

M&A Simulation

AOBA Conference | January 29, 2024

Hosted by:

PIPER | SANDLER

K&L GATES

Bank Director®



M&A Simulation

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Welcome & Introductions

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Course Objectives

- Review bank M&A fundamentals
 - Review basic M&A analytics
 - Review legal basics of M&A
 - Recreate a real boardroom M&A situation driven by everyone's involvement
 - Ask questions, interact and have fun!
-

Overview of the M&A Simulation

Schedule	Objectives	Participants
10:15 – 10:20	Speaker introductions and review of Fact Pattern	All – Group Session
10:20 – 10:35	Piper Sandler presentation on M&A financial concepts	
10:35 – 10:50	K&L Gates presentation on M&A legal concepts	
10:50 – 11:20	<p><u>Conduct Board Meetings:</u></p> <p>Seller: THETA Bancorp, Inc.</p> <ul style="list-style-type: none">■ Discuss expectations and preferences with advisers■ Send a delegate to visit with each acquirer board to communicate preferences <p>Acquirers: ALPHA Bancshares, Inc. and OMEGA Bank</p> <ul style="list-style-type: none">■ Work with advisers to review information packets■ Discuss and agree on term sheet	3 Groups / Boards: Breakout sessions run simultaneously
11:20 – 11:25	ALPHA verbally presents terms of its proposal to THETA	All – Group Session
11:25 – 11:30	OMEGA verbally presents terms of its proposal to THETA	
11:30 – 11:40	THETA and its advisers react to the proposals and vote on a course of action: <ul style="list-style-type: none">■ (i) Sell to ALPHA; (ii) Sell to OMEGA; or (iii) Remain Independent	
11:40 – 11:45	Conclusions / Questions?	

Session Agenda

- I. M&A Fundamentals**
- II. Basic M&A Analytics**
- III. Select M&A Legal Concepts**
- IV. The Merger Simulation**
 - A. Analysis of THETA Bancorp, Inc.**
 - B. Analysis of ALPHA Bancshares, Inc.**
 - C. Analysis of OMEGA Bank**
- V. Appendix**
- VI. Proposal Template**

I. M&A Fundamentals

M&A Fundamentals

How do our stand-alone growth prospects compare to partnering with another bank?

	Remain Independent	Buy / Sell / Merge
<i>Who are our shareholders and how de we best create value for them over the long-run?</i>		
Scale	<ul style="list-style-type: none">■ Where do we (reasonably) think our franchise can be in 3-5 years?	<ul style="list-style-type: none">■ Can we accelerate and/or broaden our strategy by partnering with another institution?
Diversification	<ul style="list-style-type: none">■ Do we have a diverse business / revenue mix for through-the-cycle wherewithal?	<ul style="list-style-type: none">■ Does it make more sense to buy instead of build?
Liquidity	<ul style="list-style-type: none">■ What are our shareholder priorities?	<ul style="list-style-type: none">■ Is there an exchange of private shares for publicly-traded shares?
Earnings	<ul style="list-style-type: none">■ Can we produce a high-quality and sustainable earnings stream?	<ul style="list-style-type: none">■ Does a merger offer meaningful cost or revenue synergies, and ultimately earnings accretion?
Valuation	<ul style="list-style-type: none">■ How does our strategy impact our ability to sell?	<ul style="list-style-type: none">■ How will the market value the combined earnings?
Succession	<ul style="list-style-type: none">■ Can we secure the continuity of our mission taking into account access to talent?	<ul style="list-style-type: none">■ Can a partner provide an opportunity to rationalize the C-suite and board?

M&A Fundamentals

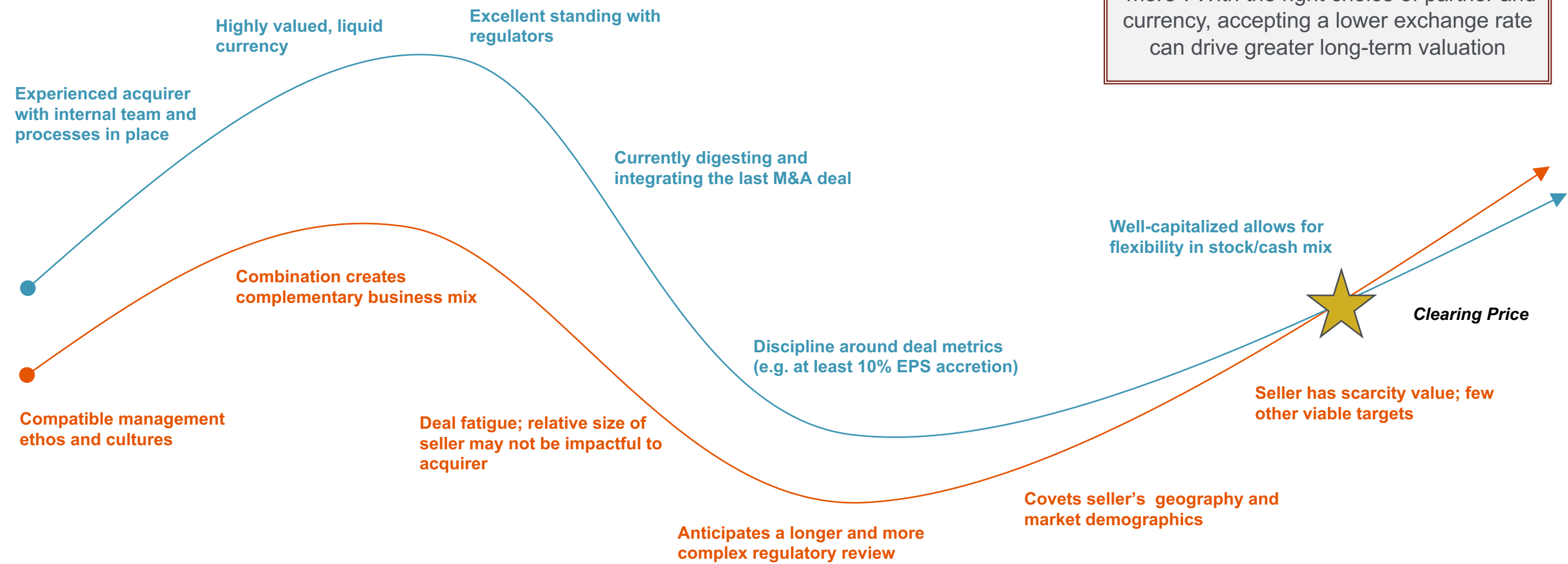
What are we worth if we sell or merge today?

M&A pricing is driven by ACQUIRER CAPACITY and DESIRE

Important Note:

In most bank mergers, the acquirer issues its stock as consideration to the seller

When taking stock, less is sometimes “more”. With the right choice of partner and currency, accepting a lower exchange rate can drive greater long-term valuation



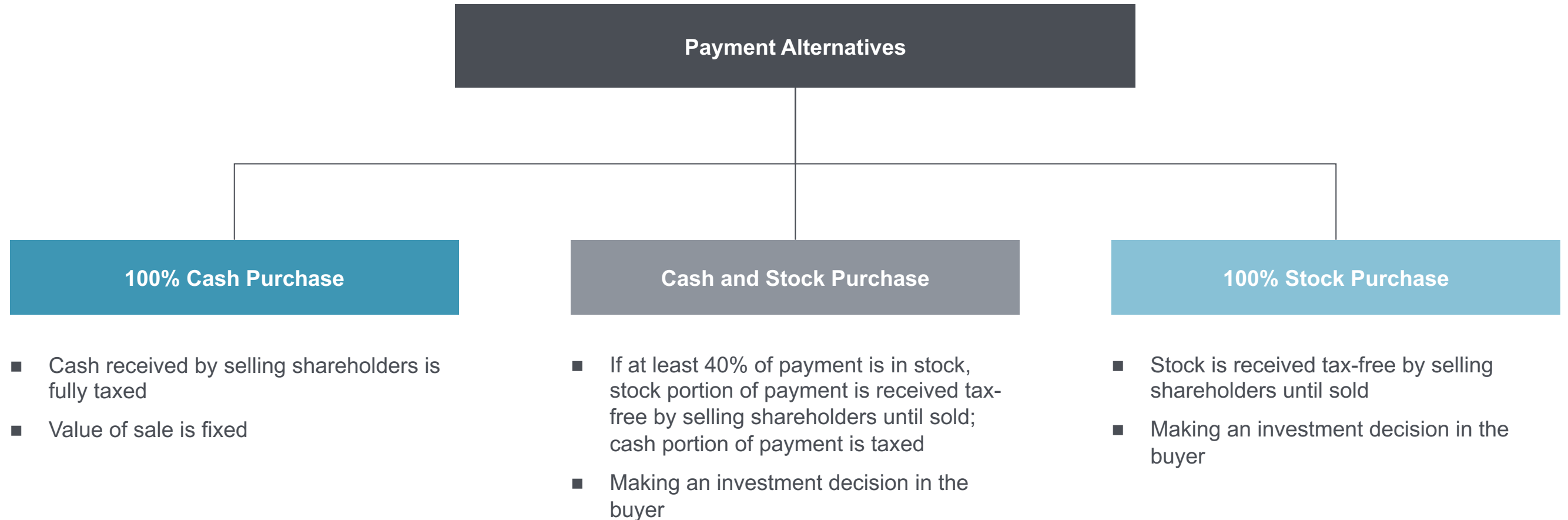
M&A Fundamentals

How do we choose the right partner?

Identifying Potential Partners		
Initial Screen / Search Efforts	<ul style="list-style-type: none">■ Create a short list of desirable partners■ Selection criteria should be shaped by the organization’s strategic plan and goals	
Courtship	<ul style="list-style-type: none">■ CEO and board members should maintain relationships with their counterparts at other organizations■ Leverage financial advisors to facilitate introductions■ Have clear ideas of what your franchise can both offer to and gain from a potential partner	
Choosing the Right Partner		
	Characteristics of Successful Deals	Characteristics of Difficult Deals
Market Opportunity	<ul style="list-style-type: none">■ In-market or contiguous■ Product / service expansion	<ul style="list-style-type: none">■ Unfamiliarity with market■ Increased balance sheet concentration
Transaction Feasibility	<ul style="list-style-type: none">■ Willing seller■ Acquirer with capacity and desire	<ul style="list-style-type: none">■ Need / ability to raise capital for the transaction■ Weak acquirer currency
Financially Attractive	<ul style="list-style-type: none">■ Earnings accretive■ Limited TBV dilution and short earnback■ Credit and other risks are identifiable and manageable	<ul style="list-style-type: none">■ Limited or unrealistic revenue / cost save assumptions■ Significant TBV dilution and / or long earnback period■ Lingering or unexpected risks
Cultural Compatibility	<ul style="list-style-type: none">■ Culture, customers, employees, and communities mesh■ Board and management representation addressed	<ul style="list-style-type: none">■ Loss of key employees■ Deposit attrition during or following conversion
Regulatory Considerations	<ul style="list-style-type: none">■ Pre-announcement strategy with active feedback from regulators and community groups■ Combined entity is well-capitalized	<ul style="list-style-type: none">■ Delays increase market volatility■ Burdensome regulatory conditions
Execution Risk	<ul style="list-style-type: none">■ Programmed and well-executed integration/conversion plan	<ul style="list-style-type: none">■ Culturally distinct groups make integration difficult





M&A Fundamentals

Forms of Consideration







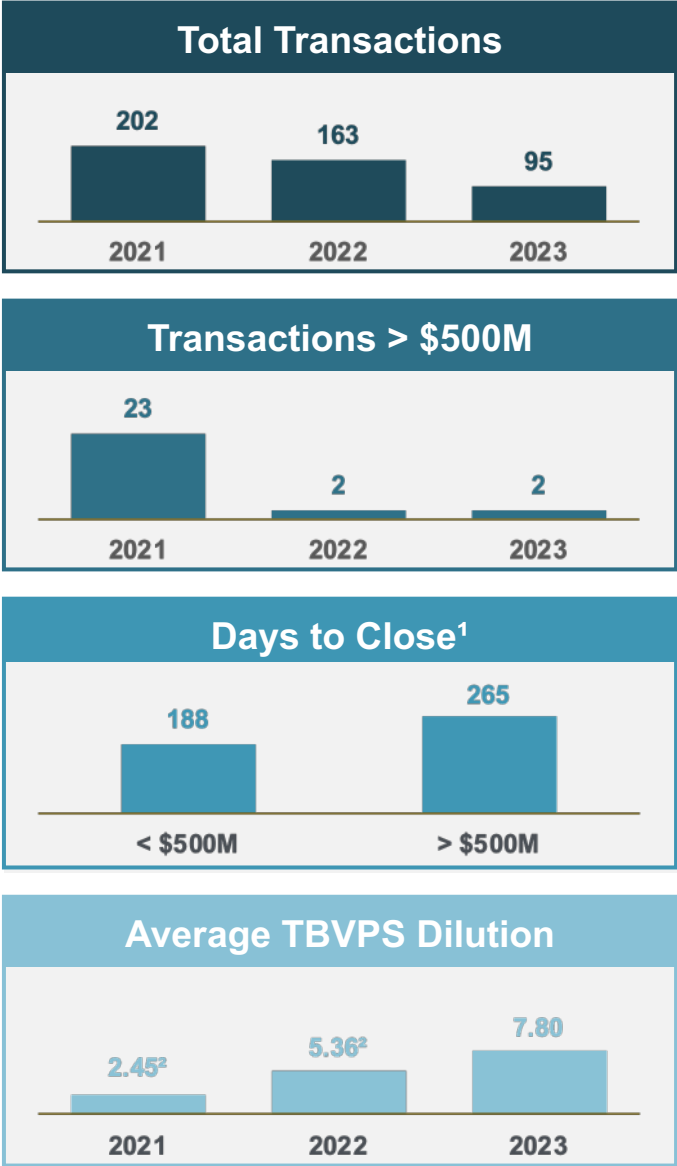
Key Themes in the M&A Market Today

A Movement to Smaller Transactions After a Shifting Landscape in 2021 Significant Headwinds to M&A:

-  Trading valuations are at long-term lows
-  The interest rate environment is distorting purchase accounting, significantly impacting pro forma regulatory capital levels
-  Regulatory delays and a focus on CRA have stymied discussions
-  Smaller transactions seem to be getting done, but 18 deals have been terminated since January 1, 2021

Buyers Have Been Willing to Announce Strategic Deals:

-  Certain strategic deals have been well received despite TBV dilution
-  M&A continues to create opportunities to restructure balance sheets
-  Further decreases in estimates will emphasize the importance of acquisition-related earnings growth
-  Sellers appear more open to taking stock at depressed levels, or cashing out and walking away, if possible



1) Includes deals announced since January 1, 2021 with disclosed transaction value
2) 2021 and 2022 excludes deals with aggregate transaction value less than \$100M
Source: S&P Capital IQ Pro

II. Basic M&A Analytics

Basic M&A Analytics

Analytic Framework for Evaluating Transactions

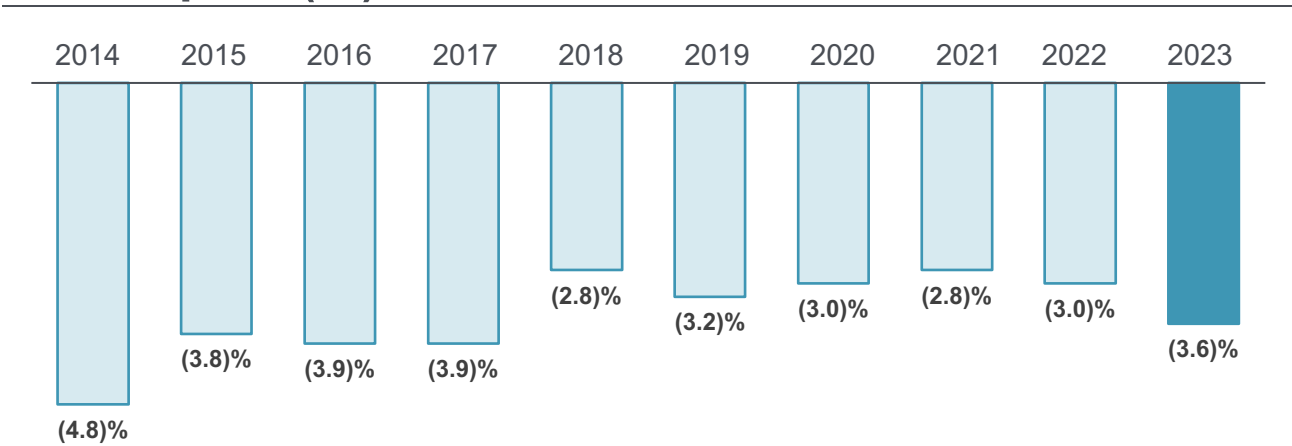
- Analytic approaches to M&A must be used in the proper context
- Successful acquirers have discipline around there metrics and know the key drivers

Technique	Primary Use	Framework	Key Variables
<div>Capacity to Pay - Accretion/Dilution Analysis</div> <div>Focus for Simulation</div>	<i>To determine whether or not an acquisition is additive to the existing business</i>	<ul style="list-style-type: none">■ EPS – Is the EPS of the combined company greater than the EPS of the company on a standalone basis? What is the quality of earnings? What is the timing for realization?■ TBVPS – Is the transaction additive or detractive? What is our threshold? How long is the earnback?	<ul style="list-style-type: none">■ EPS – Driven by relative earnings forecasts, deal valuation / mix, currency, cost and revenue synergies and other pro forma assumptions■ TBVPS – Driven by relative capital positions, deal valuation / mix, currency, MTM and transaction costs
Precedent Transactions Analysis	<i>To determine precedent control valuations in an M&A context</i>	<ul style="list-style-type: none">■ Attention paid to transaction multiples (P/TBV, P/E and Core Deposit Premium)■ Important for fairness opinions	<ul style="list-style-type: none">■ Selection of appropriate comparison group based on company size, geography and performance
Contribution Analysis	<i>To determine what each party is contributing to the combined company</i>	<ul style="list-style-type: none">■ Most meaningful when companies are closer to each other in size■ Useful for evaluating pro forma ownership in stock-for-stock deals	<ul style="list-style-type: none">■ Current balance sheets■ Income statement, historical and forecasted■ Market capitalization, if applicable
Internal Rate of Return Analysis (IRR)	<i>To determines whether acquisition is an optimal use of capital</i>	<ul style="list-style-type: none">■ What is the company's current rate of return on capital? What is the rate of return if capital is invested into an acquisition?■ How does the return compare to other strategic alternatives?	<ul style="list-style-type: none">■ Forecast of target■ Valuation – capital outlay■ Capitalization threshold■ Pro forma assumptions■ Terminal multiple

