

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 26, 2021

**UNITED COMMUNITY BANKS, INC.**

(Exact name of registrant as specified in its charter)

Georgia  
(State or other jurisdiction  
of incorporation)

001-35095  
(Commission  
file number)

58-1807304  
(IRS employer  
identification no.)

125 Highway 515 East  
Blairsville, Georgia 30512  
(Address of principal executive offices)

Registrant's telephone number, including area code:  
(706) 781-2265

Not Applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Exchange on Which Registered
Common stock, par value \$1 per share	UCBI	Nasdaq Global Select Market
Depository shares, each representing 1/1,000 <sup>th</sup> interest in a share of Series I Non-Cumulative Preferred Stock	UCBIO	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Item 7.01 Regulation FD Disclosure

On May 27, 2021, United Community Banks, Inc. (the “**Company**”) and Aquesta Financial Holdings, Inc. (“**Aquesta**”) announced that they had entered into a definitive merger agreement. The agreement provides for the acquisition of Aquesta and Aquesta Bank, Aquesta’s wholly-owned bank subsidiary, by the Company and United Community Bank, the Company’s wholly-owned bank subsidiary, respectively.

The transaction is expected to close in the fourth quarter of 2021, subject to the receipt of regulatory approvals and the approval of Aquesta’s stockholders.

Under the terms of the agreement, Aquesta stockholders will be entitled to elect to receive, in respect of each share of Aquesta common stock held by them, either 0.6386 shares of common stock of the Company or \$21.50 in cash, provided that the aggregate consideration issued by the Company will be prorated as necessary to ensure that no more than 30% of the aggregate consideration is issued in cash.

A copy of the joint press release issued by the Company and Aquesta is furnished as Exhibit 99.1 to this Current Report on Form 8-K. In addition, the Company has posted on the “Investor Relations—Presentations” page of its website ([ir.ucbi.com/events-and-presentations](http://ir.ucbi.com/events-and-presentations)) an investor presentation related to its acquisition of Aquesta. A copy of the investor presentation is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

### Cautionary Statements Regarding Forward-Looking Information.

This Current Report on Form 8-K contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In general, forward-looking statements usually may be identified through use of words such as “may,” “believe,” “expect,” “anticipate,” “intend,” “will,” “should,” “plan,” “estimate,” “predict,” “continue” and “potential” or the negative of these terms or other comparable terminology, and include statements related to the expected timing of the closing of the merger of Aquesta with and into the Company (the “**Merger**”). Forward-looking statements are not historical facts and represent management’s beliefs, based upon information available at the time the statements are made, with regard to the matters addressed; they are not guarantees of future performance. Actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks and uncertainties that change over time and could cause actual results or financial condition to differ materially from those expressed in or implied by such statements.

Factors that could cause or contribute to such differences include, but are not limited to (1) the failure to obtain the necessary approval by the stockholders of Aquesta, (2) the ability of the Company to obtain required governmental approvals of the Merger, (3) the failure of the closing conditions in the definitive merger agreement to be satisfied, or any unexpected delay in closing the Merger, and (4) the risk of potential litigation or regulatory action related to the Merger. Further information regarding additional factors which could affect the forward-looking statements can be found in the cautionary language included under the headings “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020, and other documents subsequently filed by the Company with the SEC.

Many of these factors are beyond the Company’s and Aquesta’s ability to control or predict. If one or more events related to these or other risks or uncertainties materialize, or if the underlying assumptions prove to be incorrect, actual results may differ materially from the forward-looking statements. Accordingly, shareholders and investors should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date of this communication, and neither the Company nor Aquesta undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. New risks and uncertainties may emerge from time to time, and it is not possible for the Company or Aquesta to predict their occurrence or how they will affect the Company or Aquesta. The Company and Aquesta qualify all forward-looking statements by these cautionary statements.

### IMPORTANT INFORMATION FOR SHAREHOLDERS AND INVESTORS

In connection with the proposed Merger, the Company intends to file a registration statement on Form S-4 with the SEC to register the shares of the Company’s common stock that will be issued to Aquesta’s shareholders in connection with the Merger. The registration statement will include a proxy statement/prospectus and other relevant materials in connection with the proposed Merger. INVESTORS AND SECURITY HOLDERS, PRIOR TO MAKING ANY INVESTMENT OR VOTING DECISION, ARE URGED TO READ THE REGISTRATION STATEMENT AND PROXY STATEMENT/PROSPECTUS WHEN IT BECOMES AVAILABLE (AND ANY OTHER DOCUMENTS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IN CONNECTION WITH THE MERGER OR INCORPORATED BY REFERENCE INTO THE PROXY STATEMENT/PROSPECTUS) BECAUSE SUCH DOCUMENTS WILL CONTAIN IMPORTANT INFORMATION REGARDING THE PROPOSED MERGER. Investors and security holders may obtain free copies of these documents and other documents filed with the SEC on its website at [www.sec.gov](http://www.sec.gov). Investors and security holders may also obtain free copies of the documents filed with the SEC by the Company on its website at [www.ucbi.com](http://www.ucbi.com).

