

Grant Bancshares, Inc. (Private; Natchitoches, LA) Closes Private Placement of \$16.5 Million of 5.625% Subordinated Notes due 2029

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

This transaction is the 122nd 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.¹ These transactions have raised approximately \$6.5 billion for our clients, representing 60.1% market share of announced transactions.¹

About the Offering:

Natchitoches, Louisiana – Grant Bancshares, Inc. (the “Company”), the parent company of BOM Bank, announced today that it has completed the private placement of \$16.5 million in fixed-to-floating rate subordinated notes due 2029 (the “Notes”). The Notes bear a fixed rate of 5.625% for the first five years and will reset quarterly thereafter to the then current three-month term SOFR plus 436 basis points. The Notes are the first community bank subordinated debt offering to use SOFR as the benchmark for establishing the floating rate on the notes. The proceeds from the sale of the Notes will be utilized to repay the Company’s existing outstanding debt, to support organic growth of BOM Bank and for general corporate purposes.

President and CEO, Richard Kent (“Ken”) Hale, stated, “We are excited to announce the successful completion of our subordinated debt offering. We are very pleased with the high level of interest in our offering and that investors share in the belief of our business model. The net proceeds from the offering will be used in part to support organic growth, including our expansion into East Texas following our recently announced agreement to acquire First State Bank, with one branch office located in Hemphill, Texas.”

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:

Grant Bancshares, Inc. is headquartered in Natchitoches, Louisiana and has total assets of \$450.7 million and total shareholder's equity of \$40.2 million as of June 30, 2019. Grant Bancshares, Inc. is the holding company for BOM Bank, which operates 14 banking offices in northwest Louisiana.

(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) Bank-level financial data; financial data is not pro forma for the offering

August 14, 2019

5.625% Fixed-to-Floating
Rate Subordinated Notes
due 2029

\$16.5 Million

**Grant
Bancshares, Inc.**

Sole Placement Agent

SANDLER O'NEILL + PARTNERS

BOM Bank Financials as of June 30, 2019²

(Dollars in thousands)

Total Assets	\$450,593
Total Net Loans	\$370,516
Total Deposits	\$405,516
Total Equity	\$43,173
TCE / TA	9.30%

Sandler O'Neill Contacts

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