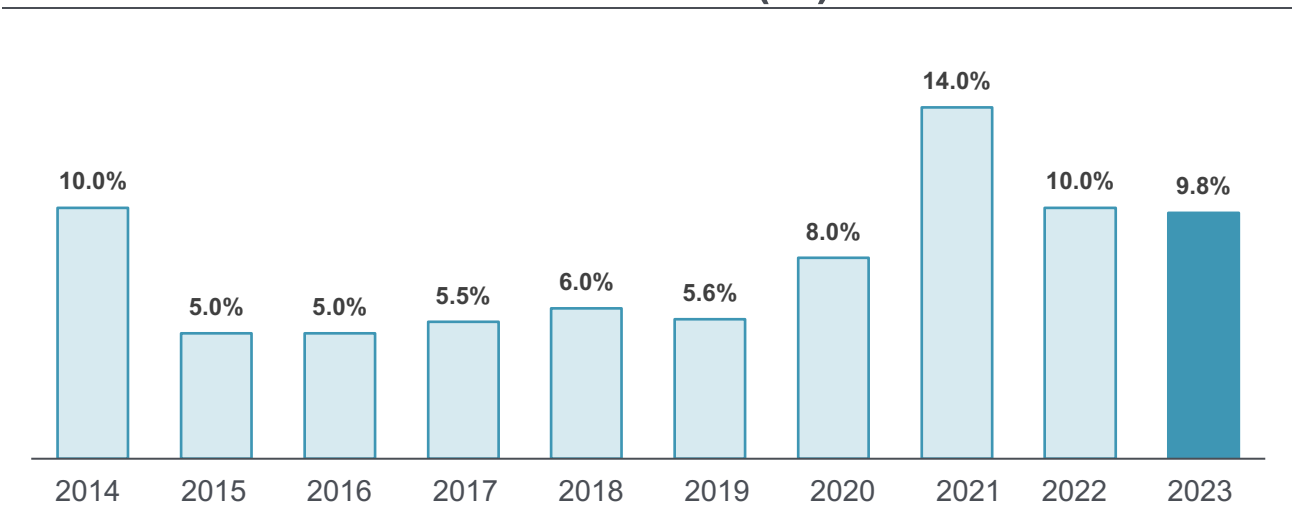
Basic M&A Analytics

Trends in Merger Announcements

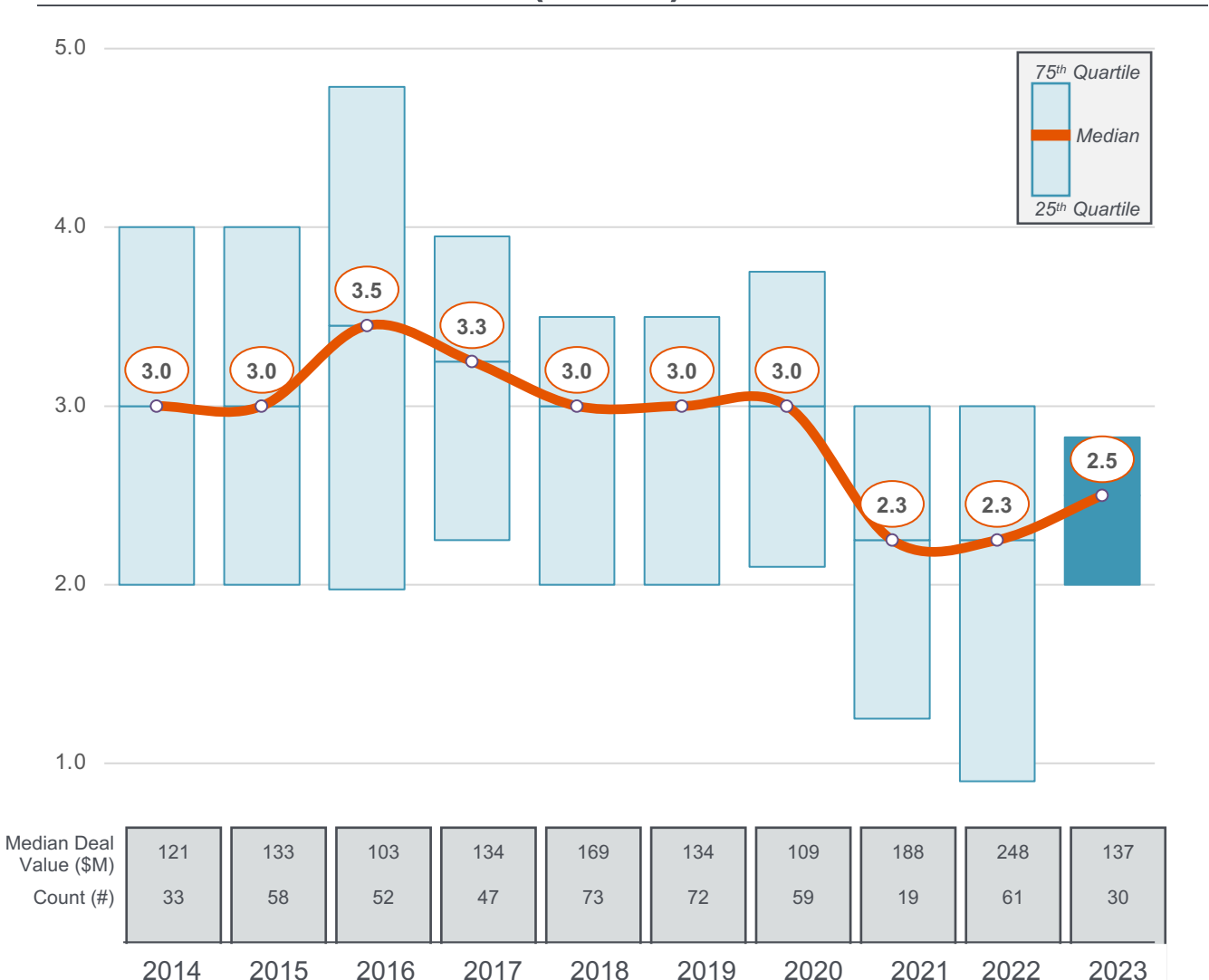
TBV Impact (%)



EPS Accretion - First Full Year (%)



Announced Earnback (Years)



1) Population reflects public acquirer bank acquisitions with deal values greater than \$50 million; Data reflects announced transaction metrics as January 2, 2024
Note: Values reflect median quartiles; Deal counts reflect deals with reported earnback
Source: S&P Capital IQ Pro and company investor presentations

Basic M&A Analytics

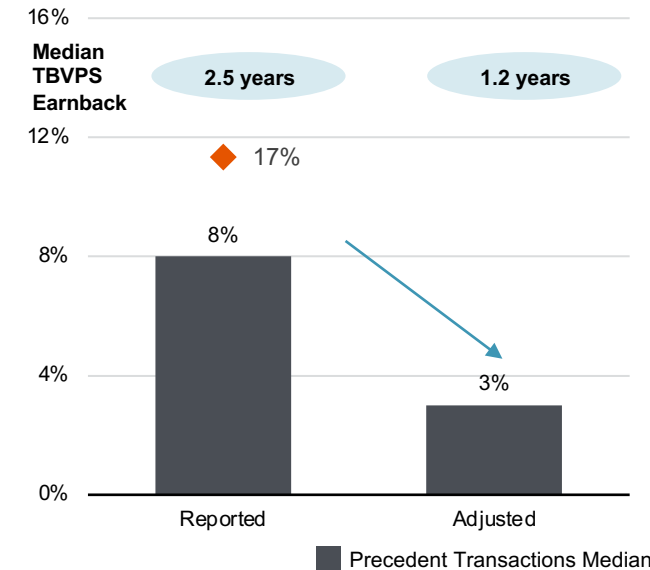
Illustrative EPS Accretion Scenarios

	100% Stock Consideration				100% Cash
	Base Case	Increase Seller's NI By \$25M	Increase Cost Saves By \$25M	Decrease Deal Value By \$25M	Base Case
ACQUIRER Net Income	\$250	\$250	\$250	\$250	\$250
SELLER Net Income	50	75	50	50	50
Combined Net Income	\$300	\$325	\$300	\$300	\$300
Cost Savings, after-tax	20	20	40	20	20
Pro Forma Net Income	\$320	\$345	\$340	\$320	\$320
ACQUIRER Diluted Shares	50.0	50.0	50.0	50.0	50.0
Diluted Shares Issued to SELLER	12.0	12.0	12.0	11.5	0.0
Pro Forma Avg. Diluted Shares	62.0	62.0	62.0	61.5	50.0
ACQUIRER Stand-Alone EPS	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
Pro Forma EPS	\$5.16	\$5.56	\$5.48	\$5.20	\$6.40
EPS Accretion / (Dilution) (\$)	\$0.16	\$0.56	\$0.48	\$0.20	\$1.40
EPS Accretion / (Dilution) (%)	3.1%	11.2%	9.5%	4.0%	27.9%

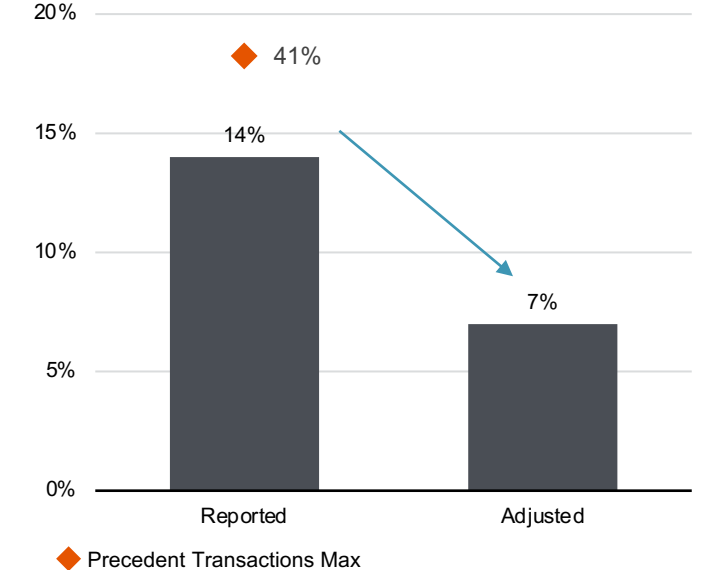
Interest Rate Marks have Challenged M&A

- M&A has been adversely impacted by outsized interest rate marks caused by rapid Fed tightening
- Buyers sought to focus investors on “adjusted” metrics excluding:
 - AOCI (unrealized AFS securities losses)
 - HTM securities rate mark-to-market (“MTM”)
 - Loan portfolio rate MTM
 - Funding liability rate MTM
- Investors mostly refused to look through temporary rate marks
 - Average 1-day buyer stock price – (4%) vs. Index
 - Sample set reflects 6 deals with a deal value >\$200mm
 - Investors are focused on capital preservation ahead of a recession which likely elongates TBVPS earnback

TBVPS Dilution



Year 1 EPS Accretion



Implications for M&A

1

Organic repricing of assets as maturities come due

2

Liability marks offsetting assets will be more prevalent as CDs / wholesale funding replace non-IB deposits in rising rate environment

3

Targets with short duration assets (i.e., commercial loan books) and more cash balances

4

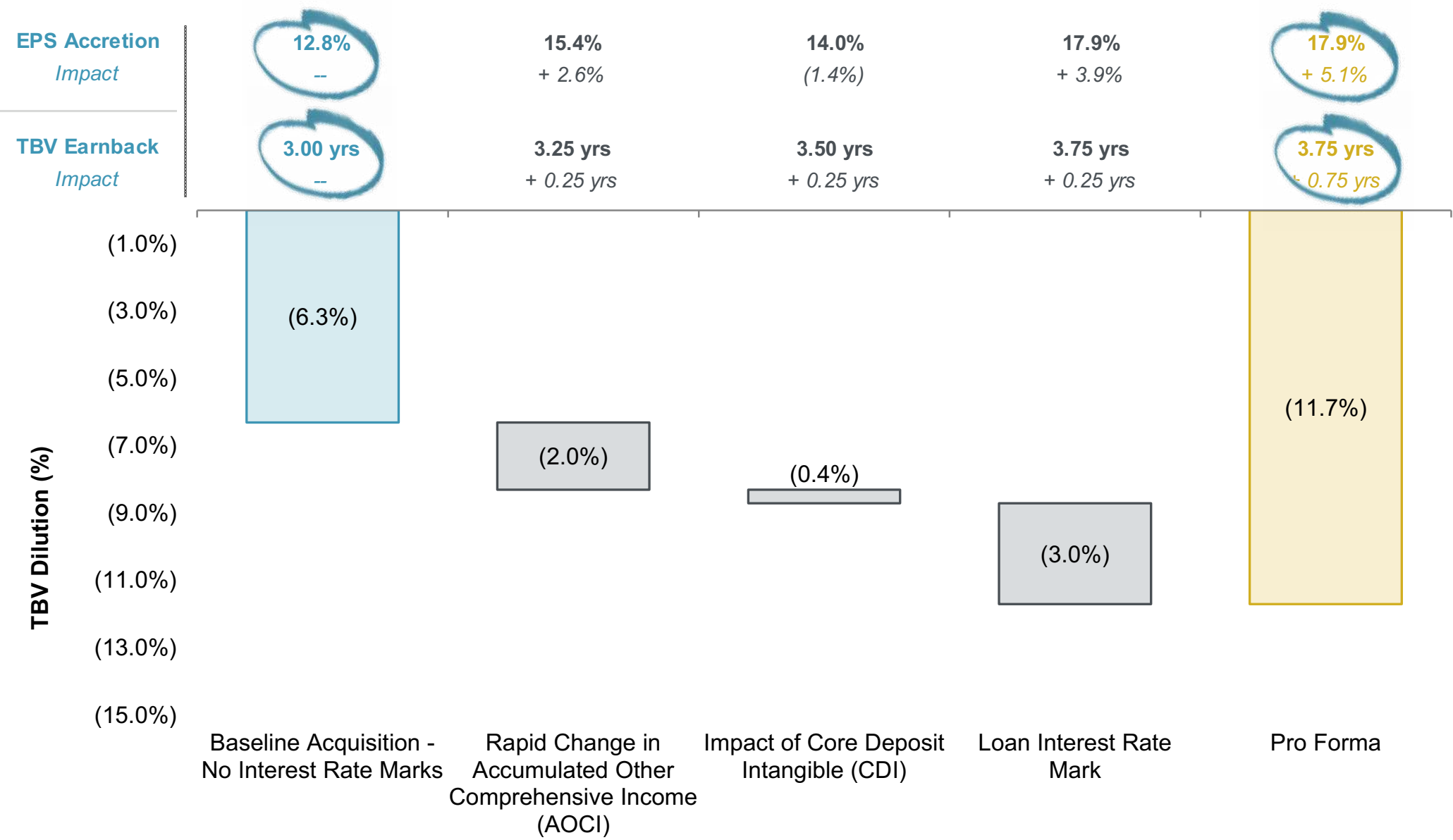
Smaller targets reduce relative capital impact on buyer yet retain same attractive return profile

Opportunity for contrarian buyers with liquidity and capital to look through transitory purchase accounting marks for long term strategic transactions

Note: Includes transactions announced in 2H'2022 over \$200mm deal value with disclosed financial impact with and without interest rate marks. Price performance comparison against the Regional Bank Index (KRX).
Source: S&P Capital IQ Pro

Basic M&A Analytics

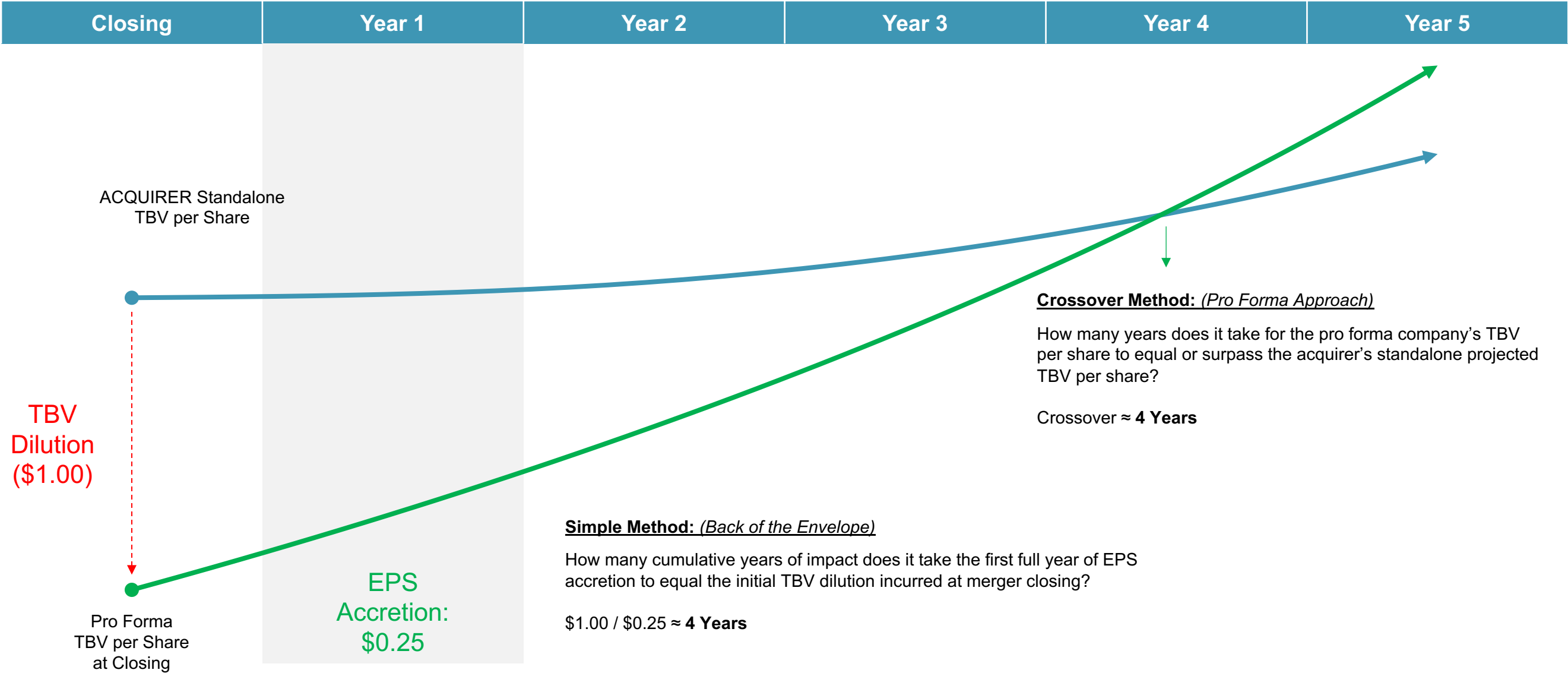
Illustrative Impact to M&A from Today's Interest Rate Environment



Note: Results are illustrative and meant to demonstrate the directional impacts of rising interest rates on M&A purchase accounting

Basic M&A Analytics

Tangible Book Value Dilution Earnback



III. Select M&A Legal Concepts

Board Fiduciary Duties (M&A)

Duties of Care and Loyalty

- Duties may differ in some respects based on the nature of the entity (state-chartered holding company, state-chartered bank, national bank, etc.) and its jurisdiction of formation
- Two core fiduciary duties owed to the corporation and its stockholders:
 - **Duty of Care:** Directors must act on an informed basis with the care that an ordinarily prudent person would exercise in similar circumstances
 - **Duty of Loyalty:** Directors must act in good faith and in a manner they reasonably believe to be in the best interests of the corporation and its stockholders, not to further their own personal interests

Board Fiduciary Duties (M&A)

Business Judgment Rule

- Presumption that disinterested and independent directors acted on an informed basis and in the honest belief that the subject action was taken in the best interest of the corporation
- If the BJR applies, there must be gross negligence to find a breach of the Duty of Care
- The BJR does not apply in all situations, including:
 - Sales of control
 - Transactions in which conflicts of interest exist

Board Fiduciary Duties (M&A)

Sale of Control

- Board must focus its efforts on obtaining the highest price reasonably attainable for the corporation's stockholders ("*Revlon* Duties")
- Board will be judged on whether its overall course of action in pursuit of the above objective was reasonable under the circumstances ("Enhanced Scrutiny")
- *Revlon* applicability
 - **All cash consideration** – *Revlon* Duties triggered
 - **All stock consideration** – *Revlon* Duties not triggered (except where control of combined company is concentrated in one or a few large stockholders)
 - **Mixed consideration** – *Revlon* Duties have been applied in 50/50 (stock/cash) transactions but not in 65/35 (stock/cash) transactions

Board Fiduciary Duties (M&A)

Sale of Control – Satisfying *Revlon*

- Directors' decisions must be reasonable, not perfect
- Courts have not provided us with a roadmap
- Board needs to be able to demonstrate that it has explored strategic alternatives and found them to be inferior in terms of stockholder value
- **Best Practices**
 - Keep detailed record of sale process
 - Obtain a fairness opinion
 - Monitor negotiations between management and acquirer
 - Disclose potential conflicts of interest
 - Form a special committee
 - Market check
 - Be mindful of deal protections

Board Fiduciary Duties (M&A)

Conflict of Interest Transactions

- Includes transactions where:
 - A majority of the directors who approved a transaction are not disinterested and independent
 - A controlling stockholder has a conflict or receives different consideration or a benefit not shared by other stockholders
 - There is fraud on the board by a self-interested fiduciary (e.g., officer or director)
- Board's actions and the transaction are reviewed under the “entire fairness” standard (the most demanding standard of review)
- Requires a showing of both fair process and fair price

Letters of Intent

What are they?