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This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

#### **PARTICIPANTS IN THE SOLICITATION**

The Company, Aquesta and certain of their directors and executive officers may be deemed participants in the solicitation of proxies from Aquesta shareholders in connection with the proposed Merger. Information regarding the directors and executive officers of the Company and Aquesta and other persons who may be deemed participants in the solicitation of the shareholders of Aquesta in connection with the Merger will be included in the proxy statement/prospectus for Aquesta's special meeting of shareholders, which will be filed by the Company with the SEC. Information about the directors and officers of the Company and their ownership of the Company's common stock can also be found in the Company's definitive proxy statement in connection with its 2021 annual meeting of shareholders, as filed with the SEC on March 30, 2021, and other documents subsequently filed by the Company with the SEC. Additional information regarding the interests of such participants will be included in the proxy statement/prospectus and other relevant documents regarding the Merger filed with the SEC when they become available.

#### **Item 9.01 Financial Statements and Exhibits.**

**(d) Exhibits** The following exhibit index lists the exhibits that are either furnished or filed with this Current Report on Form 8-K.

#### **EXHIBIT INDEX**

<u>Exhibit No.</u>	<u>Description</u>
<a href="#">99.1</a>	<a href="#">Press Release of United Community Banks, Inc. dated May 27, 2021(furnished only)</a>
<a href="#">99.2</a>	<a href="#">Investor Presentation dated May 27, 2021 (furnished only)</a>
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNITED COMMUNITY BANKS, INC.

By: /s/ Jefferson L. Harralson

Jefferson L. Harralson

Executive Vice President and Chief Financial Officer

Date: May 27, 2021

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***For Immediate Release***

***For more information:***

Jefferson Harralson  
Chief Financial Officer  
(864) 240-6208  
Jefferson\_Harralson@ucbi.com

**UNITED COMMUNITY BANKS, INC. AND  
AQUESTA FINANCIAL HOLDINGS, INC., THE PARENT OF AQUESTA BANK, ANNOUNCE MERGER AGREEMENT**

**GREENVILLE, SC – May 27, 2021** – United Community Banks, Inc. (NASDAQ: UCBI) (United) and Aquesta Financial Holdings, Inc. (OTC Pink: AQFH) (Aquesta) announced today a definitive agreement for United to acquire Aquesta, including its wholly-owned subsidiary, Aquesta Bank.

Aquesta is headquartered in Cornelius, North Carolina, a northern and fast-growing suburb of Charlotte, North Carolina situated on Lake Norman. It has a premier franchise with an experienced management team led by President and Chief Executive Officer Jim Engel, who founded Aquesta Bank in 2006. The bank's high-touch customer service is delivered to retail and business customers through a network of nine branches located in Charlotte's most attractive markets and also in the coastal city of Wilmington, North Carolina. Aquesta also has successful loan production offices in Raleigh, North Carolina, as well as Greenville and Charleston, South Carolina. As of March 31, 2021, Aquesta reported total assets of \$752 million, with total loans of \$576 million. Additionally, \$586 million, or 92%, of its deposit base consists of non-CD core deposits.

"This transaction is consistent with our desire to expand into attractive and fast-growing markets that we know well," said Lynn Harton, Chairman and Chief Executive Officer of United. "We have been investing in Charlotte over the past several years and have commercial banking and mortgage teams already in place. Aquesta is an exciting opportunity for us to increase our presence and accelerate our growth with a high-quality company that shares our values of customer service, employee engagement and community development."

Jim Engel, President and Chief Executive Officer of Aquesta, stated, “From the beginning, we have focused on developing a business model with a focus on relationship banking in Charlotte and other key markets in the Carolinas, which are some of the most attractive and fastest growing markets in the Southeast and the country. We believe that we have been successful at that. However, to continue growing and becoming more profitable, we needed a partner who can provide us the opportunity to better serve our customers with a larger balance sheet and expanded products and services to offer. Our partnership with the United team provides just that, and I believe the synergies that exist between our companies will result in tremendous success for both sides.”

The transaction value is estimated at approximately \$131 million, including approximately \$12 million in value for outstanding options and warrants to acquire Aquesta common stock. The transaction structure includes an election for Aquesta stockholders to receive their consideration in cash, subject to a limitation that no more than 30% of the total consideration paid by United will be in cash. The stock portion of the merger consideration is based upon 0.6386 shares of United common stock being issued in exchange for each share of Aquesta common stock. The acquisition is expected to be accretive to United’s earnings per share by approximately \$0.06 to \$0.09 in 2022, depending upon the mix of United shares and cash elected by Aquesta stockholders and is consistent with United’s stated acquisition criteria pertaining to tangible book value and targeted internal rates of return. The transaction is expected to be completed in the fourth quarter of 2021 and is subject to customary conditions, including regulatory approval as well as the approval of Aquesta’s stockholders.

Hovde Group, LLC acted as financial advisor to United, and Nelson Mullins Riley & Scarborough LLP served as United's legal advisor. Piper Sandler & Co. served as Aquesta's financial advisor, and Wyrick Robbins Yates & Ponton LLP served as Aquesta's legal advisor.

