December 14, 2023

GBank Financial Holdings Inc. Confirms Agreement to Merge with BankCard Services, LLC

LAS VEGAS, Dec. 14, 2023 /PRNewswire/ -- GBank Financial Holdings Inc. (the "Company") (OTCQX: GBFH), the parent company for GBank (the "Bank"), and BankCard Services, LLC ("BCS") today announced that they have executed a definitive merger agreement whereby the Bank will acquire BCS in an all-stock transaction. When completed, BCS will operate as a subsidiary of the Bank, further enhancing its Gaming FinTech Division. BCS patented Pooled Player (PPA™) and Pooled Consumer (PCA™) Programs shall expand cashless payment solutions to a growing network of gaming and payments partners and financial institutions.

As stated in the merger agreement, which has been approved by the disinterested members of the Board of Directors of the Company and the Bank, BCS shareholders will receive an aggregate of $10.0 million of shares of Company common stock, valued for purposes of the merger at the October 27, 2023 closing price of $14.25 per share (an aggregate of 701,754 shares of the Company's common stock). The transaction is expected to be immediately accretive to the Company's earnings per share.

T. Ryan Sullivan, President and CEO of the Company and Bank, stated, "We are very excited to announce this transaction and are looking forward to expanding our existing relationship with BCS. The platform's ability to generate fees and source noninterest bearing deposits in today's interest rate environment is extremely valuable. Furthermore, BCS's proprietary intellectual property and licensing opportunities can generate a significant upside for the Company."

Edward M. Nigro, President of Omega Industries, Inc, the Manager and CEO of BankCard Services, LLC stated, "Hanan Sabri, BCS President, and I founded BCS in 2014 and raised the capital necessary to enable GBank to participate in the launch of Cashless Gaming with Sightline Payments in our home State of Nevada. BCS has evolved and developed proprietary banking solutions that can provide gaming patrons and payments users with FDIC-insured individual ledger accounts when utilizing Apps or Wallets of contracted companies. This strategic decision shall afford GBank greater opportunity to harness BCS proprietary solutions including licensing our intellectual property to other Financial Institutions."

Hanan Sabri will also continue with the new GBank Subsidiary as its President/Chief Operating Officer after completion of the transaction, which is subject to regulatory and Company shareholder approval as well as other customary conditions as set forth in the definitive merger agreement. The transaction is anticipated to close in the second quarter of 2024.

Janney Montgomery Scott LLC has issued a Fairness Opinion to the disinterested board subcommittee of the Company and Bank Board of Directors.

About BankCard Services, LLC

In 2015, BankCard Services, LLC and GBank entered into a sponsorship and program management agreement, with subsequent amendments, whereby, among other things, GBank agreed to sponsor certain prepaid programs and BCS agreed to act as program manager for those prepaid programs. BCS continues to maintain business relationships with various entities that have customers who may benefit from the prepaid programs.

BCS developed its proprietary "Pooled Player Account Powered by PIMS™" and the "Pooled Consumer Account Powered by CIMS™," which provide the Pooled Account structure with FDIC-insured individual player ledger accounts that enable digital cashless transactions for clients' customers.

About GBank Financial Holdings Inc.

GBank Financial Holdings Inc. (the "Company") (GBFH), a bank holding company with approximately $729.3 million in assets at September 30, 2023, conducts business through its wholly owned subsidiary, GBank (formerly known as "Bank of George") (the "Bank"). Founded in 2007, the Bank operates two full-service commercial branches in Las Vegas, Nevada, with primary lending activities focused on engaging clients in Nevada, California, Utah, and Arizona. GBank has key businesses in three prominent divisions: SBA Lending, Gaming FinTech, and Commercial Lending. The Bank conducts business nationally through its SBA lending activities (ranked 14th in the nation by the U.S. Small Business Administration for SBA 7(a) dollar loan volume through September 30, 2022) and its BankCard Services, LLC ("BCS") partnership. GBank's Gaming Fintech Division was launched in 2016 with the GBank/BCS Agreement. BCS provides not only Sightline Payments Play+ Prepaid Card Programs for gaming operators, but also prepaid access programs granting GBank use and access to the BCS proprietary Player/Consumer Information Management System ("PIMS/CIMS"). PIMS/CIMS provides custodial accounts for the benefit of the player/consumer managed by GBank and insured by the FDIC. The Bank also provides general commercial banking services with an emphasis on serving the needs of small- and medium-sized businesses, high net worth individuals, professionals, and investors. The Bank offers a full complement of consumer deposit products and is focused on delivering a premium level of service. For more information about GBank, please visit its website at www.g.bank. The Company's Common Stock is quoted on the US OTCQX Market under the symbol GBFH.

Cautionary Notice Regarding Forward-Looking Statements

This Press Release contains forward-looking statements that are subject to various risks and uncertainties. Forward looking statements include information concerning potential or assumed future results of operations of the Company and its subsidiaries. Such statements are made based on management's beliefs and assumptions, and words like "believes," "expects," "anticipates," or similar terminology indicate forward-looking statements. Factors that could affect the financial performance of the Company include, but are not limited to, ongoing challenges from the COVID-19 pandemic, credit risk, market interest rate changes, competition, economic downturns, or regulatory supervision. GBank Financial Holdings Inc. is under no obligation to revise these forward-looking statements.

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