- Nomenclature varies (“Letter of Intent” (LOI), “Indication of Interest” (IOI), “Term Sheet”, etc.)
- Non-binding (mostly) expression of the intent of two parties to a transaction
- Typically drafted as a letter from the buyer to the seller that sets forth the basic/key terms upon which the parties are willing to pursue a transaction
- Non-binding for the most part—you are not irrevocably committing to a transaction when you sign an LOI
- Commonly entered into before the buyer begins full-on due diligence, which means the LOI terms are made subject to further diligence
- Not required—parties can choose to go straight to a definitive agreement that is negotiated during and following the completion of due diligence

Letters of Intent

Why are they important?

- They create a sense of buy-in by the parties
- They set expectations
- One or both parties may view the LOI as more “serious” and a place to negotiate important deal terms to be contained in a definitive agreement
- From the seller’s perspective, an LOI may set the ceiling for the most favorable terms the seller can expect to get
- The LOI negotiation process can serve to identify “deal breakers” early in the process before the parties expend too much valuable time and money

WARNING: Get your advisors (including legal counsel) involved. Do not unknowingly agree to things you should not agree to and/or compromise your go-forward negotiating position

Letters of Intent

What do they typically include?

■ Some “fluff”

- General information about acquirer
- Why acquirer would be a good partner
- Why the transaction would be good for seller

■ Non-binding provisions

- | | | |
|-----------------------------|------------------------------------|--|
| • Transaction structure | • Due diligence/access | • Board representation |
| • Transaction consideration | • Director/officer indemnification | • People issues (Cuts, opportunities, treatment of existing agreements, retention incentives, severance) |
| • Conditions/contingencies | • Tail insurance | |
| • Definitive agreement | • Ancillary agreements | |

■ Binding provisions

- Exclusivity
- Confidentiality
- Expenses
- Termination

Regulatory Approval Process

■ Federal Reserve Approval to Acquire a Bank or Bank Holding Company

- Filed on Form FR Y-3 or FR Y-3N for expedited applications
- Expedited processing available for well-capitalized and well-managed organizations that meet certain other criteria
- Acquisition of non-banking activities may require additional filing (FR Y-4)

■ Bank Merger Act Approval

- Filed with primary federal regulator (FRB, FDIC, or OCC)
- Expedited processing available for well-capitalized and highly-rated banks

■ State Banking Department Approval

- For state-chartered institutions
- Typically include at least a copy of federal application

Regulatory Approval Process

- Applications all require public notice and comment periods
- Confidential treatment is available for sensitive commercial and financial information or information that if disclosed would be an invasion of personal privacy
- Timing considerations
 - Typical processing times of 60-90 days have recently been extending to 4-6 months, and in some transactions even longer
 - 30 day post-approval waiting period (can be reduced to 15 days)
- DOJ, FRB, FDIC, and OCC all currently reviewing bank merger approval guidelines

Regulatory Approval Considerations

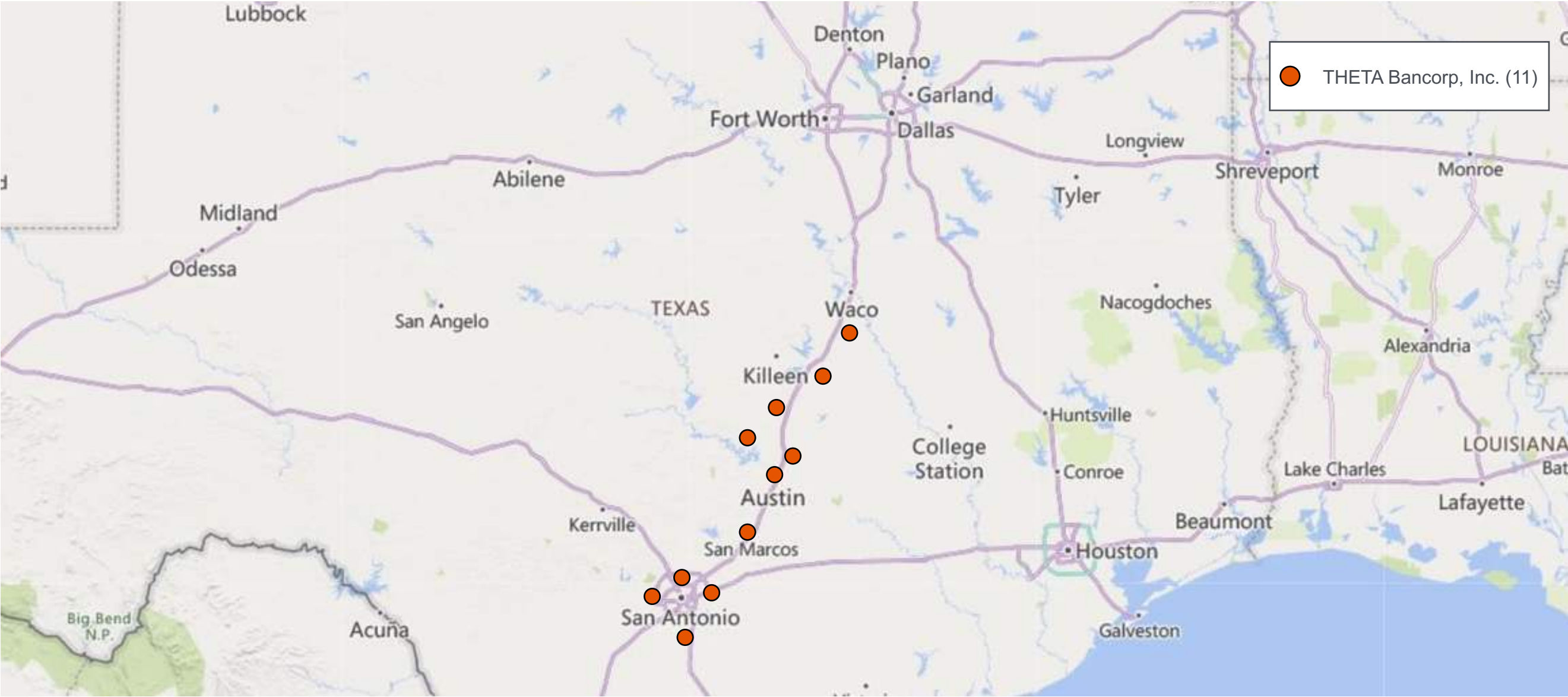
- Sufficient capital on a pro forma basis
- Existing supervisory concerns or regulatory actions
- Competitive analysis
 - May not control 35% of deposits in relevant banking market or cause the HHI to increase by more than 200 points in any relevant banking market with a post-acquisition HHI of at least 1800
 - Overlapping branches may require divestiture
- CRA compliance and convenience and needs of the community

IV. The Merger Simulation

A. Analysis of THETA Bancorp, Inc.

THETA Bancorp, Inc.

Branch Footprint (HQ: Waco, TX)



THETA Bancorp, Inc.

Historical Financials

(\$ in millions)	Year Ended December 31,				Quarter Ended			
	2019	2020	2021	2022	12/31/2022	3/31/2023	6/30/2023	9/30/2023
Balance Sheet								
Total Assets	\$2,154	\$2,200	\$2,592	\$2,938	\$2,938	\$3,332	\$3,362	\$3,168
Total Gross Loans	\$1,652	\$1,721	\$1,990	\$1,841	\$1,841	\$2,162	\$2,226	\$2,303
Total Deposits	\$1,773	\$1,821	\$2,214	\$2,536	\$2,536	\$2,941	\$2,920	\$2,738
Gross Loans / Deposits	93.04%	94.15%	89.44%	72.56%	72.56%	73.37%	76.18%	84.11%
Non-IB Deposits / Deposits	24.7%	24.0%	27.8%	30.2%	30.2%	31.0%	32.1%	33.6%
Capital								
Tangible Common Equity	\$238	\$252	\$259	\$290	\$290	\$250	\$241	\$229
TCE / TA	11.40%	11.79%	10.23%	10.08%	10.08%	7.70%	7.36%	7.43%
Tier 1 Leverage Ratio	11.15%	11.17%	9.68%	9.77%	9.77%	9.11%	8.26%	8.55%
Total Risk-Based Capital Ratio	15.54%	15.28%	15.18%	15.85%	15.85%	12.85%	12.35%	14.26%
Earnings & Profitability								
Net Income	\$31.6	\$27.9	\$24.8	\$48.6	\$10.2	\$4.4	\$8.5	\$10.4
ROAA	1.46%	1.27%	0.99%	1.76%	1.39%	0.59%	1.03%	1.28%
ROAE	10.9%	9.0%	7.8%	14.4%	11.7%	5.0%	10.2%	12.5%
Net Interest Margin	4.62%	4.26%	3.96%	3.88%	3.56%	3.35%	3.26%	3.14%
Noninterest Income / Avg. Assets	0.62%	0.62%	0.57%	0.54%	0.49%	0.45%	0.45%	0.42%
Efficiency Ratio	55.9%	61.4%	57.4%	55.7%	62.2%	63.1%	59.9%	56.3%
Asset Quality								
NPAs / Assets	1.27%	1.41%	0.85%	0.66%	0.66%	0.82%	0.71%	0.73%
NCOs / Average Loans	0.15%	0.09%	0.12%	0.09%	0.09%	(0.03%)	0.08%	0.06%
Yields and Cost								
Yield on Loans	5.71%	5.56%	5.13%	5.20%	5.15%	4.81%	4.93%	5.21%
Cost of Total Deposits	0.50%	0.84%	0.52%	0.22%	0.22%	0.14%	0.15%	0.18%

Source: S&P Capital IQ Pro

THETA Bancorp, Inc.

Selected Comparable Public Companies

Financial Data as of September 30, 2023
Market Data as of January 2, 2024

Financial Data as of September 30, 2023
Market Data as of January 2, 2024

Company	City, ST	Balance Sheet & Credit			Capital		LTM Profitability				Valuation						
		Total Assets (\$M)	L/D Ratio (%)	NPAs/ Assets (%)	TCE / TA (%)	Tier 1 Lev Ratio (%)	Total RBC Ratio (%)	ROAA (%)	ROAE (%)	NIM (%)	Effic. Ratio (%)	Price /			Div Yield (%)	Mkt Cap (\$M)	YTD Stock Price Δ (%)
												TBV (%)	LTM EPS (x)	2023E EPS¹ (x)			
South Plains Financial, Inc.	Lubbock, TX	3,993	77.7	0.12	8.00	10.95	16.46	1.53	15.76	3.64	66.8	150	8.4	10.9	1.72	473	0.1
Summit Financial Group, Inc.	Moorefield, WV	3,887	98.9	0.84	6.91	8.41	13.11	1.38	15.31	3.65	48.4	123	6.6	6.1	3.14	326	(7.1)
HomeTrust Bancshares, Inc.	Asheville, NC	3,555	92.4	0.48	10.50	10.64	11.91	0.97	8.67	3.60	68.0	101	11.0	8.2	1.67	372	(22.6)
Third Coast Bancshares, Inc.	Humble, TX	3,517	99.6	0.29	8.32	13.29	13.87	0.40	3.93	4.04	71.5	90	23.4	9.7	0.00	262	(25.4)
Southern First Bancshares, Inc.	Greenville, SC	3,440	101.0	0.21	8.37	9.44	13.58	1.16	12.73	3.31	56.7	124	10.1	10.8	0.00	357	(28.5)
Guaranty Bancshares, Inc.	Addison, TX	3,390	81.1	0.33	7.57	8.63	14.60	1.31	14.03	3.49	60.4	167	10.4	10.9	2.48	424	(5.5)
Primis Financial Corp.	McLean, VA	3,357	101.1	1.15	8.73	10.11	15.71	0.67	5.45	3.21	70.1	103	13.1	9.4	3.39	291	(21.5)
MetroCity Bankshares, Inc.	Doraville, GA	3,348	115.8	0.97	10.20	9.90	16.94	2.27	23.09	4.10	34.8	158	7.8	9.5	2.84	536	(23.1)
CapStar Financial Holdings, Inc.	Nashville, TN	3,166	87.0	0.23	9.65	11.22	14.59	1.31	11.10	3.24	55.6	125	9.2	9.1	2.34	375	(18.7)
First Community Bankshares, Inc.	Bluefield, VA	3,161	87.2	0.72	9.19	9.53	14.34	1.38	10.49	3.72	57.7	200	12.9	11.7	3.39	555	2.3
MVB Financial Corp.	Fairmont, WV	3,140	91.6	0.88	7.60	9.27	N/R	0.61	6.80	3.71	84.0	114	15.4	6.9	3.09	278	(46.9)
First Guaranty Bancshares, Inc.	Hammond, LA	3,097	89.2	0.35	5.88	9.39	11.49	1.09	14.13	3.60	60.2	142	8.7	9.8	2.66	258	18.1
Red River Bancshares, Inc.	Alexandria, LA	3,060	67.2	0.23	7.91	10.31	17.15	1.12	12.73	2.67	56.3	161	11.1	10.2	0.52	390	1.5
American National Bankshares Inc.	Danville, VA	3,049	78.8	0.18	7.59	9.92	13.80	1.15	11.04	2.88	56.2	182	10.9	10.8	3.12	408	2.0
Blue Ridge Bankshares, Inc.	Charlottesville, VA	2,880	90.1	0.42	7.61	9.43	12.36	1.26	12.70	3.87	61.8	105	6.5	--	4.07	228	(32.8)
Colony Bankcorp, Inc.	Fitzgerald, GA	2,806	65.8	0.43	6.22	9.28	15.78	0.68	7.76	3.17	77.1	135	11.6	9.0	3.28	231	(23.3)
First Western Financial, Inc.	Denver, CO	2,729	108.5	0.14	7.52	8.18	11.84	0.74	8.44	3.27	69.8	133	15.0	10.5	0.00	270	(6.2)
Investar Holding Corporation	Baton Rouge, LA	2,662	97.7	0.57	6.20	8.48	13.15	1.31	14.29	3.70	63.2	131	6.5	7.6	1.77	213	16.9
C&F Financial Corporation	Toano, VA	2,339	77.6	0.16	6.83	9.60	15.40	1.09	12.44	4.13	69.2	124	8.0	--	3.01	194	9.1
John Marshall Bancorp, Inc.	Reston, VA	2,306	83.6	0.02	8.77	11.00	15.40	1.40	14.90	3.20	44.6	195	12.6	--	0.00	393	40.7
FVCBankcorp, Inc.	Fairfax, VA	2,205	90.7	0.16	8.50	10.94	13.55	1.28	12.99	3.24	48.6	143	10.6	9.8	0.00	267	(2.9)
Southern States Bancshares, Inc.	Anniston, AL	2,053	86.3	0.40	7.48	8.44	12.26	1.14	11.81	3.83	53.3	162	12.4	10.2	1.27	246	44.4
USCB Financial Holdings, Inc.	Miami, FL	2,037	79.7	0.40	8.71	9.48	13.65	1.10	11.01	3.33	56.3	140	11.5	10.4	0.00	248	(11.3)
High		3,993	115.8	1.15	10.50	13.29	17.15	2.27	23.09	4.13	84.0	200	23.4	11.7	4.07	555	44.4
Low		2,037	65.8	0.02	5.88	8.18	11.49	0.40	3.93	2.67	34.8	90	6.5	6.1	0.00	194	(46.9)
Mean		3,008	89.1	0.42	8.01	9.82	14.13	1.14	11.81	3.50	60.5	139	11.0	9.6	1.90	330	(6.1)
Median		3,097	89.2	0.35	7.91	9.53	13.84	1.15	12.44	3.60	60.2	135	10.9	9.8	2.34	291	(6.2)
THETA Bancorp, Inc.		3,168	84.1	0.73	7.43	8.55	14.26	1.07	9.81	3.71	60.1	--	--	--	--	--	--
Rank (Out of 24)		9	16	20	19	20	11	18	18	7	12	--	--	--	--	--	--

Note: Includes major exchange-traded (NASDAQ, NYSE) banks in the southwest and southeast regions with total assets between \$2B and \$4B;
Excludes announced merger targets
1) Based on median analyst estimates where available
Source: S&P Capital IQ Pro

THETA Bancorp, Inc.