#### **About United Community Banks, Inc.**

United Community Banks, Inc. (NASDAQ: UCBI) (United) provides a full range of banking, wealth management and mortgage services for relationship-oriented consumers and business owners. The company, known as "The Bank That SERVICE Built," has been recognized nationally for delivering award-winning service. United has \$18.6 billion in assets and 161 offices in Florida, Georgia, North Carolina, South Carolina and Tennessee along with a national SBA lending franchise and a national equipment lending subsidiary. In 2021, J.D. Power ranked United highest in customer satisfaction with retail banking in the Southeast, marking seven out of the last eight years United earned the coveted award. United was also named "Best Banks to Work For" by American Banker in 2020 for the fourth year in a row based on employee satisfaction. Forbes included United in its inaugural list of the World's Best Banks in 2019 and again in 2020. Forbes also recognized United on its 2021 list of the 100 Best Banks in America for the eighth consecutive year. United also received five Greenwich Excellence Awards in 2020 for excellence in Small Business Banking, including a national award for Overall Satisfaction. Additional information about United can be found at [www.ucbi.com](http://www.ucbi.com).

#### **About Aquesta Financial Holdings, Inc.**

Aquesta Financial Holdings, Inc. (OTC Pink: AQFH) is the holding company for Aquesta Bank, a full-service bank with branches in Cornelius, Davidson, Huntersville, Mooresville, Charlotte, and Wilmington, North Carolina, and loan production offices in Raleigh, North Carolina, Charleston, South Carolina and Greenville, South Carolina. Aquesta Bank's track record of superior growth and profitability has been built on its focus on its core values of passion, vision, caring, empowerment and togetherness. The Aquesta team applies these values in helping its clients, communities, and each other achieve success. Aquesta has been recognized as a leader in the communities it serves including, Best Work Place (2020) and Normy Award for Best Community Bank. Recently, Aquesta helped local businesses by being one of the top PPP loan producers in the country proportionate to its size, resulting in about 17,000 jobs being saved for small businesses across the Charlotte area.

### **Caution About Forward-Looking Statements**

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In general, forward-looking statements usually may be identified through use of words such as “may,” “believe,” “expect,” “anticipate,” “intend,” “will,” “should,” “plan,” “estimate,” “predict,” “continue” and “potential” or the negative of these terms or other comparable terminology, and include statements related to the expected timing of the closing of the proposed transaction described in this press release (the “Merger”), the expected returns and other benefits of the Merger to shareholders, expected improvement in operating efficiency resulting from the Merger, estimated expense reductions resulting from the Merger and the timing of achievement of such reductions, the impact on and timing of the recovery of the impact on tangible book value, and the effect of the Merger on United’s capital ratios. Forward-looking statements are not historical facts and represent management’s beliefs, based upon information available at the time the statements are made, with regard to the matters addressed; they are not guarantees of future performance. Actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Forward-looking statements are subject to numerous assumptions, risks and uncertainties that change over time and could cause actual results or financial condition to differ materially from those expressed in or implied by such statements.

Factors that could cause or contribute to such differences include, but are not limited to (1) the risk that the cost savings and any revenue synergies from the Merger may not be realized or take longer than anticipated to be realized, (2) disruption from the Merger of customer, supplier, employee or other business partner relationships, (3) the occurrence of any event, change or other circumstances that could give rise to the termination of the Merger agreement, (4) the failure to obtain the necessary approval by the stockholders of Aquesta, (5) the possibility that the costs, fees, expenses and charges related to the Merger may be greater than anticipated, (6) the ability of United to obtain required governmental approvals of the Merger, (7) reputational risk and the reaction of each of the companies' customers, suppliers, employees or other business partners to the Merger, (8) the failure of the closing conditions in the Merger agreement to be satisfied, or any unexpected delay in closing the Merger, (9) the risks relating to the integration of Aquesta's operations into the operations of United, including the risk that such integration will be materially delayed or will be more costly or difficult than expected, (10) the risk of potential litigation or regulatory action related to the Merger, (11) the risks associated with United's pursuit of future acquisitions, (12) the risk of expansion into new geographic or product markets, (13) the dilution caused by United's issuance of additional shares of its common stock in the Merger, and (14) general competitive, economic, political and market conditions. Further information regarding additional factors which could affect the forward-looking statements can be found in the cautionary language included under the headings "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" in United's Annual Report on Form 10-K for the year ended December 31, 2020, and other documents subsequently filed by United with the U.S. Securities and Exchange Commission ("SEC").

Many of these factors are beyond United's and Aquesta's ability to control or predict. If one or more events related to these or other risks or uncertainties materialize, or if the underlying assumptions prove to be incorrect, actual results may differ materially from the forward-looking statements. Accordingly, shareholders and investors should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date of this communication, and neither United nor Aquesta undertakes any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. New risks and uncertainties may emerge from time to time, and it is not possible for United or Aquesta to predict their occurrence or how they will affect United or Aquesta.

United and Aquesta qualify all forward-looking statements by these cautionary statements.

