

## Central Bancshares, Inc. (Private; Houston, TX) Closes Private Placement of \$17.5 Million of 5.750% Subordinated Notes due 2029

Sandler O'Neill + Partners, L.P. served as the sole placement agent for this offering.

This transaction is the 117<sup>th</sup> subordinated note or senior note transaction for a community bank since January 1, 2016 in which Sandler O'Neill acted as a placement agent, sole underwriter, book runner or initial purchaser.<sup>1</sup> These transactions have raised approximately \$6.4 billion for our clients, representing 60.6% market share of announced transactions.<sup>1</sup>

### About the Offering:

HOUSTON, TX., June 20, 2019 – Central Bancshares, Inc. (the “Company”), the holding company for Central Bank (the “Bank”), today announced the completion of its private placement of \$17.5 million in fixed-to-floating rate subordinated notes due 2029 (the “Notes”). The Notes bear a fixed rate of 5.750% for the first five years and will reset quarterly thereafter to the then current three-month LIBOR rate plus 387 basis points.

The Company intends on using the proceeds to repay an existing holding company note and line of credit, to support organic growth, and for general corporate purposes

*This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.*

### About the Company:

Founded in 1956, Central Bank is Houston's longest serving independent community bank and the wholly-owned subsidiary of Central Bancshares, Inc. Central is deeply committed to serving the Houston community, with all four of its branches located in Harris County, TX. The bank offers traditional commercial and retail banking products in addition to mortgage origination, treasury management, public funds services, and a factoring business through its wholly-owned subsidiary, Advantage Business Capital.

(1) Source: Sandler O'Neill Syndicate Desk, Bloomberg. Deal count includes subordinated debt or senior note offerings for Community Banks reported by Bloomberg; Community Banks defined as banks or bank holding companies with less than \$35 billion in assets; Excludes transactions less than \$5 million in offering size

(2) Financial data is not pro forma for the offering

June 20, 2019

5.750% Fixed-to-Floating Rate  
Subordinated Notes due 2029

**\$17.5 Million**

**Central  
Bancshares, Inc.**

Sole Placement Agent  
**SANDLER O'NEILL + PARTNERS**

### Financial Highlights as of March 31, 2019<sup>2</sup>

(Dollars in thousands)

Total Assets	\$753,975
Total Net Loans	\$586,206
Total Deposits	\$676,593
Total Equity	\$51,737
TCE / TA	6.59%

### Sandler O'Neill Contacts

**Christopher Murray**  
Principal  
(212) 466-7952

**Marc Flaster**  
Principal  
(212) 466-7860

**Jennifer Docherty**  
Managing Director  
(212) 466-7796

**Capital Raising  
Group**  
(212) 466-7806

**Justin Stamp**  
Associate  
(212) 466-7841

**Liam Reuter**  
Analyst  
(212) 466-8035