Standalone Forecast

(\$000)	Actual YTD 9/30/2023	Projections for the Year Ending				
		2023	2024	2025	2026	2027
Balance Sheet Highlights						
Total Assets	\$3,167,666	\$3,206,862	\$3,367,205	\$3,535,565	\$3,712,326	\$3,897,938
Annual Growth		5.0%	5.0%	5.0%	5.0%	5.0%
Gross Loans	2,303,448	2,332,105	2,448,716	2,571,148	2,699,702	2,834,682
Annual Growth		5.0%	5.0%	5.0%	5.0%	5.0%
Total Deposits	2,738,424	2,770,510	2,903,990	3,043,850	3,190,140	3,342,959
Annual Growth		4.7%	4.8%	4.8%	4.8%	4.8%
Common Equity	316,656	323,299	348,216	374,678	403,016	433,583
Tangible Common Equity	228,817	235,632	261,239	288,391	317,419	348,675
TBVPS	\$27.66	\$28.48	\$31.58	\$34.86	\$38.37	\$42.14
Capital Ratios						
TCE / TA	7.43%	7.55%	7.96%	8.36%	8.75%	9.14%
Leverage	8.55%	8.98%	9.33%	9.84%	10.18%	10.52%
Tier 1 Capital	10.94%	11.09%	11.55%	12.03%	12.50%	12.96%
Total Capital	14.26%	14.38%	14.89%	15.29%	15.67%	16.05%
Income Statement Highlights						
Net Income	\$23,296	\$31,924	\$33,223	\$35,282	\$37,785	\$40,755
Shares Outstanding	8,273,334	8,273,334	8,273,334	8,273,334	8,273,334	8,273,334
Diluted Shares Outstanding	8,219,000	8,246,834	8,330,334	8,330,334	8,330,334	8,330,334
Diluted EPS	\$2.83	\$3.87	\$3.99	\$4.24	\$4.54	\$4.89
Annual Growth		2.2%	3.0%	6.2%	7.1%	7.9%
Dividends per Share	\$0.69	\$0.93	\$1.00	\$1.07	\$1.14	\$1.23
Payout Ratio	25%	24%	25%	25%	25%	25%
Ratio Analysis						
ROAA	0.98%	1.00%	1.01%	1.02%	1.04%	1.07%
ROATCE	12.61%	13.19%	13.60%	13.04%	12.65%	12.40%
NIM	3.15%	3.16%	3.14%	3.14%	3.14%	3.14%
Fee Income / AA	0.44%	0.45%	0.45%	0.45%	0.45%	0.45%
NIX / AA	2.53%	2.50%	2.44%	2.45%	2.44%	2.43%
Efficiency Ratio	59.48%	59.9%	61.7%	61.7%	61.5%	61.0%
Loans / Deposits	84.11%	84.17%	84.32%	84.46%	84.62%	84.79%

Note: Based on THETA management estimates

THETA Bancorp, Inc.

Net Present Value Analysis

Calculation of Discount Rate ¹	
Risk Free Rate	3.50%
Equity Risk Premium	6.00%
Size Premium	3.02%
Industry Premium	(0.48%)
Discount Rate	12.04%

Per Share Present Values Based on Earnings							
		Terminal P/E Multiples					Median = \$35.16
		8.0x	9.0x	10.0x	11.0x	12.0x	13.0x
Discount Rate	10%	\$29.72	\$32.99	\$36.25	\$39.51	\$42.77	\$46.04
	11%	\$28.66	\$31.80	\$34.94	\$38.07	\$41.21	\$44.35
	12%	\$27.64	\$30.66	\$33.68	\$36.70	\$39.73	\$42.75
	13%	\$26.66	\$29.57	\$32.48	\$35.39	\$38.30	\$41.22
	14%	\$25.73	\$28.54	\$31.34	\$34.14	\$36.95	\$39.75

Per Share Present Values Based on Tangible Book Value							
		Terminal P/TBV Multiples					Median = \$39.92
		115%	125%	135%	145%	155%	165%
Discount Rate	10%	\$35.97	\$38.78	\$41.59	\$44.40	\$47.21	\$50.02
	11%	\$34.67	\$37.37	\$40.08	\$42.78	\$45.48	\$48.19
	12%	\$33.42	\$36.03	\$38.63	\$41.23	\$43.84	\$46.44
	13%	\$32.24	\$34.74	\$37.25	\$39.76	\$42.26	\$44.77
	14%	\$31.10	\$33.52	\$35.93	\$38.35	\$40.76	\$43.18

Per Share Present Values Based on Up/Down Earnings							
		Terminal P/E Multiples					Median = \$34.24
		8.0x	9.0x	10.0x	11.0x	12.0x	13.0x
Exceed	20%	\$32.43	\$36.05	\$39.67	\$43.29	\$46.91	\$50.53
	10%	\$30.01	\$33.33	\$36.65	\$39.97	\$43.29	\$46.61
Budget	0%	\$27.60	\$30.61	\$33.63	\$36.65	\$39.67	\$42.69
	(10%)	\$25.18	\$27.90	\$30.61	\$33.33	\$36.05	\$38.76
Under	(20%)	\$22.77	\$25.18	\$27.60	\$30.01	\$32.43	\$34.84

1) CAPM discount rate inputs sourced from Kroll Bond Rating Agency

THETA Bancorp, Inc.

Precedent M&A Transactions

Transaction Information					Transaction Pricing				Seller Information				
Acquiror (ST)	Ticker	Target (ST)	Ticker	Annnc. Date	Deal Value (\$M)	Price / LTM Earnings (x)	TBV (%)	Core Dep Prem (%)	Total Assets (\$M)	TCE/ TA (%)	LTM ROAA (%)	LTM Effic (%)	NPAs/ Assets (%)
Seacoast Banking Corporation of Florida (FL)	SBCF	Professional Holding Corp. (FL)	PFHD	08/08/22	470	23.2	216	12.0	2,662	7.89	0.73	60.1	0.09
The First Bancshares, Inc. (MS)	FBMS	Heritage Southeast Bancorporation, Inc. (GA)	HSBI	07/27/22	208	15.0	180	6.9	1,713	6.85	0.83	64.8	0.21
First Bancorp (NC)	FBNC	GrandSouth Bancorporation (SC)	GRRB	06/21/22	181	10.7	173	9.4	1,253	7.64	1.40	57.6	0.26
F.N.B. Corporation (PA)	FNB	UB Bancorp (NC)	UBNC	06/01/22	118	9.2	154	4.4	1,170	6.55	1.14	62.0	0.04
United Community Banks, Inc. (GA)	UCBI	Progress Financial Corporation (AL)	--	05/04/22	272	13.4	167	8.1	1,860	8.34	1.19	64.6	0.19
Seacoast Banking Corporation of Florida (FL)	SBCF	Drummond Banking Company (FL)	--	05/04/22	173	13.8	191	9.5	1,025	8.27	1.37	63.3	0.21
Seacoast Banking Corporation of Florida (FL)	SBCF	Apollo Bancshares, Inc. (FL)	--	03/29/22	168	20.0	195	9.7	1,044	9.36	0.91	63.2	0.37
SouthState Corporation (FL)	SSB	Atlantic Capital Bancshares, Inc. (GA)	ACBI	07/23/21	545	12.5	162	7.2	3,780	8.80	1.28	53.3	0.45
United Community Banks, Inc. (GA)	UCBI	Reliant Bancorp, Inc. (TN)	RBNC	07/14/21	519	10.4	181	12.1	3,098	9.28	1.62	55.3	0.32
Simmons First National Corporation (AR)	SFNC	Landmark Community Bank (TN)	--	06/07/21	146	14.0	143	8.0	1,007	10.14	1.08	57.3	0.66
United Bankshares, Inc. (WV)	UBSI	Community Bankers Trust Corporation (VA)	ESXB	06/03/21	305	14.2	168	11.7	1,699	10.15	1.28	56.8	0.71
First Bancorp (NC)	FBNC	Select Bancorp, Inc. (NC)	SLCT	06/01/21	314	23.8	185	11.0	1,832	9.41	0.79	61.4	0.56
Peoples Bancorp Inc. (OH)	PEBO	Premier Financial Bancorp, Inc. (WV)	PFBI	03/29/21	292	12.9	139	7.6	1,946	10.98	1.20	54.8	1.16
High					545	23.8	216	12.1	3,780	10.98	1.62	64.8	1.16
Low					118	9.2	139	4.4	1,007	6.55	0.73	53.3	0.04
Mean					286	14.9	174	9.0	1,853	8.74	1.14	59.6	0.40
Median					272	13.8	173	9.4	1,713	8.80	1.19	60.1	0.32
THETA					--	--	--	--	3,168	7.43	1.07	60.1	0.73

Note: Includes southeast region bank M&A transactions since January 1, 2021 with disclosed deal values and target assets between \$1B and \$5B
Source: S&P Capital IQ Pro

THETA Bancorp, Inc.

Valuation Multiples

\$ in Thousands, except per share amounts

THETA Bancorp, Inc. Basis as of 9/30/2023

TBV per Share	\$27.66
LTM EPS	\$4.07
2023 Est. EPS	\$3.87
2024 Est. EPS	\$3.99
Total Core Deposits ¹	2,531,812
Shares Outstanding	8,273,334
Options Outstanding	213,857
Weighted Average Exercise Price	\$31.73

Transaction Price Per Share	\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
Consideration to Common Shareholders	\$343,226	\$354,666	\$366,107	\$377,548	\$388,989
Consideration to Option Holders	2,086	2,382	2,678	2,974	3,269
Aggregate Transaction Value	\$345,312	\$357,048	\$368,785	\$380,522	\$392,258

Pricing Multiples

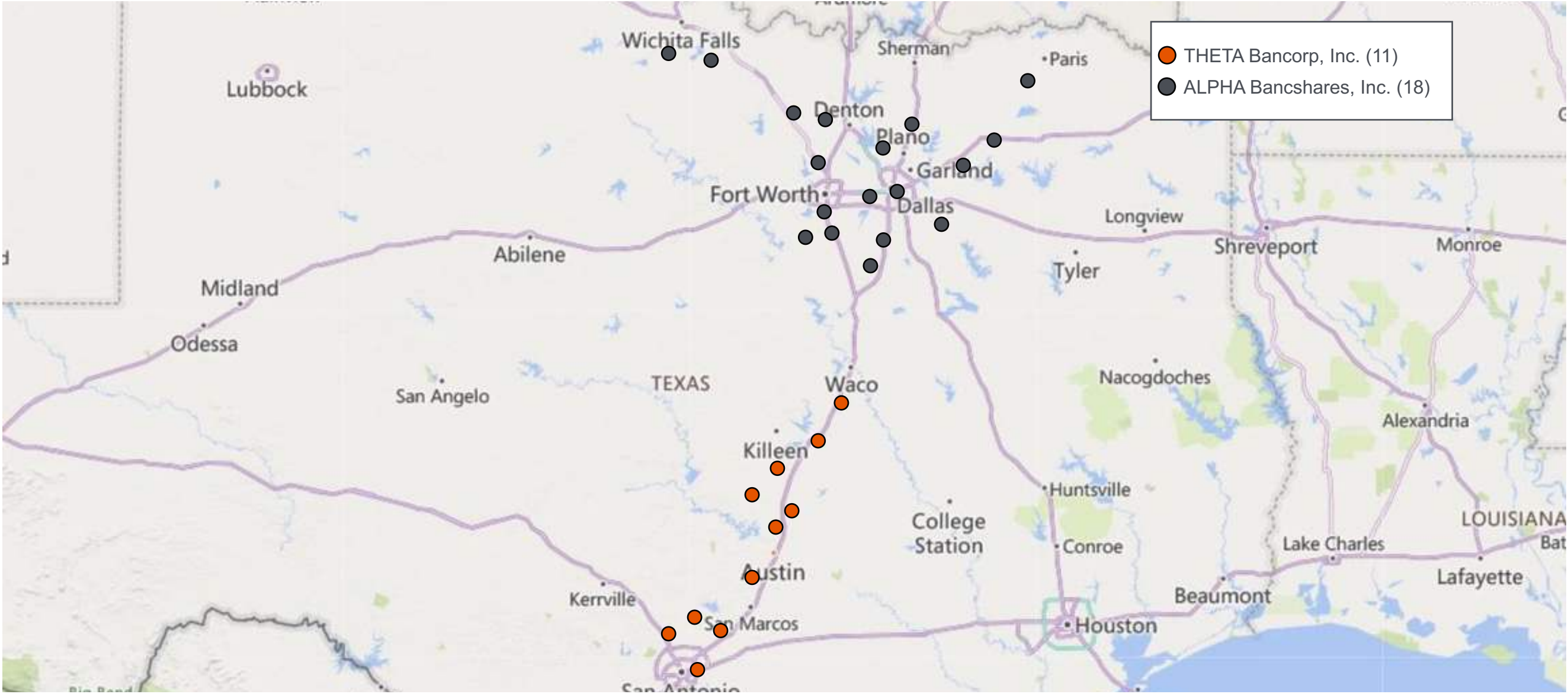
Price / TBV per Share	150%	155%	160%	165%	170%
Price / LTM EPS	10.2x	10.5x	10.9x	11.2x	11.6x
Price / 2023 Est. EPS	10.7x	11.1x	11.4x	11.8x	12.1x
Price / 2024 Est. EPS	10.4x	10.7x	11.1x	11.4x	11.8x
Core Deposit Premium	4.6%	5.1%	5.5%	6.0%	6.5%

¹⁾ Core deposits is defined as Total Deposits less Jumbo CDs with balances greater than \$100,000

B. Analysis of ALPHA Bancshares, Inc.

ALPHA Bancshares, Inc.

Combined Branch Footprint – ALPHA and THETA



ALPHA Bancshares, Inc.

Historical Financials

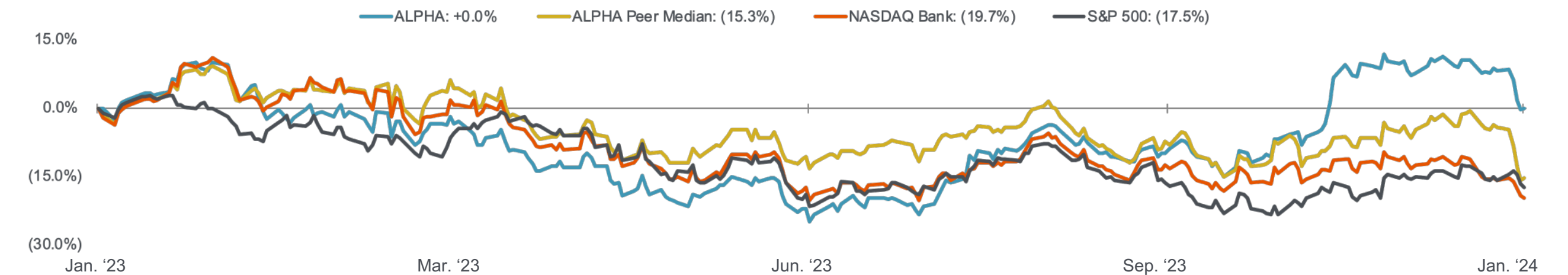
(\$ in millions)	Year Ended December 31,				Quarter Ended			
	2019	2020	2021	2022	12/31/2022	3/31/2023	6/30/2023	9/30/2023
Balance Sheet								
Total Assets	\$12,935	\$13,401	\$14,930	\$16,810	\$16,810	\$16,864	\$16,618	\$16,471
Total Gross Loans	\$9,495	\$10,008	\$11,351	\$10,474	\$10,474	\$10,594	\$10,800	\$11,250
Total Deposits	\$10,129	\$10,213	\$12,059	\$13,906	\$13,906	\$13,991	\$13,764	\$13,432
Gross Loans / Deposits	89.68%	94.87%	90.67%	72.06%	72.06%	73.72%	77.04%	82.67%
Non-IB Deposits / Deposits	22.9%	25.0%	30.6%	33.9%	33.9%	33.6%	34.4%	35.9%
Capital								
Tangible Common Equity	\$1,064	\$1,147	\$1,161	\$1,244	\$1,244	\$1,169	\$1,149	\$1,126
TCE / TA	8.90%	9.23%	8.32%	7.85%	7.85%	7.35%	7.34%	7.26%
Tier 1 Leverage Ratio	10.11%	10.37%	9.37%	9.15%	9.15%	9.00%	9.16%	9.39%
Total Risk-Based Capital Ratio	14.12%	13.78%	15.07%	16.14%	16.14%	15.51%	15.34%	15.15%
Earnings & Profitability								
Net Income	\$146.9	\$167.6	\$83.7	\$175.9	\$37.1	\$33.5	\$39.7	\$46.6
ROAA	1.32%	1.30%	0.58%	1.11%	0.90%	0.80%	0.95%	1.12%
ROAE	8.6%	8.0%	4.0%	8.0%	6.6%	6.0%	7.3%	8.6%
Net Interest Margin	4.16%	4.08%	3.44%	3.06%	2.83%	2.73%	2.56%	2.43%
Noninterest Income / Avg. Assets	1.30%	1.19%	1.62%	1.38%	1.04%	0.90%	0.90%	0.99%
Efficiency Ratio	58.9%	60.3%	64.7%	65.0%	68.4%	67.2%	62.6%	57.8%
Asset Quality								
NPAs / Assets	0.31%	0.36%	0.52%	0.43%	0.43%	0.47%	0.46%	0.51%
NCOs / Average Loans	0.05%	0.04%	0.04%	0.10%	0.21%	0.03%	0.09%	0.06%
Yields and Cost								
Yield on Loans	5.11%	5.30%	4.30%	4.09%	3.96%	3.83%	4.12%	4.62%
Cost of Total Deposits	0.56%	0.80%	0.47%	0.22%	0.18%	0.17%	0.14%	0.21%

Source: S&P Capital IQ Pro

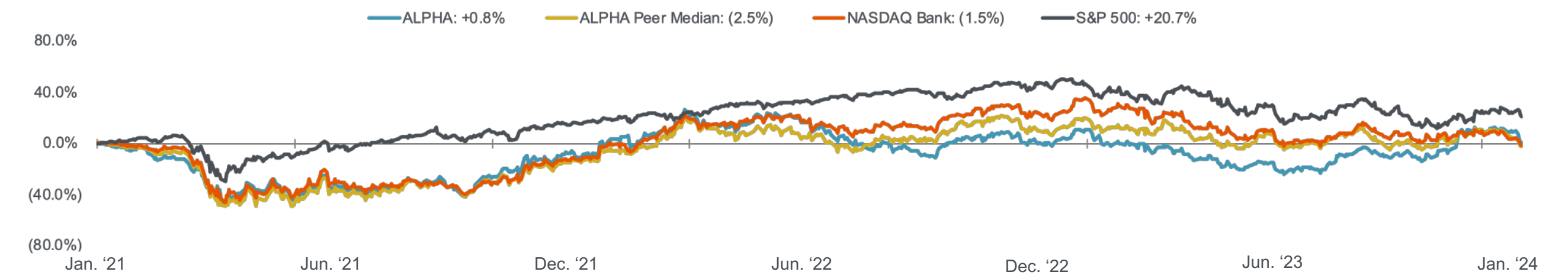
ALPHA Bancshares, Inc.

Historical Stock Price Performance

One Year Price Performance



Three Year Price Performance



Note: Data as of January 2, 2024
Source: S&P Capital IQ Pro

ALPHA Bancshares, Inc.