## **IMPORTANT INFORMATION FOR SHAREHOLDERS AND INVESTORS**

In connection with the Merger, United will file with the SEC a registration statement on Form S-4 that will include a Proxy Statement of Aquesta to be sent to Aquesta's stockholders seeking their approval in connection with the Merger. The registration statement also will contain the prospectus of United to register the shares of United common stock to be issued in connection with the Merger. INVESTORS AND STOCKHOLDERS OF AQUESTA ARE ENCOURAGED TO READ THE REGISTRATION STATEMENT, INCLUDING THE PROXY STATEMENT/PROSPECTUS THAT WILL BE A PART OF THE REGISTRATION STATEMENT WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED BY UNITED WITH THE SEC, INCLUDING ANY AMENDMENTS OR SUPPLEMENTS TO THE REGISTRATION STATEMENT AND THOSE OTHER DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT UNITED, AQUESTA AND THE MERGER.

The registration statement and other documents filed with the SEC may be obtained for free at the SEC's website ([www.sec.gov](http://www.sec.gov)). You will also be able to obtain these documents, free of charge, from United at the "Investor Relations" section of United's website at [www.ucbi.com](http://www.ucbi.com) or from Aquesta at the "Investor Relations" section of Aquesta's website at [www.aquesta.com](http://www.aquesta.com). Copies of the definitive proxy statement/prospectus will also be made available, free of charge, by contacting United Community Banks, Inc., P.O. Box 398, Blairsville, GA 30514, Attn: Jefferson Harralson, Telephone: (864) 240-6208, or Aquesta Financial Holdings, Inc., 19510 Jetton Road, Cornelius, North Carolina 28031, Attn: Kristin Couch, Telephone: (704) 439-4325.

This communication does not constitute an offer to sell, the solicitation of an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. This communication is also not a solicitation of any vote or approval with respect to the Merger or otherwise.

## **PARTICIPANTS IN THE TRANSACTION**

United, Aquesta, Aquesta Bank and certain of their respective directors and executive officers, under the rules of the SEC may be deemed to be participants in the solicitation of proxies from Aquesta's stockholders in favor of the approval of the Merger. Information about the directors and officers of United and their ownership of United common stock can also be found in United's definitive proxy statement in connection with its 2021 annual meeting of shareholders, as filed with the SEC on March 30, 2021, and other documents subsequently filed by United with the SEC. Information about the directors and executive officers of Aquesta and their ownership of Aquesta's capital stock, as well as information regarding the interests of other persons who may be deemed participants in the transaction, may be obtained by reading the Proxy Statement/Prospectus regarding the Merger when it becomes available. Free copies of this document may be obtained as described above.

# Enhancing Our Charlotte Presence Through The Acquisition of Aquesta Financial Holdings, Inc.

May 27, 2021



# Important Information For Stockholders and Investors

This presentation relates to a proposed merger of United Community Banks, Inc. ("United") and Aquesta Financial Holdings, Inc. ("Aquesta"). In connection with the proposed merger, United will file with the Securities and Exchange Commission ("SEC") a registration statement on Form S-4 that will include a Proxy Statement of Aquesta to be sent to Aquesta's stockholders seeking their approval of the merger. The registration statement also will contain the prospectus of United to register the shares of United common stock to be issued in connection with the merger. A definitive proxy statement/prospectus will also be provided to Aquesta's stockholders as required by applicable law. INVESTORS AND STOCKHOLDERS OF AQUESTA ARE ENCOURAGED TO READ THE REGISTRATION STATEMENT, INCLUDING THE PROXY STATEMENT/PROSPECTUS THAT WILL BE A PART OF THE REGISTRATION STATEMENT WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED BY UNITED WITH THE SEC, INCLUDING ANY AMENDMENTS OR SUPPLEMENTS TO THE REGISTRATION STATEMENT AND THOSE OTHER DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT UNITED, AQUESTA AND THE PROPOSED TRANSACTION.

The registration statement and other documents filed with the SEC may be obtained for free at the SEC's website ([www.sec.gov](http://www.sec.gov)). You will also be able to obtain these documents, free of charge, from United at the "Investor Relations" section of United's website at [www.ucbi.com](http://www.ucbi.com) or from Aquesta at the "Investor Relations" section of Aquesta's website at [www.aquesta.com](http://www.aquesta.com). Copies of the definitive proxy statement/prospectus will also be made available, free of charge, by contacting United Community Banks, Inc., P.O. Box 398, Blairsville, GA 30514, Attn: Jefferson Harralson, Telephone: (864) 240-6208, or Aquesta Financial Holdings, Inc., 19510 Jetton Road, Cornelius, NC 28031, Attn: Kristin Couch, Telephone: (704) 439-4325.

