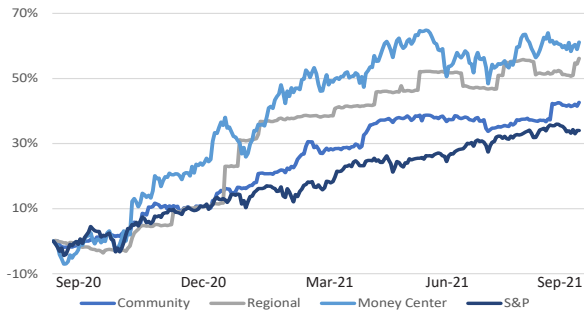
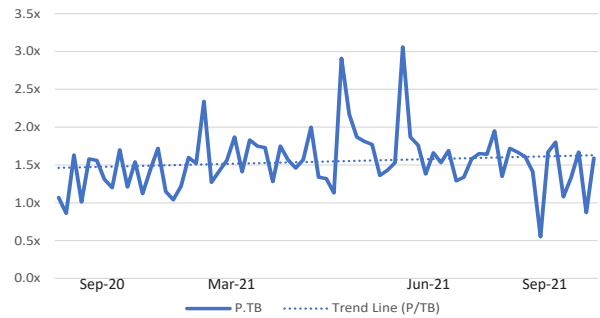


Nationwide Community Bank Stock Valuation and M&A Deal Activity

Publicly Traded Stock Prices



M&A Valuations



Note: Community banks are defined as having less than \$10B in assets, Regional banks less than \$250B in assets, Money Center greater than \$250B in assets.

M&A Volume

Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21 thru 9/15
45	39	11	29	22	33	49	45

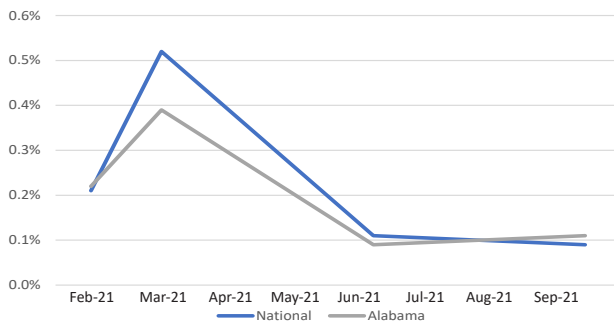
Deal volume rebound related to recent publicly traded stock price improvement brought about by stimulus, vaccine, and economic reopening. Bank stock price fell in June/July due to flattening of yield curve and Delta variant, but saw continued growth in September. All bank asset classes generated a higher YoY return than the S&P return of 34%.

Alabama Community Bank Industry News

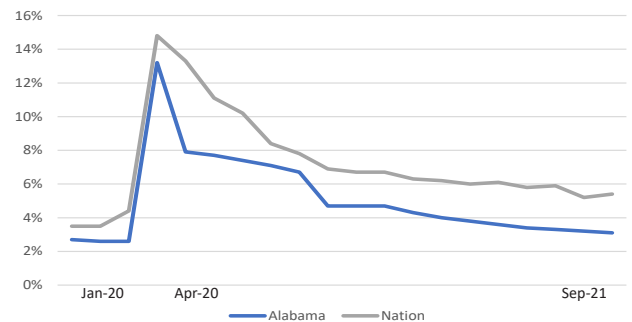
- The FDIC sponsored a \$125 million fund to assist Community Deposit Financial Institutions and Minority Deposit Institutions build size, scale, and capacity. Alabama has ten Community Banks designated as CDFIs and one MDI.
- The \$3.5 trillion Build Back Better Act includes \$4.5 billion for direct lending initiatives by the SBA and will potentially mandate depository reporting to the IRS. Additionally, the Consumer Financial Protection Agency is proposing additional bank reporting regarding small business lending. The ABA and ICBA strongly oppose these initiatives.
- August Alabama M&A: Alabama CU purchased Security Federal S&L. SouthPoint Bancshares and Merchants Financial Services, Inc. agreed to merge. Purchase multiples not disclosed for either transaction. Additionally, Nova Bank, based in Huntsville, applied for a state banking charter.

Q3 Alabama Economic Performance

% of Population Receiving First Vaccine Daily



Alabama Unemployment



49% of the nation has received its first COVID shot through September 14, vs 38% in Alabama, while our employment rate of 3.1% is 2.3% below the national average.

Sources: S&P Global Market Intelligence, