank received the approval for the reorganization from the Bank’s shareholders at its annual meeting held on May 15, 2017 and was recently notified by the Federal Reserve Bank of Richmond that it did not object to the reorganization.

Effective today, the Corporation’s shares are being quoted upon the OTCQX Market under the symbol of “CABF”. Shares of the Bank’s common stock will be exchanged for shares of Corporation’s common stock at a one-for-one exchange rate. Investors who own shares of the Bank in certificate or book entry form will receive information in the mail regarding any steps necessary to complete the exchange of shares.

The Bank will continue to operate as Carolina Alliance Bank, and be managed by its current Board of Directors and executive officers. The Bank will continue to engage in the same business in which it presently is engaged and will continue its operations out of its current locations.

Carolina Alliance Bank is a community bank with seven locations in upstate South Carolina, western North Carolina, and Charlotte, North Carolina. Its primary emphasis is on consumer, private/professional, and small to mid-sized business banking. For additional information about Carolina Alliance please visit www.CarolinaAllianceBank.com.

Note:

Certain statements in this release contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements relating to future plans and expectations, and are thus prospective. Such forward-looking statements are subject to risks, uncertainties, and other factors, such as an economic downturn nationally or in the local markets we serve; competitive pressures among depository and other financial institutions; the rate of delinquencies and amounts of charge-offs; the level of allowance for loan loss; the rates of loan growth or adverse changes in asset quality in the bank’s loan portfolios; and changes in the U.S. legal and regulatory framework, including the effect of financial reform legislation on the banking industry, any of which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements.

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