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## **PARTICIPANTS IN THE TRANSACTION**

United and Aquesta and certain of their respective directors and executive officers, under the rules of the SEC, may be deemed to be participants in the solicitation of proxies from Aquesta's stockholders in favor of the approval of the proposed merger. Information about the directors and officers of United and their ownership of United common stock can also be found in United's definitive proxy statement in connection with its 2021 annual meeting of shareholders, as filed with the SEC on March 30, 2021, and other documents subsequently filed by United with the SEC. Information about the directors and executive officers of Aquesta and their ownership of Aquesta capital stock, as well as information regarding the interests of other persons who may be deemed participants in the transaction, may be obtained by reading the Proxy Statement/Prospectus regarding the proposed merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.

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Factors that could cause or contribute to such differences include, but are not limited to (1) the risk that the cost savings and any revenue synergies from the merger may not be realized or take longer than anticipated to be realized, (2) disruption from the merger with customer, supplier, employee or other business partner relationships, (3) the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement, (4) the failure to obtain the necessary approval by the stockholders of Aquesta, (5) the possibility that the costs, fees, expenses and charges related to the merger may be greater than anticipated, (6) the ability by United to obtain required governmental approvals of the merger, (7) reputational risk and the reaction of each of the companies' customers, suppliers, employees or other business partners to the merger, (8) the failure of the closing conditions in the merger agreement to be satisfied, or any unexpected delay in closing the merger, (9) the risks relating to the integration of Aquesta's operations into the operations of United, including the risk that such integration will be materially delayed or will be more costly or difficult than expected, (10) the risk of potential litigation or regulatory action related to the merger, (11) the risks associated with United's pursuit of future acquisitions, (12) the risk of expansion into new geographic or product markets, (13) the dilution caused by United's issuance of additional shares of its common stock in the merger, and (14) general competitive, economic, political and market conditions. Further information regarding additional factors which could affect the forward-looking statements can be found in the cautionary language included under the headings "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" in United's Annual Report on Form 10-K for the year ended December 31, 2020, and other documents subsequently filed by United with the SEC.

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United and Aquesta qualify all forward-looking statements by these cautionary statements.

# Transaction Highlights

## Consistent With Our Strategy of Acquiring Franchise-Enhancing Companies Within Target Markets

<b>Strategic Rationale</b>	<ul style="list-style-type: none"><li>✓ Strategic expansion through acquisition of a well-established, high performing community bank franchise with 12 banking offices and \$636 million of deposits in 5 of the top 15 metro areas in the Southeast <sup>(1)</sup><ul style="list-style-type: none"><li>– Aquesta is the largest remaining core Charlotte MSA community bank and adds to United's existing LPO and mortgage presence <sup>(2)</sup></li></ul></li><li>✓ Logical expansion into key growing and affluent North Carolina metro areas<ul style="list-style-type: none"><li>– Aquesta is headquartered in Cornelius, North Carolina, a fast-growing suburb north of Charlotte, situated on Lake Norman</li><li>– Also has a presence outside of the Charlotte area in Wilmington and Raleigh, NC, as well as Greenville and Charleston, SC</li></ul></li><li>✓ Substantially increases United's North Carolina franchise to approximately \$1.9 billion in gross loans and \$3.0 billion in deposits with 44 banking offices</li></ul>
<b>Financially Attractive</b>	<ul style="list-style-type: none"><li>✓ \$0.06 to \$0.09 EPS accretion expected in 2022 (first full year), depending upon stockholder election</li><li>✓ Manageable book dilution and earn back period consistent with United's articulated M&amp;A strategy</li><li>✓ Expected to improve United's efficiency ratio and ROATCE by ~75 bps each and an IRR of over 21%</li><li>✓ Significant revenue synergy opportunities identified, but none modeled</li></ul>
<b>Positioned for Growth</b>	<ul style="list-style-type: none"><li>✓ Opportunity to leverage Aquesta's commercial relationships through United's diversified platform and larger balance sheet</li><li>✓ Enhances potential to continue organic growth in some of the best markets in America</li><li>✓ Supports United's position as a selected acquirer for Southeast community banks</li></ul>
<b>Low Risk Acquisition</b>	<ul style="list-style-type: none"><li>✓ Highly experienced acquirer with a long track record of successfully integrating whole-bank transactions</li><li>✓ Conservative assumptions supported by extensive due diligence</li><li>✓ Aquesta will comprise less than 4% of pro forma United's assets</li></ul>