Selected Comparable Public Companies

Financial Data as of September 30, 2023
Market Data as of January 2, 2024

Financial Data as of September 30, 2023
Market Data as of January 2, 2024

Company	City, ST	Balance Sheet & Credit			Capital		LTM Profitability					Valuation					
		Total Assets (\$M)	L/D Ratio (%)	NPAs/ Assets (%)	TCE / TA (%)	Tier 1 Lev Ratio (%)	Total RBC Ratio (%)	ROAA (%)	ROAE (%)	NIM (%)	Effic. Ratio (%)	Price /			Div Yield (%)	Mkt Cap (\$M)	YTD Stock Price Δ (%)
												TBV (%)	LTM EPS (x)	2023E EPS¹ (x)			
Atlantic Union Bankshares Corporation	Richmond, VA	19,950	84.1	0.20	6.11	9.32	13.80	1.06	8.26	3.20	54.1	219	12.8	9.7	3.52	2,544	(8.7)
Independent Bank Group, Inc.	McKinney, TX	17,944	91.5	0.45	7.67	9.41	12.27	1.14	8.40	3.36	53.0	186	11.8	11.1	2.60	2,404	(19.1)
Trustmark Corporation	Jackson, MS	17,191	80.4	0.41	6.67	9.01	12.85	0.76	7.91	2.88	73.0	181	15.5	10.9	2.77	2,035	2.4
Hilltop Holdings Inc.	Dallas, TX	16,615	70.0	0.22	10.73	11.41	20.07	0.88	6.69	2.68	85.8	105	14.2	18.5	2.10	1,842	(18.8)
WesBanco, Inc.	Wheeling, WV	16,605	76.4	0.21	7.16	9.68	15.37	1.15	7.49	3.07	58.8	194	12.0	11.0	3.87	2,142	3.5
International Bancshares Corporation	Laredo, TX	16,095	54.7	0.25	10.57	13.65	22.15	1.58	11.64	2.89	44.2	164	11.1	--	2.71	2,745	4.3
TowneBank	Portsmouth, VA	15,952	78.7	0.10	8.57	9.52	14.80	1.14	9.82	2.90	63.5	167	12.1	9.8	3.03	2,180	(4.0)
ServisFirst Bancshares, Inc.	Birmingham, AL	13,890	102.1	0.09	8.85	8.84	10.96	1.59	20.09	3.12	31.1	285	14.8	12.9	1.43	3,506	(24.0)
First Financial Bankshares, Inc.	Abilene, TX	13,110	56.1	0.19	6.38	10.79	19.07	1.76	14.96	3.28	44.0	572	20.3	19.1	2.08	4,638	(35.6)
BancFirst Corporation	Oklahoma City, OK	12,452	61.7	0.41	8.10	8.85	16.26	1.43	14.69	3.05	55.9	287	16.6	13.2	1.84	2,854	23.0
First Foundation Inc.	Dallas, TX	12,329	108.4	0.15	7.43	7.95	11.31	1.14	11.40	3.11	54.0	86	6.4	11.1	3.19	778	(44.5)
FB Financial Corporation	Nashville, TN	12,258	91.0	0.33	8.54	10.74	13.02	1.10	9.81	3.42	62.7	159	12.2	10.1	1.49	1,635	(20.5)
Veritex Holdings, Inc.	Dallas, TX	11,714	103.3	0.29	8.45	9.79	11.68	1.41	10.64	3.46	45.8	156	9.8	7.5	2.92	1,481	(31.0)
First Bancorp	Southern Pines, NC	10,516	70.7	0.39	6.02	10.21	14.84	1.14	10.43	3.23	48.6	243	12.4	9.2	2.12	1,482	(9.2)
Seacoast Banking Corporation of Florida	Stuart, FL	10,345	76.3	0.27	9.80	12.08	17.48	1.13	8.80	3.37	53.7	188	15.4	10.9	2.26	1,837	(15.0)
High		19,950	108.4	0.45	10.73	13.65	22.15	1.76	20.09	3.46	85.8	572	20.3	19.1	3.87	4,638	23.0
Low		10,345	54.7	0.09	6.02	7.95	10.96	0.76	6.69	2.68	31.1	86	6.4	7.5	1.43	778	(44.5)
Mean		14,464	80.4	0.26	8.07	10.08	15.06	1.23	10.73	3.13	55.2	213	13.2	11.8	2.53	2,274	(13.2)
Median		13,890	78.7	0.25	8.10	9.68	14.80	1.14	9.82	3.12	54.0	186	12.4	10.9	2.60	2,142	(15.0)
ALPHA Bancshares, Inc.		16,471	82.7	0.51	7.26	9.39	15.15	0.94	7.10	3.06	63.6	183	13.2	10.6	2.39	2,064	(2.8)
Rank (Out of 16)		6	7	16	11	11	7	14	15	11	14	9	7	10	9	9	5

Note: Includes selected major exchange-traded (NASDAQ, NYSE) banks in the southwest and southeast regions with total assets between \$10B and \$20B; Excludes announced merger targets
 1) Based on median analyst estimates where available
 Source: S&P Capital IQ Pro

ALPHA Bancshares, Inc.

Analyst Estimates

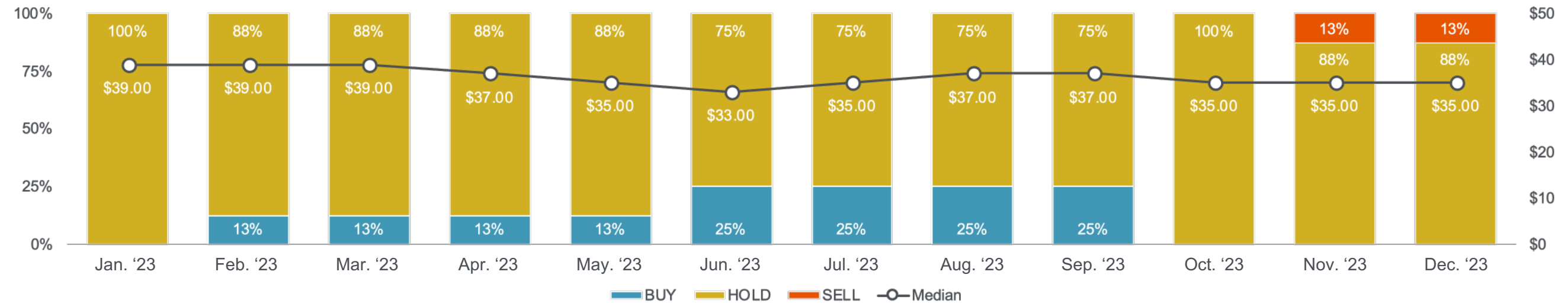
Firm	Rating	Last Reviewed	Price Target	EPS Estimate	
				2023E	2024E
Apex Advisory	Hold	10/26/2023	\$39.00	\$3.02	\$3.50
Blue Velvet Securities	Hold	10/26/2023	\$35.00	\$3.07	\$3.63
Magnum & Co.	Hold	10/26/2023	\$40.00	\$2.98	\$3.33
Hallmark Brokers	Hold	10/28/2023	\$37.00	\$2.98	\$3.40
J.T. Marlin & Co.	Hold	10/26/2023	\$35.00	\$2.96	\$3.35
Pearl Advisors	Buy	11/07/2023	\$35.00	\$3.00	\$3.55
Society of Value	Buy	10/26/2023	\$35.00	\$3.03	\$3.40
Lucky Stripe Research	Buy	10/31/2023	\$35.00	\$3.03	\$3.56
Median Estimate			\$35.00	\$3.01	\$3.45

Current Stock Price

\$36.88

Upside to Median Analyst Target Price

NM



Note: Data as of January 2, 2024
Source: FactSet

ALPHA Bancshares, Inc.

Standalone Forecast

(\$000)	Actual YTD 9/30/2023	Projections for the Year Ending				
		2023	2024	2025	2026	2027
Balance Sheet Highlights						
Total Assets	\$16,471,099	\$16,870,737	\$18,557,304	\$20,341,842	\$21,969,149	\$23,726,654
Annual Growth		10.0%	10.0%	9.6%	8.0%	8.0%
Gross Loans	11,249,646	11,523,197	12,713,387	13,982,858	15,404,788	16,968,264
Annual Growth		10.0%	10.3%	10.0%	10.2%	10.1%
Total Deposits	13,432,124	13,788,208	15,297,505	16,890,185	18,311,697	19,842,534
Annual Growth		10.9%	10.9%	10.4%	8.4%	8.4%
Common Equity	2,092,281	2,128,585	2,270,706	2,425,472	2,598,162	2,789,178
Tangible Common Equity	1,125,820	1,163,294	1,309,728	1,468,223	1,644,057	1,837,632
TBVPS	\$20.12	\$20.79	\$23.41	\$26.24	\$29.38	\$32.84
Capital Ratios						
TCE / TA	7.26%	7.31%	7.44%	7.57%	7.82%	8.07%
Leverage	9.39%	9.72%	9.63%	9.91%	9.94%	10.05%
Tier 1 Capital	11.47%	11.51%	11.47%	11.48%	11.51%	11.53%
Total Capital	15.15%	15.14%	14.89%	14.72%	14.57%	14.44%
Income Statement Highlights						
Net Income	\$119,792	\$168,406	\$193,038	\$208,481	\$229,202	\$250,327
Shares Outstanding	55,953,104	55,953,104	55,953,104	55,953,104	55,953,104	55,953,104
Diluted Shares Outstanding	55,947,214	55,948,687	55,953,104	55,953,104	55,953,104	55,953,104
Diluted EPS	\$2.14	\$3.01	\$3.45	\$3.73	\$4.10	\$4.47
Annual Growth		5.1%	14.6%	8.0%	9.9%	9.2%
Dividends per Share	\$0.66	\$0.88	\$0.91	\$0.96	\$1.01	\$1.06
Payout Ratio	0%	7%	26%	26%	25%	24%
Ratio Analysis						
ROAA	0.96%	1.01%	1.09%	1.07%	1.08%	1.10%
ROATCE	12.96%	13.91%	15.63%	15.01%	14.73%	14.38%
NIM	2.47%	2.44%	2.43%	2.43%	2.43%	2.43%
Fee Income / AA	0.93%	0.93%	0.95%	0.94%	0.95%	0.97%
NIX / AA	2.35%	2.39%	2.48%	2.49%	2.51%	2.56%
Efficiency Ratio	63.15%	62.22%	61.16%	61.21%	61.57%	62.05%
Loans / Deposits	82.67%	83.57%	83.11%	82.79%	84.13%	85.51%

Note: Based on median analyst consensus estimates for the years 2023 and 2024; Piper Sandler estimates thereafter

ALPHA Bancshares, Inc.

Net Present Value Analysis

Calculation of Discount Rate ¹	
Risk Free Rate	3.50%
Equity Risk Premium	6.00%
Size Premium	1.22%
Industry Premium	(0.48%)
Discount Rate	10.24%
ALPHA Current Stock Price:	\$36.88

Per Share Present Values Based on Earnings							
		Terminal P/E Multiples					Median = \$40.52
		10.0x	11.0x	12.0x	13.0x	14.0x	15.0x
Discount Rate	8%	\$35.66	\$38.88	\$42.11	\$45.34	\$48.56	\$51.79
	9%	\$34.34	\$37.44	\$40.54	\$43.65	\$46.75	\$49.85
	10%	\$33.08	\$36.07	\$39.05	\$42.03	\$45.02	\$48.00
	11%	\$31.88	\$34.75	\$37.63	\$40.50	\$43.37	\$46.24
	12%	\$30.74	\$33.50	\$36.27	\$39.03	\$41.79	\$44.56

Per Share Present Values Based on Tangible Book Value							
		Terminal P/TBV Multiples					Median = \$46.48
		160%	175%	190%	205%	220%	235%
Discount Rate	8%	\$41.29	\$44.84	\$48.39	\$51.94	\$55.50	\$59.05
	9%	\$39.75	\$43.17	\$46.59	\$50.00	\$53.42	\$56.83
	10%	\$38.29	\$41.58	\$44.86	\$48.15	\$51.43	\$54.72
	11%	\$36.90	\$40.06	\$43.22	\$46.38	\$49.54	\$52.70
	12%	\$35.56	\$38.61	\$41.65	\$44.69	\$47.74	\$50.78

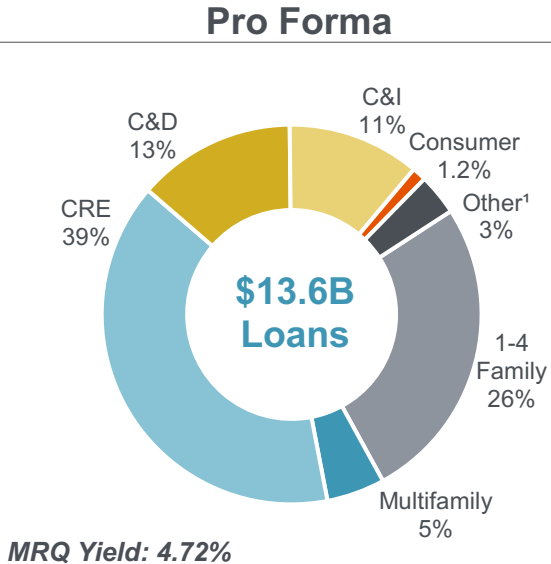
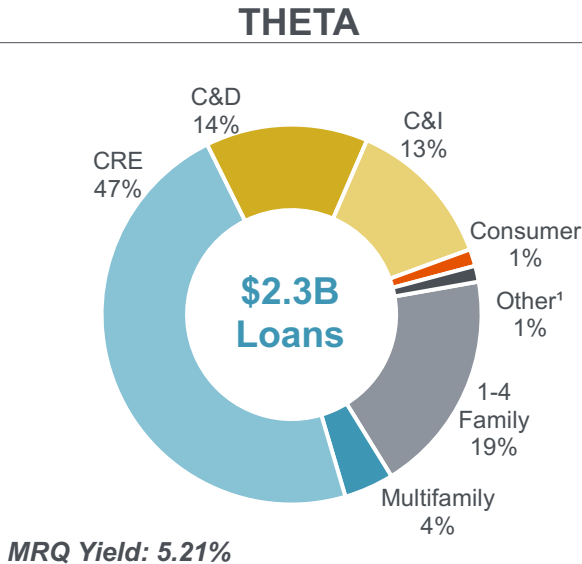
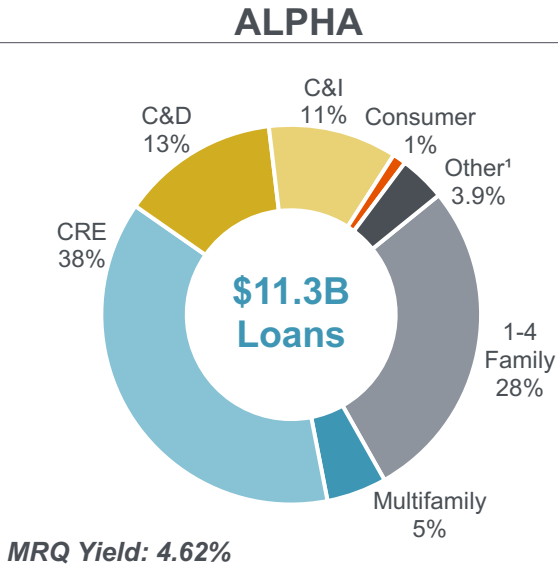
Per Share Present Values Based on Up/Down Earnings							
		Terminal P/E Multiples					Median = \$38.85
		10.0x	11.0x	12.0x	13.0x	14.0x	15.0x
Exceed	20%	\$38.70	\$42.25	\$45.80	\$49.34	\$52.89	\$56.44
	10%	\$35.75	\$39.00	\$42.25	\$45.50	\$48.75	\$52.01
Budget	0%	\$32.79	\$35.75	\$38.70	\$41.66	\$44.61	\$47.57
	(10%)	\$29.83	\$32.49	\$35.15	\$37.82	\$40.48	\$43.14
Under	(20%)	\$26.88	\$29.24	\$31.61	\$33.97	\$36.34	\$38.70

1) CAPM discount rate inputs sourced from Kroll Bond Rating Agency

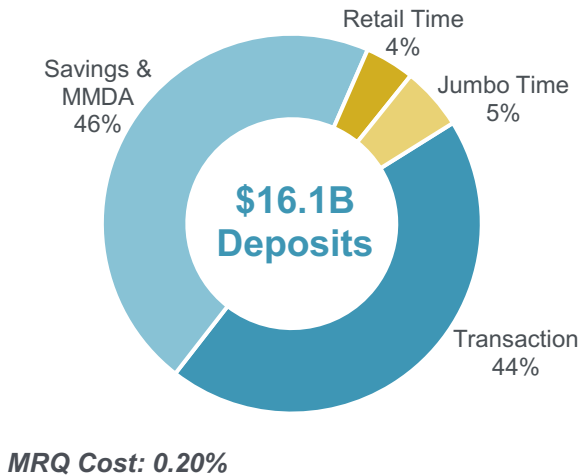
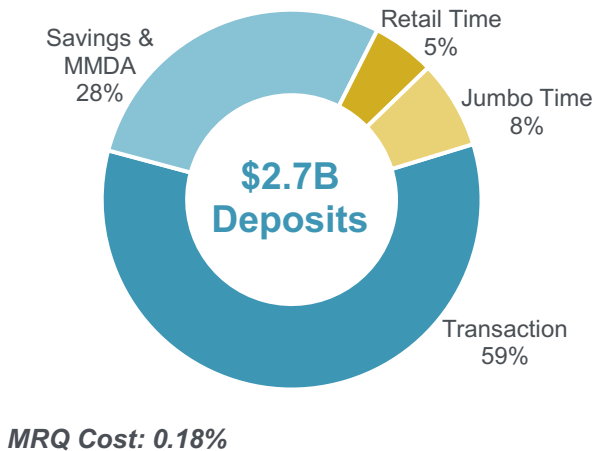
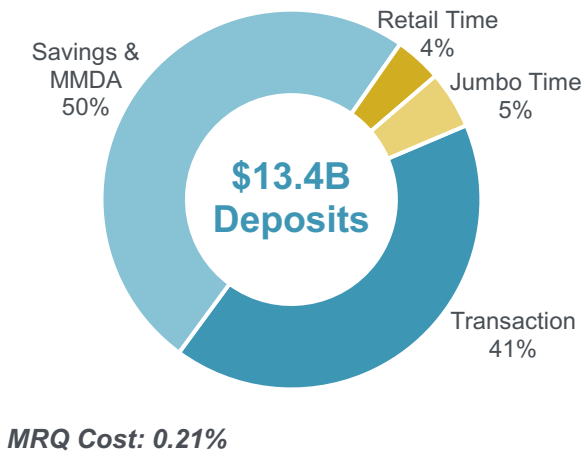
ALPHA Bancshares, Inc.

Pro Forma Loan & Deposit Composition – ALPHA and THETA

Loan Composition



Deposit Composition



1) Comprised of obligations to state and political subdivisions
Source: S&P Capital IQ Pro

ALPHA Bancshares, Inc.

