

Paducah Bank Shares, Inc. Completes Capital Offering

February 2021

Paducah Bank Shares, Inc.

holding company for:



Subordinated Debt Offering

\$10.0 Million Due 2031

3.625% Fixed-to-Floating

\$10.0 Million Due 2036

3.875% Fixed-to-Floating

Sole Placement Agent

Performance Trust Capital Partners

Transaction Overview

On February 26, 2021, Paducah, Kentucky-based Paducah Bank Shares, Inc., the holding company for The Paducah Bank and Trust Co., completed the issuance of \$10.0 million in 10-year and \$10.0 million in 15-year fixed-to-floating rate subordinated notes. The subordinated debt is structured such that it qualifies as Tier 2 capital at the holding company. The 10-year notes will initially bear interest at 3.625% per annum to but excluding March 31, 2026 and thereafter pay a quarterly floating rate equal to 90-day average SOFR plus 315 basis points. The 15-year notes will initially bear interest at 3.875% per annum to but excluding March 31, 2031 and thereafter pay a quarterly floating rate equal to 90-day average SOFR plus 275 basis points.

In addition to general corporate purposes, the Company intends to use the net proceeds to fund potential future strategic opportunities.

Performance Trust Capital Partners served as sole placement agent for Paducah Bank Shares, Inc. in connection with this issuance of subordinated debt.

Capital Markets

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Balance Sheet Strategy

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Financial Highlights (December 31, 2020)

| | Paducah Bank and Trust Co. | |
|-----------------|----------------------------|---------|
| (\$000s) | | |
| Assets: | \$ | 784,315 |
| Loans: | | 606,809 |
| Deposits: | | 618,841 |
| Total Equity: | | 88,570 |
| TCE / TA: | | 11.11% |
| NPAs / Assets: | | 0.49% |
| LTM Net Income: | \$ | 11,863 |
| LTM ROAA: | | 1.55% |
| LTM ROAE: | | 13.87% |

Note: Bank level call report financial data

Branch Map