Note: Financial data as of March 31, 2021

1. Based on projected population growth. Includes MSAs with a population of greater than 300,000

2. Community bank defined as having less than \$10.0 billion in total assets as of March 31, 2021

Source: S&P Global Market Intelligence; Company Documents

# Overview of Aquesta Financial Holdings, Inc.

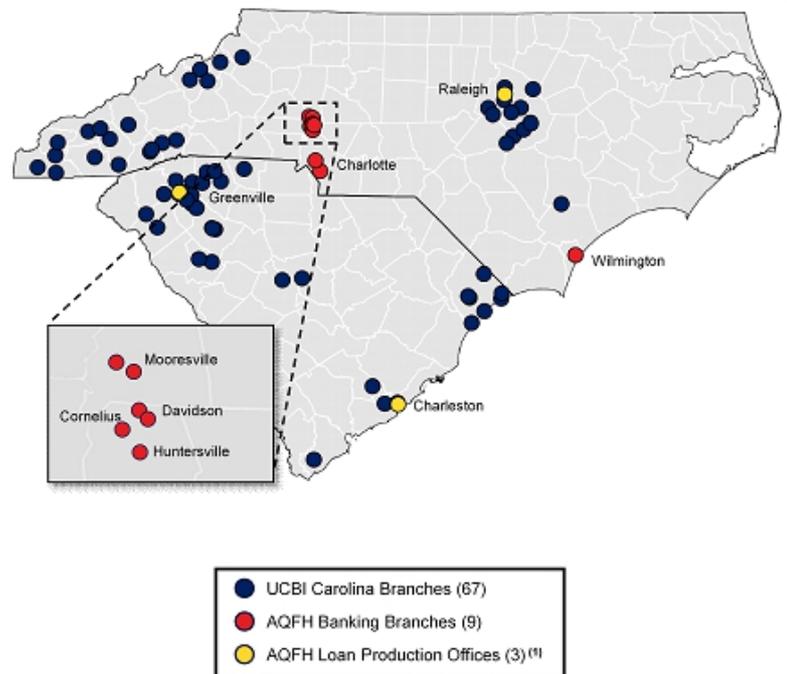
## Company Overview

- Ticker: AQFH (OTC pink listed)
- Founder, CEO and President: Jim Engel
- Headquarters: Cornelius, NC
- Bank Subsidiary: Aquesta Bank; 9 Branches and 3 Loan Production Offices ("LPOs")
- Aquesta Bank founded in 2006; Aquesta Financial Holdings, Inc. formed in 2013 to be the holding company for Aquesta Bank

## Financial Highlights

	2018	2019	2020	Q1 2021
Total Assets	\$459,646	\$523,010	\$680,168	\$752,284
Asset Growth	12.5%	13.8%	30.0%	10.6%
Total Net Loans	\$365,531	\$411,297	\$549,632	\$571,115
Loan Growth	20.8%	12.5%	33.6%	3.91%
Total Deposits	\$320,204	\$419,970	\$557,969	\$636,456
Deposit Growth	5.0%	31.2%	32.9%	14.1%
Loans / Deposits	115.2%	98.9%	99.5%	90.6%
Equity / Assets	7.27%	10.2%	8.61%	8.01%
Net Income	\$4,248	\$4,353	\$5,263	\$2,524
ROAA	0.98%	0.90%	0.84%	1.41%
ROAE	13.5%	8.86%	9.37%	17.0%
Net Interest Margin	3.54%	3.63%	3.25%	3.59%
Efficiency Ratio	74.4%	70.9%	62.2%	53.0%
NPAs / Assets	0.30%	0.24%	0.90%	0.76%
NCOs / Avg. Loans	0.08%	-0.01%	0.10%	0.17%
LLR / Gross Loans	0.95%	0.93%	0.96%	0.92%

## Aquesta's Branch Network



Note: Financial data as of March 31, 2021. Dollar values in thousands  
 1. Charleston LPO is expected to be converted into a de novo branch location  
 Source: S&P Global Market Intelligence; Aquesta Documents

# Well Positioned in Some of the Best Markets in the Southeast

## Aquesta Has An Established Presence In The Carolinas

### Charlotte, NC



- **Branch locations:** Operating from Charlotte through Lake Norman
- Largest MSA in the Carolinas with \$336.8 billion in deposits
- 6<sup>th</sup> highest population MSA percentage growth in the US between 2010 and 2021 <sup>(1)</sup>
- The Charlotte Region is home to 9 Fortune 500 companies and 18 Fortune 1,000 companies

### Wilmington, NC



- Top 15 for US Cities Cost of Doing Business
- Deepwater port that has seen more than \$120 million in infrastructure investment



### Charleston, SC



- Ranked 9<sup>th</sup> among top US metros for high foreign direct investment intensity
- Ranked 2<sup>nd</sup> Best City in the World by Travel & Leisure Tourism



### Greenville, SC



- Listed Number 6 on Forbes Magazine's list of "America's Engineering Capitals"
- Home to a host of major corporate headquarters and manufacturing centers



### Raleigh, NC



- 3<sup>rd</sup> highest population MSA percentage growth in the US between 2010 and 2021 <sup>(1)</sup>
- Greater metro is home to three major universities: NC State, Duke, and UNC



Note: Dollar amounts in thousands

1. Data based on 2021 population estimates and population growth between 2010 and 2021 with populations greater than 1 million

Source: Aquesta documents; S&P Global Market Intelligence; Forbes; Charlotte Regional Business Alliance; Charleston Regional Development Alliance; Wilmington Business Development; Wake Up Wake County; RocketHomes; Raleigh Chamber