Contribution Analysis

	THETA		ALPHA		Pro Forma	Implied
	(\$Ms)	(%)	(\$Ms)	(%)	(\$Ms)	Exchange Ratio
Balance sheet						
Net loans	\$2,276	17.0%	\$11,075	83.0%	\$13,351	1.390x
Total assets	\$3,168	16.1%	\$16,471	83.9%	\$19,639	1.301x
Total deposits	\$2,738	16.9%	\$13,432	83.1%	\$16,171	1.379x
Total equity	\$317	13.1%	\$2,092	86.9%	\$2,409	1.024x
Tangible common equity	\$229	16.9%	\$1,126	83.1%	\$1,355	1.375x
Earnings						
LTM net income	\$31	16.3%	\$160	83.7%	\$191	1.315x
2024E net income	\$33	14.7%	\$193	85.3%	\$226	1.164x
2025E net income	\$35	14.5%	\$208	85.5%	\$244	1.145x
Median		16.2%		83.8%		1.308x

ALPHA Bancshares, Inc.

Summary of Key Pro Forma Assumptions

\$ in millions, except per share amounts

Pro Forma Assumptions

Assumed Transaction Closing Date June 30, 2024

Transaction Expenses

Total Expenses as a % of Aggregate Transaction Value 8.0%

Cost Savings Assumptions

% of THETA Noninterest Expense 20%

Efficiencies Realized in 2024 75% / \$6.0

Efficiencies Realized in 2025 100% / \$16.7

Core Deposit Intangible Assumptions

Core (Non-Time) Deposits Assumed \$2,385.7

Core Deposit Premium 2.50%

Total Core Deposit Intangible \$59.6

CDI Amortization Method SYD / 10 Yrs.

Other Pro Forma Adjustments

Assumed Tax Rate on Pro Forma Adjustments 21.0%

Pre-Tax Opportunity Cost of Cash 3.00%

Interchange Revenue Adjustment (% of THETA NII) 2.00%

Assumed Purchase Accounting Marks

<u>Assets</u>	<u>Mark</u>	<u>Life</u>
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AOCI Adj. on THETA's AFS Portfolio	(\$53.4)	4.5 yrs
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HTM Investment Securities	\$0.0	--
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Gross Loans - (Credit 0.75%)	(\$17.9)	--
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Gross Loans - (Credit, Accretable 0.75%)	(\$17.9)	5.0 yrs
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Gross Loans - (Rate 4.2%)	(\$101.1)	5.0 yrs
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Loan Loss Reserve Reversal	\$30.4	--
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Fixed Assets	(\$2.5)	15.0 yrs
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<u>Liabilities</u>	<u>Mark</u>	<u>Life</u>
--------------------	-------------	-------------

Stated Maturity Deposits - (Rate 0.7%)	(\$13.0)	3.0 yrs
--	----------	---------

FHLB Advances - (Rate 3.0%)	(\$1.2)	7.0 yrs
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Subordinated Debt - (Rate 3.1%)	(\$1.7)	5.0 yrs
---------------------------------	---------	---------

CECL Reserve on Acquired Loans

	<u>% of THETA Total Loans</u>	<u>\$ Amount</u>
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PCD Loans	50.0%	\$17.9
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Non-PCD Loans	50.0%	\$16.9
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ALPHA Bancshares, Inc.

Summary of Key Pro Forma Results (100% Stock Consideration) – INCL. FAIR VALUE RATE MARKS

\$ in millions, except per share amounts

Offer Price Per Share	\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
Aggregate Transaction Value (\$MM)	\$345.3	\$357.0	\$368.8	\$380.5	\$392.3
Exchange Ratio (100%) Stock	1.1249x	1.1624x	1.1999x	1.2374x	1.2749x
Common Shares Issued	9,306,548	9,616,767	9,926,985	10,237,203	10,547,421
THETA Ownership	14.3%	14.7%	15.1%	15.5%	15.9%
Transaction Multiples					
Offer Price / TBV	1.50x	1.55x	1.60x	1.65x	1.70x
Offer Price / 2024 Est. Earnings Per Share	10.7x	11.1x	11.4x	11.8x	12.1x
Offer Price / 2025 Est. Earnings Per Share	10.4x	10.7x	11.1x	11.4x	11.8x
Offer Price / 2025 Est. EPS + Cost Savings (20.0%)	7.5x	7.8x	8.1x	8.3x	8.6x
Core Deposit Premium	4.6%	5.1%	5.5%	6.0%	6.5%
ALPHA EPS Accretion / (Dilution)					
2024E EPS Accretion / (Dilution)	4.4%	4.2%	3.9%	3.6%	3.4%
2025E EPS Accretion / (Dilution)	10.6%	10.0%	9.5%	9.0%	8.5%
2026E EPS Accretion / (Dilution)	10.6%	10.1%	9.6%	9.1%	8.5%
Tangible Book Value Impact					
TBVPS Accretion / (Dilution)	(5.5%)	(6.0%)	(6.5%)	(7.0%)	(7.5%)
TBV Earnback Period	2.50	2.75	3.00	3.50	3.75
Capital Ratios at Closing					
Pro Forma TCE / TA	6.87%	6.87%	6.86%	6.86%	6.85%
Pro Forma Leverage Ratio	8.26%	8.26%	8.26%	8.25%	8.25%
Other Financial Metrics					
THETA Dividend Accretion / (Dilution)	1.3%	4.7%	8.0%	11.4%	14.8%
THETA Days to Trade Out (Based on 3M ADTV)	44	45	47	48	50

ALPHA Bancshares, Inc.

Summary of Key Pro Forma Results (100% Stock Consideration) – EXCL. FAIR VALUE RATE MARKS

\$ in millions, except per share amounts

Offer Price Per Share	\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
Aggregate Transaction Value (\$MM)	\$345.3	\$357.0	\$368.8	\$380.5	\$392.3
ALPHA EPS Accretion / (Dilution)					
2024E EPS Accretion / (Dilution)	4.4%	4.2%	3.9%	3.6%	3.4%
2025E EPS Accretion / (Dilution)	10.6%	10.0%	9.5%	9.0%	8.5%
2026E EPS Accretion / (Dilution)	10.6%	10.1%	9.6%	9.1%	8.5%
Tangible Book Value Impact					
TBVPS Accretion / (Dilution)	(5.5%)	(6.0%)	(6.5%)	(7.0%)	(7.5%)
TBV Earnback Period	2.50	2.75	3.00	3.50	3.75
Capital Ratios at Closing					
Pro Forma TCE / TA	6.87%	6.87%	6.86%	6.86%	6.85%
Pro Forma Leverage Ratio	8.26%	8.26%	8.26%	8.25%	8.25%

ALPHA Bancshares, Inc.

Sensitivity of Results: Consideration Mix

ALPHA TBV / Share Accretion / (Dilution) at Closing

		Offer Price / Share Implied Price/TBV				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	0%	(5.5%)	(6.0%)	(6.5%)	(7.0%)	(7.5%)
	10%	(6.5%)	(7.1%)	(7.6%)	(8.2%)	(8.7%)
	20%	(7.6%)	(8.2%)	(8.8%)	(9.4%)	(10.0%)
	30%	(8.7%)	(9.4%)	(10.0%)	(10.6%)	(11.3%)

Pro Forma Tier 1 Leverage Ratio at Closing

		Offer Price / Share Implied Price/TBV				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	0%	8.26%	8.26%	8.26%	8.25%	8.25%
	10%	8.09%	8.09%	8.08%	8.07%	8.06%
	20%	7.93%	7.91%	7.90%	7.88%	7.87%
	30%	7.76%	7.74%	7.72%	7.70%	7.68%

ALPHA 2024 EPS Accretion / (Dilution) - 20.00% Cost Savings

		Offer Price / Share				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	0%	4.4%	4.2%	3.9%	3.6%	3.4%
	10%	5.1%	4.8%	4.5%	4.3%	4.0%
	20%	5.7%	5.4%	5.2%	5.0%	4.7%
	30%	6.3%	6.1%	5.9%	5.6%	5.4%

ALPHA 2025 EPS Accretion / (Dilution) - 20.00% Cost Savings

		Offer Price / Share				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	0%	10.6%	10.0%	9.5%	9.0%	8.5%
	10%	11.8%	11.3%	10.8%	10.3%	9.8%
	20%	13.1%	12.6%	12.2%	11.7%	11.2%
	30%	14.5%	14.0%	13.6%	13.1%	12.7%

Tangible Book Value Earnback Period - 20.00% Cost Savings

		Offer Price / Share				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	0%	2.50 Yrs	2.75 Yrs	3.00 Yrs	3.50 Yrs	3.75 Yrs
	10%	2.75 Yrs	3.00 Yrs	3.25 Yrs	3.50 Yrs	4.00 Yrs
	20%	2.75 Yrs	3.00 Yrs	3.25 Yrs	3.75 Yrs	4.00 Yrs
	30%	3.00 Yrs	3.25 Yrs	3.50 Yrs	3.75 Yrs	4.00 Yrs

ALPHA Bancshares, Inc.

Sensitivity of Results: Cost Savings

ALPHA 2024 EPS Accretion / (Dilution) - 0.00% Cash

		Offer Price / Share Implied Price/TBV				
Cost Savings		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	20%	4.4%	4.2%	3.9%	3.6%	3.4%
	25%	5.0%	4.7%	4.5%	4.2%	3.9%
	30%	5.6%	5.3%	5.0%	4.8%	4.5%
	35%	6.2%	5.9%	5.6%	5.3%	5.1%

Tangible Book Value Earnback Period - 0.00% Cash Consideration

		Offer Price / Share				
Cost Savings		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	20%	2.50 Yrs	2.75 Yrs	3.00 Yrs	3.50 Yrs	3.75 Yrs
	25%	2.25 Yrs	2.50 Yrs	2.75 Yrs	3.25 Yrs	3.50 Yrs
	30%	2.25 Yrs	2.50 Yrs	2.75 Yrs	3.00 Yrs	3.25 Yrs
	35%	2.00 Yrs	2.25 Yrs	2.50 Yrs	2.75 Yrs	3.00 Yrs

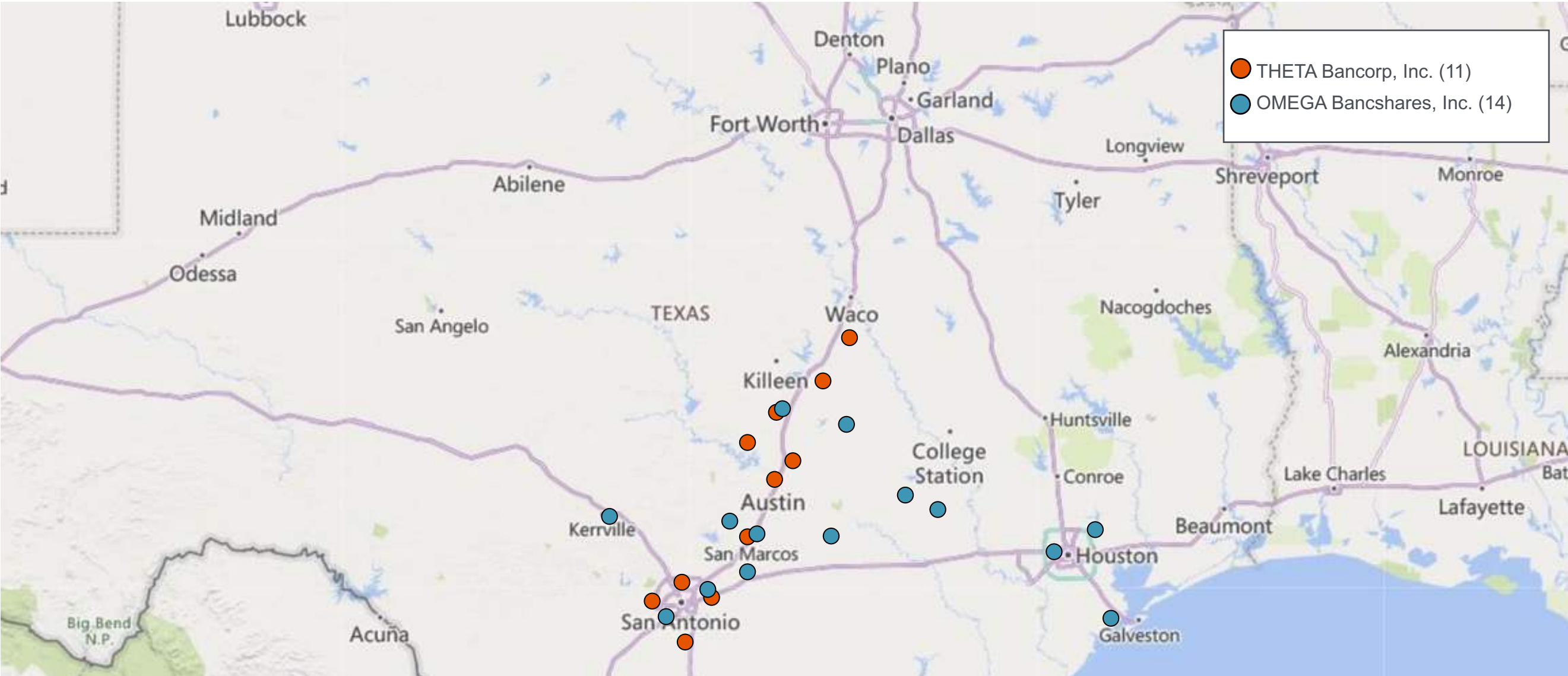
ALPHA 2025 EPS Accretion / (Dilution) - 0.00% Cash

		Offer Price / Share Implied Price/TBV				
Cost Savings		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	20%	10.6%	10.0%	9.5%	9.0%	8.5%
	25%	11.9%	11.4%	10.9%	10.3%	9.8%
	30%	13.3%	12.8%	12.2%	11.7%	11.1%
	35%	14.7%	14.1%	13.6%	13.0%	12.5%

C. Analysis of OMEGA Bank

OMEGA Bank

Combined Branch Footprint – OMEGA and THETA



OMEGA Bank

Historical Financials

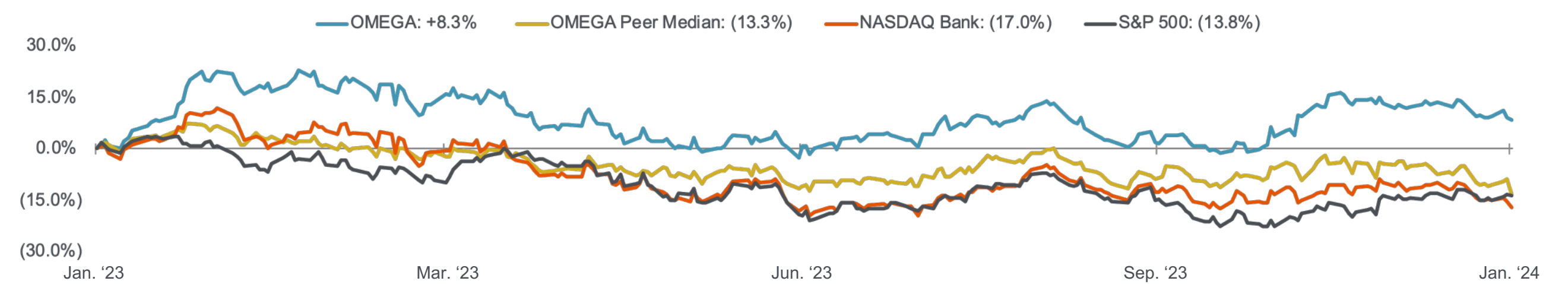
(\$ in millions)	Year Ended December 31,				Quarter Ended			
	2019	2020	2021	2022	12/31/2022	3/31/2023	6/30/2023	9/30/2024
Balance Sheet								
Total Assets	\$4,216	\$4,628	\$5,144	\$6,046	\$6,046	\$6,142	\$6,233	\$6,293
Total Gross Loans	\$3,331	\$3,722	\$4,031	\$4,419	\$4,419	\$4,583	\$4,911	\$5,001
Total Deposits	\$3,640	\$3,983	\$4,442	\$5,226	\$5,226	\$5,310	\$5,408	\$5,456
Gross Loans / Deposits	91.52%	93.44%	90.73%	84.56%	84.56%	86.31%	90.80%	91.66%
Non-IB Deposits / Deposits	20.1%	21.0%	21.1%	25.0%	25.0%	23.6%	25.6%	24.6%
Capital								
Tangible Common Equity	\$416	\$469	\$525	\$586	\$586	\$595	\$591	\$590
TCE / TA	9.86%	10.14%	10.20%	9.69%	9.69%	9.68%	9.48%	9.38%
Tier 1 Leverage Ratio	10.16%	10.32%	10.08%	9.54%	9.54%	9.92%	9.92%	9.95%
Total Risk-Based Capital Ratio	13.72%	13.70%	14.64%	15.37%	15.37%	15.12%	14.28%	14.09%
Earnings & Profitability								
Net Income	\$71.0	\$78.4	\$69.5	\$95.2	\$26.4	\$26.0	\$28.1	\$35.2
ROAA	1.84%	1.82%	1.41%	1.69%	1.74%	1.72%	1.83%	2.26%
ROAE	18.2%	17.4%	14.0%	17.0%	18.3%	17.4%	18.5%	23.5%
Net Interest Margin	4.08%	3.92%	3.62%	3.37%	3.31%	3.38%	3.24%	3.10%
Noninterest Income / Avg. Assets	0.19%	0.17%	0.14%	0.14%	0.13%	0.15%	0.17%	0.14%
Efficiency Ratio	32.8%	32.4%	31.6%	31.3%	28.7%	30.8%	28.3%	24.7%
Asset Quality								
NPA's / Assets	1.08%	0.06%	0.85%	0.66%	0.66%	0.32%	0.55%	0.54%
NCO's / Average Loans	0.29%	(0.01%)	0.14%	0.06%	0.03%	0.11%	0.00%	(0.19%)
Yields and Cost								
Yield on Loans	5.73%	5.95%	5.22%	4.85%	4.88%	4.84%	4.92%	5.75%
Cost of Total Deposits	1.11%	1.46%	0.79%	0.38%	0.32%	0.28%	0.36%	0.76%

