



FOR IMMEDIATE RELEASE

Wednesday, December 12th, 2018

Morris Bank and Farmers & Merchants Banks to Merge

Strengthens banking presence in Middle and South Georgia

DUBLIN, GA (December 12, 2018) (GLOBE NEWSWIRE) – Morris State Bancshares, Inc. (“Morris”), the parent company of Morris Bank, headquartered in Dublin, Georgia, and FMB Equibanc, Inc. (“FMB”), the parent company of Farmers & Merchants Bank, headquartered in Statesboro, Georgia, announced today the signing of a definitive agreement providing for the merger of FMB with and into Morris. Subsequent to the merger, Farmers & Merchants Bank will become a part of Morris Bank. On a pro forma basis, based on September 30, 2018 results, the combined bank will have total assets of approximately \$925 million with \$725 million in loans and \$800 million in deposits, with full-service banking locations in Dublin, Gordon, Gray, Warner Robins, Statesboro, and Brooklet.

“We are excited to partner with Brett Morgan and the FMB team,” said Spence Mullis, President and Chief Executive Officer of Morris Bank. “The FMB franchise is a great cultural fit for us and we look forward to expanding into the Bulloch County market. Their bankers share in Morris Bank’s commitment to the delivery and value of true community banking. That commitment includes treating customers as real folks and not just another account number. We are excited about this opportunity for our teams to combine and grow together throughout middle and southern Georgia.”

Following the close of the transaction, Brett Morgan, FMB’s President and Chief Executive Officer, will lead the Statesboro market. One existing director of FMB will join the Morris holding company board and two existing directors of FMB will join the Morris Bank board. In addition, Morris will form an advisory board for Bulloch County consisting of local business leaders.

Brett Morgan also commented on the announcement, stating, “We have known the Morris team for some time now, and we are pleased to partner with them in this strategic transaction. We are particularly excited about the opportunity available to our combined Georgia operations. Like FMB, Morris Bank values and understands what it means to provide true community banking, with local decision making and high-touch customer service. This will be a great opportunity for success together.”

Under the terms of the definitive agreement, each share of common stock of FMB issued and outstanding immediately prior to the effective time of the transaction will receive shares of Morris common stock, cash, or a combination thereof valuing FMB at \$9.25 per share, or \$23.6 million in the aggregate.

The boards of directors of Morris and FMB have unanimously approved the transaction. The transaction remains subject to customary closing conditions, including receipt of regulatory approvals and approval by the FMB and Morris shareholders. The closing of the transaction is expected to occur in the second quarter of 2019.

Stephens Inc. acted as financial adviser to Morris, and Bryan Cave Leighton Paisner LLP acted as its legal adviser. FIG Partners, LLC acted as financial adviser to FMB, and Troutman Sanders LLP acted as its legal adviser.

About Morris State Bancshares, Inc.

Morris State Bancshares, Inc., a state chartered commercial bank, Member FDIC, is a financial holding company headquartered in Dublin, Georgia. Substantially all of the operations of Morris State Bancshares, Inc. are conducted through the company's wholly owned subsidiary, Morris Bank. Morris Bank currently operates two full-service banking offices in Dublin, Georgia, two full-service banking offices in Warner Robins, Georgia, and one full-service banking office in Gray and Gordon, Georgia. As of September 30, 2018, Morris Bank reported \$718 million in total assets. For additional information about Morris Bank, visit www.morris.bank.

About FMB Equibanc, Inc.

FMB Equibanc, Inc. is the holding company for Farmers & Merchants Bank, a community bank operating three full-service banking offices in the Bulloch County, Georgia market. Farmers & Merchants Bank had approximately \$190 million in assets as of September 30, 2018. For additional information about Farmers & Merchants Bank, visit www.fmbnk.com.

Important Information for Investors

This communication relates to the proposed merger transaction involving Morris State Bancshares, Inc. ("Morris") and FMB Equibanc, Inc. ("FMB"). The information contained herein does not constitute an offer to sell or a solicitation of an offer to purchase the securities described herein nor shall there be any sale of such securities in any state or jurisdiction in which such an offer or solicitation is not permitted or would be unlawful. In connection with the proposed merger, FMB will mail to its shareholders a proxy statement/offering circular containing additional information about Morris, FMB and the proposed merger. **BEFORE MAKING ANY VOTING OR INVESTMENT DECISION, FMB SHAREHOLDERS ARE URGED TO READ THE PROXY STATEMENT/OFFERING CIRCULAR.**

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION ("SEC"), THE FDIC, OR ANY STATE OR OTHER GOVERNMENT AGENCY, NOR HAS THE SEC, THE FDIC, OR ANY STATE OR OTHER GOVERNMENT AGENCY PASSED ON THE ADEQUACY OR ACCURACY OF THE INFORMATION CONTAINED HEREIN. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

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