# Additive to Our Existing Southeast Footprint

## Expansion into Attractive North And South Carolina Markets

### High-Growth MSAs in the Southeast

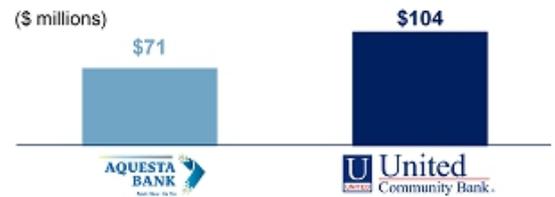
	Fastest Growing Southeast MSAs <sup>(1)(2)</sup>	'21 - '26 Proj. Pop. Growth %	'21 Population	'26 Proj. Median Household Income
	1. Myrtle Beach, SC	8.49	518,050	\$62,042
	2. Cape Coral, FL	7.42	785,277	\$68,827
✓	3. Raleigh, NC	7.30	1,420,576	\$91,380
✓	4. Charleston, SC	7.30	823,428	\$78,951
	5. Orlando, FL	7.09	2,685,903	\$72,412
	6. Lakeland, FL	6.98	738,482	\$62,730
	7. Naples, FL	6.96	393,750	\$84,332
	8. Spartanburg, SC	6.81	327,475	\$66,443
	9. Sarasota, FL	6.79	855,242	\$73,471
✓	10. Charlotte, NC	6.61	2,696,789	\$77,692
✓	11. Wilmington, NC	6.57	304,661	\$60,070
	12. Jacksonville, FL	6.17	1,602,120	\$73,563
	13. Port St. Lucie, FL	6.10	495,076	\$68,635
✓	14. Greenville, SC	6.08	937,813	\$68,413
	15. Tampa, FL	6.06	3,257,479	\$67,300
	16. Durham-Chapel Hill, NC	5.93	655,218	\$74,713
	20. Atlanta, GA	5.73	6,137,994	\$85,730

United MSA Presence (Branch and/or LPO)

✓ Aquesta MSA Presence (Branch and/or LPO)

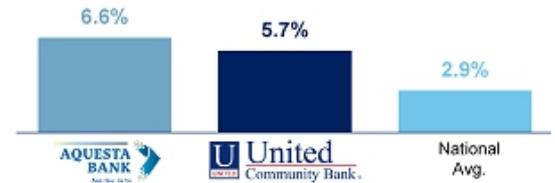
### Average Deposits per Branch

(\$ millions)



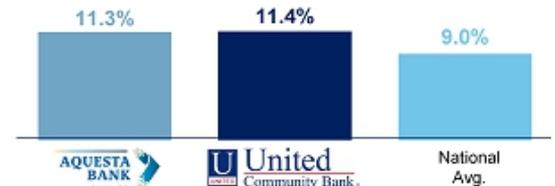
### Projected Population Growth <sup>(3)</sup>

2021 - 2026 (%)



### Projected Household Income Growth <sup>(3)</sup>

2021 - 2026 (%)



Median Household Income (\$000):

\$68.5

\$62.1

\$73.9

1. Includes MSAs with a population of greater than 300,000

2. Aquesta has 8 branches in the Charlotte area, 1 branch in Wilmington, and LPO's in Raleigh, Greenville and Charleston

3. Data by MSA shown on a weighted average basis by deposits

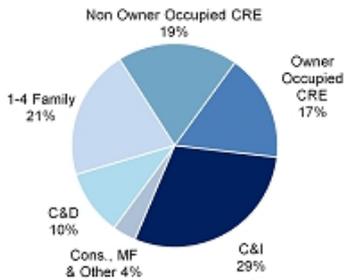
Source: S&P Global Market Intelligence; Company Documents

# Pro Forma Loan and Deposit Composition

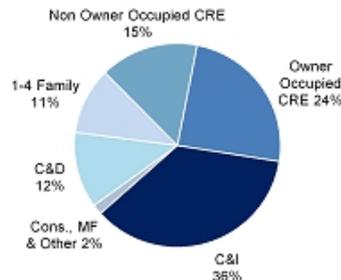


Pro Forma

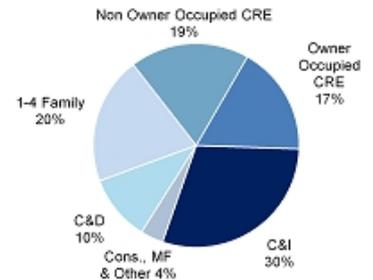
Loan Composition (1)



Total Loans: \$11.8 billion  
Yield on Loans: 4.3%

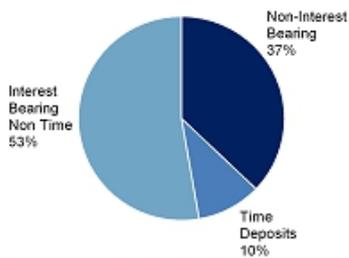


Total Loans: \$0.6 billion  
Yield on Loans: 4.7%

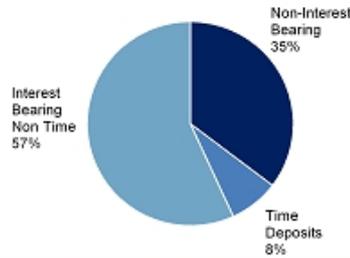


Total Loans: \$12.4 billion  
Yield on Loans: 4.3%

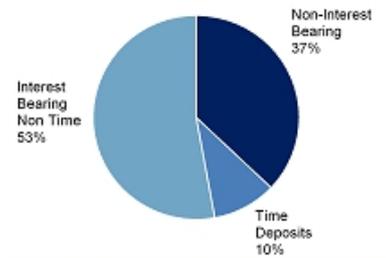
Deposit Composition (1)