Source: S&P Capital IQ Pro

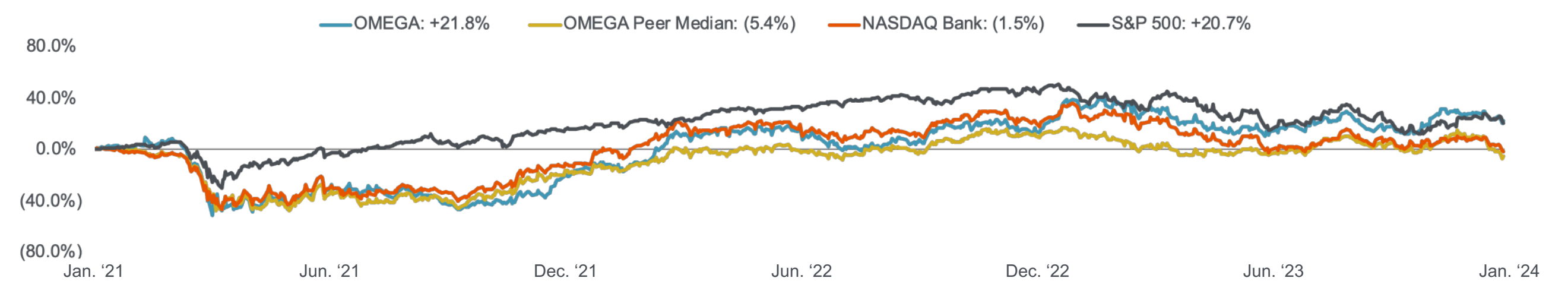
OMEGA Bank

Historical Stock Price Performance

One Year Price Performance



Three Year Price Performance



Note: Data as of January 2, 2024
Source: S&P Capital IQ Pro

OMEGA Bank

Selected Comparable Public Companies

Financial Data as of September 30, 2023
Market Data as of January 2, 2024

Financial Data as of September 30, 2023 Market Data as of January 2, 2024		Balance Sheet & Credit			Capital		LTM Profitability				Valuation						
		Total Assets	L/D Ratio	NPAs/ Assets	TCE / TA	Tier 1 Lev Ratio	Total RBC Ratio	ROAA	ROAE	NIM	Effic. Ratio	Price /			Div Yield	Mkt Cap	YTD Stock Price Δ
												TBV	LTM EPS	2023E EPS¹			
Company	City, ST	(\$M)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(x)	(x)	(%)	(\$M)	(%)
Origin Bancorp, Inc.	Ruston, LA	9,463	88.5	0.23	7.74	9.63	13.98	1.06	11.37	3.23	58.2	155	10.2	8.0	1.66	1,112	(15.5)
Amerant Bancorp Inc.	Coral Gables, FL	8,740	97.8	0.28	7.75	9.88	12.49	1.37	13.94	3.32	72.5	126	8.2	9.5	1.43	851	(27.1)
National Bank Holdings Corporation	Greenwood, CO	7,923	84.1	0.29	9.44	10.45	14.34	1.07	9.15	3.34	59.9	185	16.1	9.8	2.47	1,523	(7.8)
Southside Bancshares, Inc.	Tyler, TX	7,454	65.7	0.16	6.92	10.09	16.50	1.46	12.85	3.28	47.4	221	10.5	10.4	3.95	1,106	(17.6)
Stellar Bancorp, Inc.	Houston, TX	6,730	81.1	0.45	6.47	9.00	14.66	1.02	9.23	3.56	55.0	136	8.3	9.2	1.80	1,523	(0.6)
The First Bancshares, Inc.	Hattiesburg, MS	6,455	67.0	0.65	6.52	9.27	16.71	1.03	9.74	3.13	55.3	181	10.5	8.8	2.48	737	(20.6)
City Holding Company	Charleston, WV	5,948	73.2	0.41	7.41	9.74	16.22	1.58	14.65	3.09	49.1	315	14.6	13.0	2.84	1,362	12.1
Business First Bancshares, Inc.	Baton Rouge, LA	5,807	96.6	0.25	5.84	8.70	11.97	0.94	10.78	3.79	63.5	143	9.5	7.9	2.27	530	(25.4)
SmartFinancial, Inc.	Knoxville, TN	4,797	72.4	0.10	6.49	7.40	11.44	0.79	8.63	3.06	63.8	156	12.9	9.4	1.00	474	2.6
Capital City Bank Group, Inc.	Tallahassee, FL	4,333	62.4	0.20	6.61	8.91	15.75	0.85	9.53	2.84	75.6	196	15.7	9.9	2.10	549	22.7
Carter Bankshares, Inc.	Martinsville, VA	4,114	81.4	0.38	7.65	10.11	14.06	0.97	10.78	3.11	63.9	133	10.8	7.6	0.00	418	12.7
South Plains Financial, Inc.	Lubbock, TX	3,993	77.7	0.12	8.00	10.95	16.46	1.53	15.76	3.64	66.8	150	8.4	10.9	1.72	473	0.1
Summit Financial Group, Inc.	Moorefield, WV	3,887	98.9	0.84	6.91	8.41	13.11	1.38	15.31	3.65	48.4	123	6.6	6.1	3.14	326	(7.1)
HomeTrust Bancshares, Inc.	Asheville, NC	3,555	92.4	0.48	10.50	10.64	11.91	0.97	8.67	3.60	68.0	101	11.0	8.2	1.67	372	(22.6)
Third Coast Bancshares, Inc.	Humble, TX	3,517	99.6	0.29	8.32	13.29	13.87	0.40	3.93	4.04	71.5	90	23.4	9.7	0.00	262	(25.4)
High		9,463	99.6	0.84	10.50	13.29	16.71	1.58	15.76	4.04	75.6	315	23.4	13.0	3.95	1,523	22.7
Low		3,517	62.4	0.10	5.84	7.40	11.44	0.40	3.93	2.84	47.4	90	6.6	6.1	0.00	262	(27.1)
Mean		5,781	82.6	0.34	7.50	9.76	14.23	1.09	10.96	3.38	61.3	161	11.8	9.2	1.90	775	(8.0)
Median		5,807	81.4	0.29	7.41	9.74	14.06	1.03	10.78	3.32	63.5	150	10.5	9.4	1.80	549	(7.8)
OMEGA Bank		6,293	91.7	0.54	9.38	9.95	14.09	1.89	19.46	3.72	27.9	173	9.1	7.5	3.09	1,021	(1.0)
Rank (Out of 16)		7	6	14	3	7	8	1	1	3	1	6	12	15	3	6	7

Note: Includes selected major exchange-traded (NASDAQ, NYSE) banks in the southwest and southeast regions with total assets between \$3.5B and \$10B;
Excludes announced merger targets
1) Based on median analyst estimates where available
Source: S&P Capital IQ Pro

OMEGA Bank

Analyst Estimates

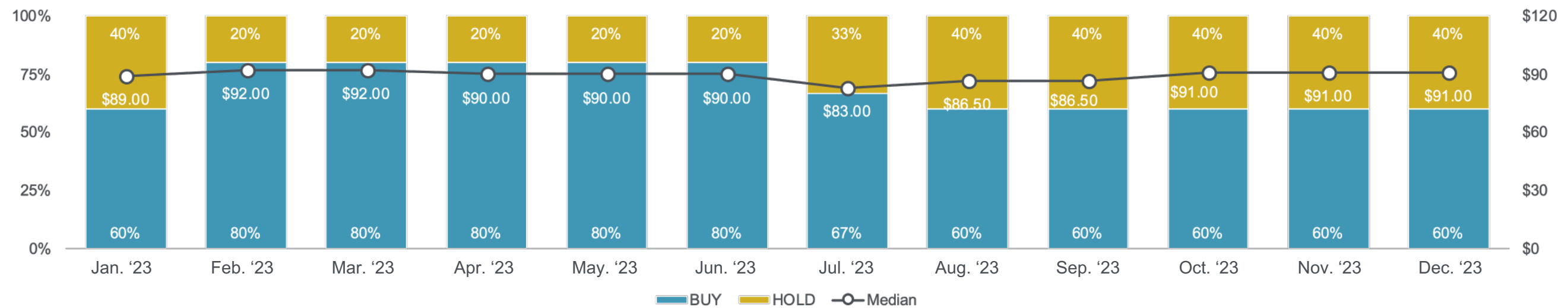
Firm	Rating	Last Reviewed	Price Target	EPS Estimate	
				2023E	2024E
Apex Advisory	Buy	10/21/2023	\$95.00	\$8.63	\$9.48
Blue Velvet Securities	Buy	10/21/2023	\$95.00	\$8.55	\$10.08
Magnum & Co.	Buy	11/07/2023	\$87.00	\$8.63	\$9.79
Hallmark Brokers	Hold	10/21/2023	\$82.00	\$8.63	\$9.19
J.T. Marlin & Co.	Hold	10/21/2023	--	\$8.52	\$9.25
Median Estimate			\$91.00	\$8.63	\$9.48

Current Stock Price

\$71.10

Upside to Median Analyst Target Price

28.0%



Note: Data as of January 2, 2024
Source: S&P Capital IQ Pro

OMEGA Bank

Standalone Forecast

(\$000)	Actual YTD 9/30/2023	Projections for the Year Ending				
		2023	2024	2025	2026	2027
Balance Sheet Highlights						
Total Assets	\$6,292,843	\$6,351,501	\$6,597,065	\$6,882,410	\$7,204,756	\$7,454,019
Annual Growth		3.7%	3.9%	4.3%	4.7%	3.5%
Gross Loans	5,000,851	5,084,000	5,421,000	5,857,000	6,149,850	6,457,343
Annual Growth		6.8%	6.6%	8.0%	5.0%	5.0%
Total Deposits	5,455,676	5,503,500	5,718,500	5,893,579	6,100,493	6,227,190
Annual Growth		3.5%	3.9%	3.1%	3.5%	2.1%
Common Equity	590,553	620,544	728,069	840,970	959,516	1,083,989
Tangible Common Equity	589,963	619,968	727,545	840,490	959,074	1,083,578
TBVPS	\$41.09	\$43.18	\$50.67	\$58.54	\$66.80	\$75.47
Capital Ratios						
TCE / TA	9.38%	9.76%	11.03%	12.21%	13.31%	14.54%
Leverage	9.95%	10.31%	11.56%	12.94%	14.07%	15.22%
Tier 1 Capital	10.46%	10.82%	11.90%	12.81%	13.86%	14.90%
Total Capital	14.09%	14.43%	15.49%	16.25%	17.20%	17.75%
Income Statement Highlights						
Net Income	\$89,285	\$127,249	\$136,107	\$142,912	\$150,058	\$157,561
Shares Outstanding	14,356,708	14,357,282	14,357,282	14,357,282	14,357,282	14,357,282
Diluted Shares Outstanding	14,873,933	14,744,699	14,357,282	14,357,282	14,357,282	14,357,282
Diluted EPS	\$6.00	\$8.63	\$9.48	\$9.95	\$10.45	\$10.97
Annual Growth		7.5%	9.8%	5.0%	5.0%	5.0%
Dividends per Share	\$1.29	\$1.85	\$1.99	\$2.09	\$2.19	\$2.30
Payout Ratio	21%	21%	21%	21%	21%	21%
Ratio Analysis						
ROAA	1.94%	2.06%	2.10%	2.12%	2.13%	2.15%
ROATCE	19.85%	21.18%	20.22%	18.23%	16.68%	15.43%
NIM (Non-FTE)	3.13%	3.12%	3.10%	3.10%	3.10%	3.10%
Fee Income / AA	0.15%	0.15%	0.14%	0.14%	0.14%	0.14%
NIX / AA	1.10%	1.13%	1.31%	1.12%	1.42%	1.43%
Efficiency Ratio (Non-FTE)	27.69%	27.1%	28.8%	25.4%	31.7%	31.7%
Loans / Deposits	91.66%	92.38%	94.80%	99.38%	100.81%	103.70%

Note: Based on median analyst consensus estimates for the years 2023 and 2024; Piper Sandler estimates thereafter

OMEGA Bank

Net Present Value Analysis

Calculation of Discount Rate ¹	
Risk Free Rate	3.50%
Equity Risk Premium	6.00%
Size Premium	1.22%
Industry Premium	(0.48%)
Discount Rate	10.24%
OMEGA Current Stock Price:	\$71.10

Per Share Present Values Based on Earnings							
		Terminal P/E Multiples					Median = \$91.25
		9.0x	10.0x	11.0x	12.0x	13.0x	14.0x
Discount Rate	8%	\$78.70	\$86.61	\$94.52	\$102.43	\$110.35	\$118.26
	9%	\$75.79	\$83.40	\$91.01	\$98.61	\$106.22	\$113.83
	10%	\$73.02	\$80.33	\$87.65	\$94.97	\$102.29	\$109.61
	11%	\$70.37	\$77.41	\$84.46	\$91.50	\$98.54	\$105.58
	12%	\$67.85	\$74.63	\$81.40	\$88.18	\$94.96	\$101.74

Per Share Present Values Based on Tangible Book Value							
		Terminal P/TBV Multiples					Median = \$85.14
		130%	140%	150%	160%	170%	180%
Discount Rate	8%	\$78.22	\$83.67	\$89.11	\$94.55	\$99.99	\$105.43
	9%	\$75.33	\$80.57	\$85.80	\$91.03	\$96.27	\$101.50
	10%	\$72.58	\$77.61	\$82.65	\$87.68	\$92.71	\$97.75
	11%	\$69.95	\$74.79	\$79.64	\$84.48	\$89.32	\$94.17
	12%	\$67.44	\$72.10	\$76.77	\$81.43	\$86.09	\$90.75

Per Share Present Values Based on Up/Down Earnings							
		Terminal P/E Multiples					Median = \$87.60
		9.0x	10.0x	11.0x	12.0x	13.0x	14.0x
Exceed	20%	\$85.42	\$94.12	\$102.83	\$111.53	\$120.23	\$128.93
	10%	\$78.90	\$86.87	\$94.85	\$102.83	\$110.80	\$118.78
Budget	0%	\$72.37	\$79.62	\$86.87	\$94.12	\$101.38	\$108.63
	(10%)	\$65.84	\$72.37	\$78.90	\$85.42	\$91.95	\$98.47
Under	(20%)	\$59.32	\$65.12	\$70.92	\$76.72	\$82.52	\$88.32

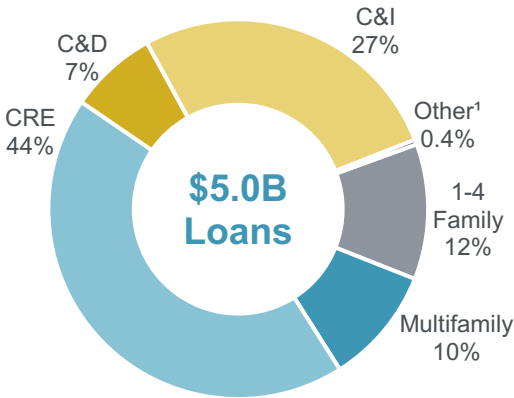
1) CAPM discount rate inputs sourced from Kroll Bond Rating Agency

OMEGA Bank

Pro Forma Loan & Deposit Composition – OMEGA and THETA

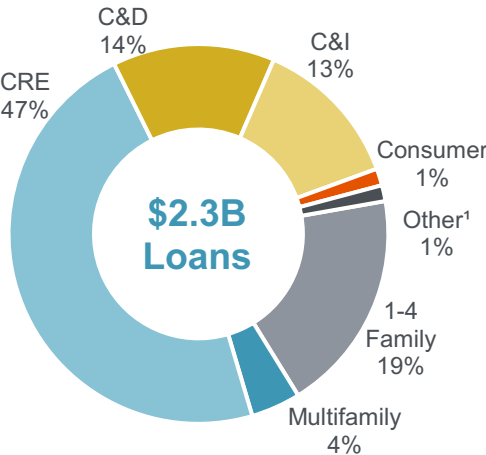
Loan Composition

ALPHA



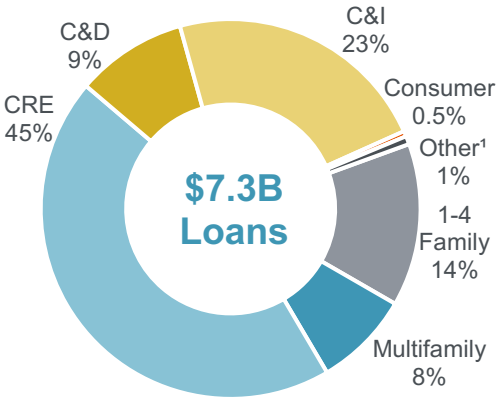
MRQ Yield: 5.75%

THETA



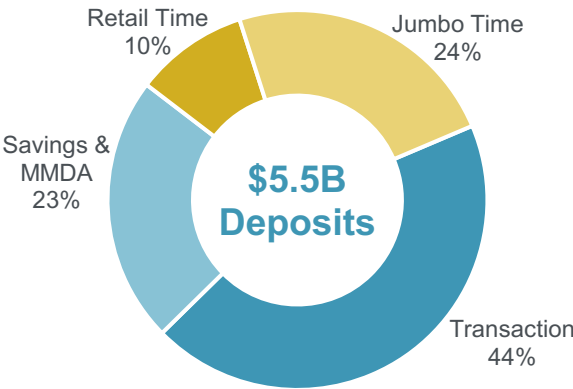
MRQ Yield: 5.21%

Pro Forma

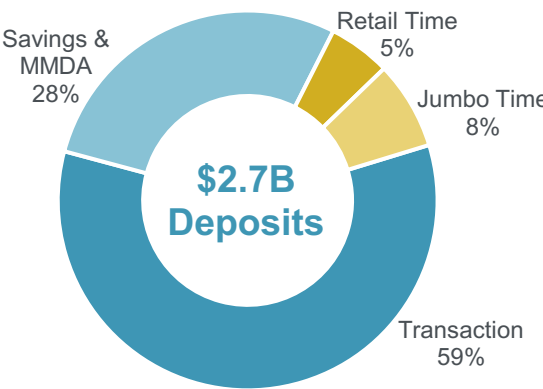


MRQ Yield: 5.58%

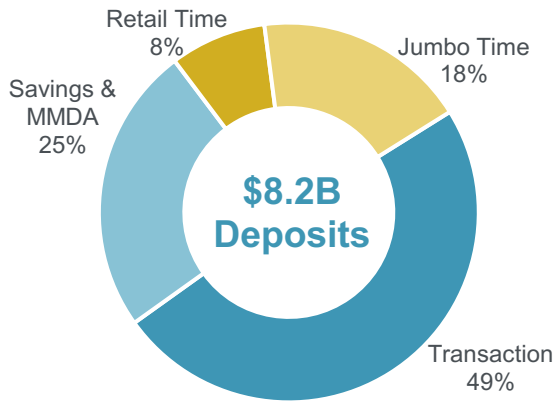
Deposit Composition



MRQ Cost: 0.76%



MRQ Cost: 0.18%



MRQ Cost: 0.57%

1) Comprised of obligations to state and political subdivisions
Source: S&P Capital IQ Pro

OMEGA Bank

Contribution Analysis

	THETA		OMEGA		Pro Forma	Implied
	(\$Ms)	(%)	(\$Ms)	(%)	(\$Ms)	Exchange Ratio
Balance sheet						
Net loans	\$2,276	31.6%	\$4,934	68.4%	\$7,210	0.800x
Total assets	\$3,168	33.5%	\$6,293	66.5%	\$9,461	0.874x
Total deposits	\$2,738	33.4%	\$5,456	66.6%	\$8,194	0.871x
Total equity	\$317	34.9%	\$591	65.1%	\$907	0.930x
Tangible common equity	\$229	27.9%	\$590	72.1%	\$819	0.673x
Earnings						
LTM net income	\$31	20.7%	\$119	79.3%	\$150	0.453x
2024E net income	\$33	19.6%	\$136	80.4%	\$169	0.424x
2025E net income	\$35	19.8%	\$143	80.2%	\$178	0.428x
Median		29.8%		70.2%		0.735x

