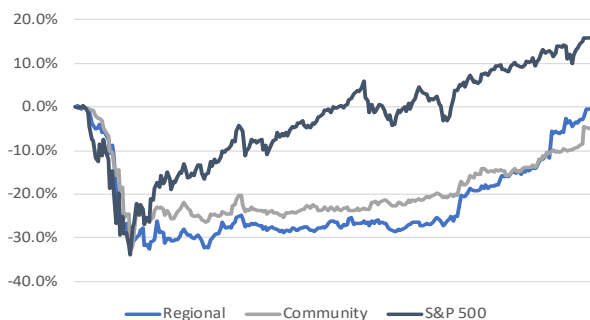


Nationwide Community Bank Stock Valuation & Deal Activity Last 12 Months

Stock Price



M & A Valuations



Deal Volume

Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Jan 21
45	39	8	27	24	12

Stock Price falloff from COVID credit risk and rate reductions, recent price improvement from vaccine, stimulus, and rate increases. M & A negatively impacted by COVID credit risk but improving valuations evidence in recent deals.

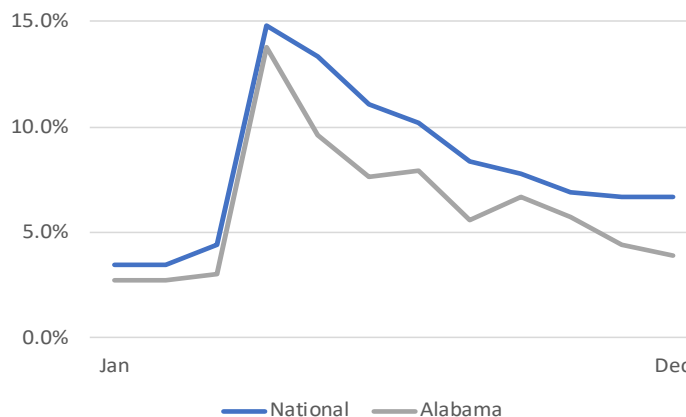
Note: Community banks are defined as having less than \$10B in assets, regional banks less than \$250B in assets.

ALABAMA COMMUNITY BANK INDUSTRY NEWS

Quarterly and Year End Call Report results for Alabama community banks are summarized below:

- **ROA:** Q4 ROA was 1.05%, identical to Q3. FYE 2020 ROA was 0.99%, vs 1.12% in 2019.
- **Loan Growth:** Loan growth was down 1.6% in Q4 vs Q3, 2020 loan growth was 11.1% above 2019.
- **Deposit Growth:** Deposit growth was 5.4% in Q4 vs Q3, 2020 deposit growth was 23.5% above 2019.
- **NIM:** NIM grew 3.99% Q4 vs 3.87% Q3. Full year 2020 NIM was 3.85% vs 4.20% in 2019.
- **Efficiency Ratio:** Q4 efficiency was 66.2% vs 65.1% Q3. 2020 efficiency ratio ws 65.5%, unchanged from 2019.
- **Provisions:** Provision expense fell to 3.92% of Revenue (Net Int Inc plus Non Int Inc) in Q4 vs 4.69% in Q3. 2020 provision expense was 4.91% of Revenue was 4.18% in 2019.
- **NCO:** Q4 NCO was 0.11% vs 0.09% Q3. Full year 2020 NCO was 0.09% vs. 0.20% in 2019.
- **January Alabama M & A:** Two transactions (i) BancorpSouth/FNS Bancshares \$108M deal value, 1.54x multiple and (ii) Investar/Cheaha Financial \$41M deal value, 1.44x multiple

Q4 ALABAMA ECONOMIC PERFORMANCE Alabama and National Unemployment



Alabama continues to outperform the nation and should continue to benefit as stimulus checks increase in 2021.

Sources: S&P Global Market Intelligence, FRED, & FDIC.