Total Deposits: \$16.3 billion  
Cost of Deposits: 0.14%



Total Deposits: \$0.6 billion  
Cost of Deposits: 0.39%



Total Deposits: \$17.0 billion  
Cost of Deposits: 0.15%

1. Loan and deposit information as of March 31, 2021 per publicly available regulatory reports  
Source: S&P Global Market Intelligence

# Key Transaction Assumptions and Results

<b>Consideration</b>	<ul style="list-style-type: none"> <li>0.6386 shares of United common stock or \$21.50 in cash for each share of Aquesta common stock</li> <li>\$12.0 million of options and warrants rolled into United common stock at close</li> <li>Consideration: Stockholder election with Aquesta stockholders able to elect up to 30% cash</li> </ul>
<b>Transaction Value</b>	<ul style="list-style-type: none"> <li>Transaction Value <sup>(1)</sup>: \$130.6 million</li> <li>Aggregate Price-to-2022E EPS after Cost Savings <sup>(2)</sup>: ~9.5x</li> <li>Aggregate Price-to-Tangible Book Value <sup>(3)</sup>: 216.8%</li> <li>Core Deposit Premium <sup>(4)</sup>: 11.8%</li> </ul>
<b>Pro Forma Ownership</b>	<ul style="list-style-type: none"> <li>96.9% United / 3.1% Aquesta, based upon a consideration mix of 70% stock / 30% cash</li> </ul>
<b>Cost Savings</b>	<ul style="list-style-type: none"> <li>\$7.3 million pre-tax (38% of Aquesta's estimated non-interest expense); approximately 1.8% of combined 2021 estimated noninterest expenses</li> <li>25% realization of cost savings in 2021 and 100% per year thereafter</li> </ul>
<b>One-Time Expenses</b>	<ul style="list-style-type: none"> <li>\$11.1 million of pre-tax one-time expenses (8.5% of transaction value)</li> </ul>
<b>Credit / Interest Marks</b>	<ul style="list-style-type: none"> <li>Day 1 credit marks of 2.5% of gross loans, excluding PPP (\$10.9 million)                             <ul style="list-style-type: none"> <li>~2.0x Aquesta's non-performing loans</li> </ul> </li> <li>Gross interest rate mark of \$4.4 million, PCD credit mark of \$9.0 million and non-PCD credit mark of \$1.9 million</li> <li>Additional \$2.9 million estimated allowance related to CECL</li> </ul>
<b>Financial Impacts and Returns</b>	<ul style="list-style-type: none"> <li>Expected to be \$0.06 to \$0.09 accretive to EPS in 2022, depending upon the stockholder election</li> <li>Manageable book value dilution and earn back within stated threshold</li> <li>Pro forma Common Equity Tier 1 Capital Ratio at close of ~12.5%</li> </ul>
<b>Expected Closing</b>	<ul style="list-style-type: none"> <li>Early Q4 2021</li> </ul>

1. Reflects 0.6386 per share exchange ratio based on United's closing price of \$33.79 as of the market close on May 26, 2021, and Aquesta's common share count of 5.5 million (includes conversion of Series A Convertible Perpetual Preferred Stock into Common Stock); deal value reflects value to options and warrants rolled into United common stock at close

2. Reflects fully diluted deal value inclusive of value to options and warrants; Assumes 100% of projected annual cost savings are realized, tax-effected at a 21% effective corporate tax rate

3. Assumes conversion of Series A Convertible Perpetual Preferred Stock into Common Stock

4. Core deposits defined as total deposits less time deposit accounts greater than \$100,000

# Summary of Transaction



- ✓ **Provides natural expansion into key North Carolina metro areas with desirable market demographics**
  - Ease of integration with no branch closures and expectation of retaining Client Advisors and Producers
- ✓ **Acquisition of a community bank with scarcity value as the largest community bank in the core Charlotte MSA**
- ✓ **Adds talent and a branch presence in the attractive Wilmington, NC market and talent in four other attractive and important existing UCBI markets, including: Charlotte and Raleigh in North Carolina and Charleston and Greenville in South Carolina**
- ✓ **Culturally aligned with a focus on customer service that mirrors United's operations**
- ✓ **Financially compelling transaction consistent with United's stated M&A criteria**
- ✓ **Supports United's position as a selected acquirer for Southeast community banks**

## Aquesta Acquisition Compared to Recent Charlotte Transactions

		 NewDominion	
<b>Buyer:</b>			
<b>Target:</b>			
<b>Announcement Date:</b>	4/27/2017	1/23/2018	5/27/2021
<b>Total Assets:</b>	\$3,308,756	\$321,889	\$752,284
<b>Price-to-TBV:</b>	240.4%	235.3%	216.8%

Note: Merger targets' financial data as of the most recent quarter end prior to announcement  
Source: S&P Global Market Intelligence