OMEGA Bank

Summary of Key Pro Forma Assumptions

\$ in millions, except per share amounts

Pro Forma Assumptions

Assumed Transaction Closing Date	June 30, 2024
<u>Transaction Expenses</u>	
Total Expenses as a % of Aggregate Transaction Value	8.0%
<u>Cost Savings Assumptions</u>	
% of THETA Noninterest Expense	35%
Efficiencies Realized in 2024	75% / \$10.6
Efficiencies Realized in 2025	100% / \$29.3
<u>Core Deposit Intangible Assumptions</u>	
Core (Non-Time) Deposits Assumed	\$2,385.7
Core Deposit Premium	2.50%
Total Core Deposit Intangible	\$59.6
CDI Amortization Method	SYD / 10 Yrs.
<u>Other Pro Forma Adjustments</u>	
Assumed Tax Rate on Pro Forma Adjustments	21.0%
Pre-Tax Opportunity Cost of Cash	3.00%
Interchange Revenue Adjustment	0.00%

Assumed Purchase Accounting Marks

<u>Assets</u>	<u>Mark</u>	<u>Life</u>
AOCI Adj. on THETA's AFS Portfolio	(\$53.4)	5.0 yrs
HTM Investment Securities	\$0.0	--
Gross Loans - (Credit 0.75%)	(\$17.9)	--
Gross Loans - (Credit, Accretable 0.75%)	(\$17.9)	5.0 yrs
Gross Loans - (Rate 4.2%)	(\$101.1)	5.0 yrs
Loan Loss Reserve Reversal	\$30.4	--
Fixed Assets	(\$2.5)	15.0 yrs
<u>Liabilities</u>		
Stated Maturity Deposits - (Rate 0.7%)	(\$13.0)	3.0 yrs
FHLB Advances - (Rate 3.0%)	(\$1.2)	7.0 yrs
Subordinated Debt - (Rate 3.1%)	(\$1.7)	5.0 yrs
<u>CECL Reserve on Acquired Loans</u>		
	<u>% of THETA Total Loans</u>	<u>\$ Amount</u>
PCD Loans	50.0%	\$17.9
Non-PCD Loans	50.0%	\$16.9

OMEGA Bank

Pro Forma Results at Various Valuations (100% Stock Consideration) – INCL. FAIR VALUE RATE MARKS

\$ in millions, except per share amounts

Offer Price Per Share	\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
Aggregate Transaction Value (\$MM)	\$345.3	\$357.0	\$368.8	\$380.5	\$392.3
Exchange Ratio (100%) Stock	0.5835x	0.6029x	0.6224x	0.6418x	0.6613x
Common Shares Issued	4,827,363	4,988,275	5,149,187	5,310,099	5,471,011
THETA Ownership	25.2%	25.8%	26.4%	27.0%	27.6%
Transaction Multiples					
Offer Price / TBV	1.50x	1.55x	1.60x	1.65x	1.70x
Offer Price / 2024 Est. Earnings Per Share	10.7x	11.1x	11.4x	11.8x	12.1x
Offer Price / 2025 Est. Earnings Per Share	10.4x	10.7x	11.1x	11.4x	11.8x
Offer Price / 2025 Est. EPS + Cost Savings (35.0%)	6.3x	6.5x	6.7x	6.9x	7.1x
Core Deposit Premium	4.6%	5.1%	5.5%	6.0%	6.5%
OMEGA EPS Accretion / (Dilution)					
2024E EPS Accretion / (Dilution)	5.3%	4.8%	4.3%	3.8%	3.3%
2025E EPS Accretion / (Dilution)	12.9%	11.9%	11.0%	10.1%	9.2%
2026E EPS Accretion / (Dilution)	14.7%	13.8%	12.8%	11.9%	10.9%
Tangible Book Value Impact					
TBVPS Accretion / (Dilution)	(11.1%)	(11.9%)	(12.8%)	(13.6%)	(14.4%)
TBV Earnback Period	3.00	3.25	3.50	4.00	4.50
Capital Ratios at Closing					
Pro Forma TCE / TA	8.39%	8.38%	8.37%	8.36%	8.35%
Pro Forma Leverage Ratio	8.76%	8.76%	8.75%	8.75%	8.74%
Other Financial Metrics					
THETA Dividend Accretion / (Dilution)	14.4%	18.2%	22.0%	25.8%	29.7%
THETA Days to Trade Out (Based on 3M ADTV)	75	77	80	82	85

OMEGA Bank

Pro Forma Results at Various Valuations (100% Stock Consideration) – EXCL. FAIR VALUE RATE MARKS

\$ in millions, except per share amounts

Offer Price Per Share	\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
Aggregate Transaction Value (\$MM)	\$345.3	\$357.0	\$368.8	\$380.5	\$392.3
OMEGA EPS Accretion / (Dilution)					
2024E EPS Accretion / (Dilution)	5.3%	4.8%	4.3%	3.8%	3.3%
2025E EPS Accretion / (Dilution)	12.9%	11.9%	11.0%	10.1%	9.2%
2026E EPS Accretion / (Dilution)	14.7%	13.8%	12.8%	11.9%	10.9%
Tangible Book Value Impact					
TBVPS Accretion / (Dilution)	(11.1%)	(11.9%)	(12.8%)	(13.6%)	(14.4%)
TBV Earnback Period	3.00	3.25	3.50	4.00	4.50
Capital Ratios at Closing					
Pro Forma TCE / TA	8.39%	8.38%	8.37%	8.36%	8.35%
Pro Forma Leverage Ratio	8.76%	8.76%	8.75%	8.75%	8.74%

OMEGA Bank

Sensitivity of Results: Consideration Mix

OMEGA TBV / Share Accretion / (Dilution) at Closing

		Offer Price / Share Implied Price/TBV				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	0%	(11.1%)	(11.9%)	(12.8%)	(13.6%)	(14.4%)
	10%	(12.7%)	(13.6%)	(14.5%)	(15.4%)	(16.3%)
	20%	(14.4%)	(15.4%)	(16.4%)	(17.3%)	(18.3%)
	30%	(16.2%)	(17.3%)	(18.3%)	(19.4%)	(20.4%)

Pro Forma Tier 1 Leverage Ratio at Closing

		Offer Price / Share Implied Price/TBV				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	0%	8.39%	8.38%	8.37%	8.36%	8.35%
	10%	8.06%	8.03%	8.01%	7.99%	7.97%
	20%	7.72%	7.69%	7.66%	7.62%	7.59%
	30%	7.39%	7.34%	7.30%	7.25%	7.21%

OMEGA 2024 EPS Accretion / (Dilution) - 35.00% Cost Savings

		Offer Price / Share				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	0%	5.3%	4.8%	4.3%	3.8%	3.3%
	10%	6.6%	6.1%	5.6%	5.1%	4.7%
	20%	7.9%	7.4%	7.0%	6.5%	6.1%
	30%	9.2%	8.8%	8.4%	8.0%	7.6%

OMEGA 2025 EPS Accretion / (Dilution) - 35.00% Cost Savings

		Offer Price / Share				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	0%	12.9%	11.9%	11.0%	10.1%	9.2%
	10%	15.4%	14.5%	13.6%	12.7%	11.8%
	20%	18.0%	17.1%	16.3%	15.4%	14.6%
	30%	20.7%	19.9%	19.1%	18.3%	17.5%

Tangible Book Value Earnback Period - 35.00% Cost Savings

		Offer Price / Share				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	0%	3.00 Yrs	3.25 Yrs	3.50 Yrs	4.00 Yrs	4.50 Yrs
	10%	3.00 Yrs	3.25 Yrs	3.50 Yrs	4.00 Yrs	4.25 Yrs
	20%	3.00 Yrs	3.25 Yrs	3.50 Yrs	3.75 Yrs	4.00 Yrs
	30%	3.00 Yrs	3.25 Yrs	3.50 Yrs	3.75 Yrs	4.00 Yrs

OMEGA Bank

Sensitivity of Results: Cost Savings

OMEGA 2024 EPS Accretion / (Dilution) - 0.00% Cash

		Offer Price / Share Implied Price/TBV				
Cost Savings		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	30%	4.5%	4.0%	3.5%	3.0%	2.5%
	35%	5.3%	4.8%	4.3%	3.8%	3.3%
	40%	6.0%	5.5%	5.0%	4.5%	4.0%
	45%	6.8%	6.3%	5.7%	5.2%	4.7%

OMEGA 2025 EPS Accretion / (Dilution) - 0.00% Cash

		Offer Price / Share Implied Price/TBV				
Cost Savings		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	30%	11.2%	10.2%	9.3%	8.4%	7.5%
	35%	12.9%	11.9%	11.0%	10.1%	9.2%
	40%	14.6%	13.7%	12.7%	11.8%	10.9%
	45%	16.4%	15.4%	14.4%	13.5%	12.6%

Tangible Book Value Earnback Period - 0.00% Cash Consideration

		Offer Price / Share				
Cost Savings		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	30%	3.25 Yrs	3.50 Yrs	4.00 Yrs	4.25 Yrs	4.75 Yrs
	35%	3.00 Yrs	3.25 Yrs	3.50 Yrs	4.00 Yrs	4.50 Yrs
	40%	2.75 Yrs	3.00 Yrs	3.25 Yrs	3.75 Yrs	4.00 Yrs
	45%	2.50 Yrs	2.75 Yrs	3.00 Yrs	3.50 Yrs	3.75 Yrs

OMEGA Bank

Pro Forma Results at Various Valuations (100% Stock Consideration) – INCL. FAIR VALUE RATE MARKS

\$ in millions, except per share amounts

Offer Price Per Share	\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
Aggregate Transaction Value (\$MM)	\$345.3	\$357.0	\$368.8	\$380.5	\$392.3
Exchange Ratio (100%) Stock	0.5835x	0.6029x	0.6224x	0.6418x	0.6613x
Common Shares Issued	4,827,363	4,988,275	5,149,187	5,310,099	5,471,011
THETA Ownership	25.2%	25.8%	26.4%	27.0%	27.6%
Transaction Multiples					
Offer Price / TBV	1.50x	1.55x	1.60x	1.65x	1.70x
Offer Price / 2024 Est. Earnings Per Share	10.7x	11.1x	11.4x	11.8x	12.1x
Offer Price / 2025 Est. Earnings Per Share	10.4x	10.7x	11.1x	11.4x	11.8x
Offer Price / 2025 Est. EPS + Cost Savings (35.0%)	6.3x	6.5x	6.7x	6.9x	7.1x
Core Deposit Premium	4.6%	5.1%	5.5%	6.0%	6.5%
OMEGA EPS Accretion / (Dilution)					
2024E EPS Accretion / (Dilution)	5.3%	4.8%	4.3%	3.8%	3.3%
2025E EPS Accretion / (Dilution)	12.9%	11.9%	11.0%	10.1%	9.2%
2026E EPS Accretion / (Dilution)	14.7%	13.8%	12.8%	11.9%	10.9%
Tangible Book Value Impact					
TBVPS Accretion / (Dilution)	(11.1%)	(11.9%)	(12.8%)	(13.6%)	(14.4%)
TBV Earnback Period	3.00	3.25	3.50	4.00	4.50
Capital Ratios at Closing					
Pro Forma TCE / TA	8.39%	8.38%	8.37%	8.36%	8.35%
Pro Forma Leverage Ratio	8.76%	8.76%	8.75%	8.75%	8.74%
Other Financial Metrics					
THETA Dividend Accretion / (Dilution)	14.4%	18.2%	22.0%	25.8%	29.7%
THETA Days to Trade Out (Based on 3M ADTV)	75	77	80	82	85

OMEGA Bank

Pro Forma Results at Various Valuations (100% Stock Consideration) – EXCL. FAIR VALUE RATE MARKS

\$ in millions, except per share amounts

Offer Price Per Share	\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
Aggregate Transaction Value (\$MM)	\$345.3	\$357.0	\$368.8	\$380.5	\$392.3
OMEGA EPS Accretion / (Dilution)					
2024E EPS Accretion / (Dilution)	5.3%	4.8%	4.3%	3.8%	3.3%
2025E EPS Accretion / (Dilution)	12.9%	11.9%	11.0%	10.1%	9.2%
2026E EPS Accretion / (Dilution)	14.7%	13.8%	12.8%	11.9%	10.9%
Tangible Book Value Impact					
TBVPS Accretion / (Dilution)	(11.1%)	(11.9%)	(12.8%)	(13.6%)	(14.4%)
TBV Earnback Period	3.00	3.25	3.50	4.00	4.50
Capital Ratios at Closing					
Pro Forma TCE / TA	8.39%	8.38%	8.37%	8.36%	8.35%
Pro Forma Leverage Ratio	8.76%	8.76%	8.75%	8.75%	8.74%

OMEGA Bank

Sensitivity of Results: Consideration Mix

OMEGA TBV / Share Accretion / (Dilution) at Closing

		Offer Price / Share Implied Price/TBV				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	0%	(11.1%)	(11.9%)	(12.8%)	(13.6%)	(14.4%)
	10%	(12.7%)	(13.6%)	(14.5%)	(15.4%)	(16.3%)
	20%	(14.4%)	(15.4%)	(16.4%)	(17.3%)	(18.3%)
	30%	(16.2%)	(17.3%)	(18.3%)	(19.4%)	(20.4%)

Pro Forma Tier 1 Leverage Ratio at Closing

		Offer Price / Share Implied Price/TBV				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	0%	8.39%	8.38%	8.37%	8.36%	8.35%
	10%	8.06%	8.03%	8.01%	7.99%	7.97%
	20%	7.72%	7.69%	7.66%	7.62%	7.59%
	30%	7.39%	7.34%	7.30%	7.25%	7.21%

OMEGA 2024 EPS Accretion / (Dilution) - 35.00% Cost Savings

		Offer Price / Share				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	0%	5.3%	4.8%	4.3%	3.8%	3.3%
	10%	6.6%	6.1%	5.6%	5.1%	4.7%
	20%	7.9%	7.4%	7.0%	6.5%	6.1%
	30%	9.2%	8.8%	8.4%	8.0%	7.6%

OMEGA 2025 EPS Accretion / (Dilution) - 35.00% Cost Savings

		Offer Price / Share				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	0%	12.9%	11.9%	11.0%	10.1%	9.2%
	10%	15.4%	14.5%	13.6%	12.7%	11.8%
	20%	18.0%	17.1%	16.3%	15.4%	14.6%
	30%	20.7%	19.9%	19.1%	18.3%	17.5%

Tangible Book Value Earnback Period - 35.00% Cost Savings

		Offer Price / Share				
% Cash		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	0%	3.00 Yrs	3.25 Yrs	3.50 Yrs	4.00 Yrs	4.50 Yrs
	10%	3.00 Yrs	3.25 Yrs	3.50 Yrs	4.00 Yrs	4.25 Yrs
	20%	3.00 Yrs	3.25 Yrs	3.50 Yrs	3.75 Yrs	4.00 Yrs
	30%	3.00 Yrs	3.25 Yrs	3.50 Yrs	3.75 Yrs	4.00 Yrs

OMEGA Bank

Sensitivity of Results: Cost Savings

OMEGA 2024 EPS Accretion / (Dilution) - 0.00% Cash

		Offer Price / Share Implied Price/TBV				
Cost Savings		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	30%	4.5%	4.0%	3.5%	3.0%	2.5%
	35%	5.3%	4.8%	4.3%	3.8%	3.3%
	40%	6.0%	5.5%	5.0%	4.5%	4.0%
	45%	6.8%	6.3%	5.7%	5.2%	4.7%

OMEGA 2025 EPS Accretion / (Dilution) - 0.00% Cash

		Offer Price / Share Implied Price/TBV				
Cost Savings		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
		150%	155%	160%	165%	170%
	30%	11.2%	10.2%	9.3%	8.4%	7.5%
	35%	12.9%	11.9%	11.0%	10.1%	9.2%
	40%	14.6%	13.7%	12.7%	11.8%	10.9%
	45%	16.4%	15.4%	14.4%	13.5%	12.6%

Tangible Book Value Earnback Period - 0.00% Cash Consideration

		Offer Price / Share				
Cost Savings		\$41.49	\$42.87	\$44.25	\$45.63	\$47.02
	30%	3.25 Yrs	3.50 Yrs	4.00 Yrs	4.25 Yrs	4.75 Yrs
	35%	3.00 Yrs	3.25 Yrs	3.50 Yrs	4.00 Yrs	4.50 Yrs
	40%	2.75 Yrs	3.00 Yrs	3.25 Yrs	3.75 Yrs	4.00 Yrs
	45%	2.50 Yrs	2.75 Yrs	3.00 Yrs	3.50 Yrs	3.75 Yrs

V. Appendix

Glossary

Terms	Explanation
Price-to-Tangible Book Value Per Share (P/TBVPS)	Current stock price divided by tangible common equity divided by basic shares outstanding (note: share count is a point-in-time number, not an average)
Price-to-Last Twelve Months EPS (P/LTM EPS)	Current stock price divided by the most recent 12 months earnings per share (after extraordinary items and on the most dilutive basis possible/available)
Price to Next Twelve Months Earnings per Share (P/NTM EPS)	Current stock price divided by the estimated next 12 months earnings per share (after extraordinary items and on the most dilutive basis possible/available)
Core Deposit Premium	Aggregate premium paid over seller’s tangible common equity divided by core deposits (total deposits less either CDs > \$100K or CDs > \$250K)
Pay-to-Trade Ratio	The transaction multiple divided by the acquirer’s standalone trading multiple, expressed as a percentage. Represents the relative difference between the value of the stock consideration paid and the acquirer’s standalone trading valuation.
Earnings Per Share Accretion / Dilution	Relative difference between an acquirer’s standalone earnings per share and pro forma earnings per share (adjusted for shares issued in the transaction, cost savings and other transaction adjustments)
Equivalent Dividend	Acquirer standalone dividends per share multiplied by the exchange ratio received by the seller
Days to Trade Out	Shares of the acquirer received by the seller divided by the average daily trading volume over a period

VI. Proposal Template

Proposal Template

Terms for Consideration in a Non-Binding LOI

Terms	Key Items to Consider	Notes
Valuation	<ul style="list-style-type: none">■ Per Share Value and Aggregate Value	
Consideration Mix & Structure	<ul style="list-style-type: none">■ Stock / Cash	
Board and Management	<ul style="list-style-type: none">■ Board Seats■ Management Roles■ Existing change-in-control contracts	
Treatment of Employees	<ul style="list-style-type: none">■ Severance policy■ Retention bonuses	
Ancillary Agreements	<ul style="list-style-type: none">■ Non-compete / solicitation / release of claims■ Voting agreements	
Closing Conditions	<ul style="list-style-type: none">■ Required approvals■ Other conditions?	

M&A Simulation

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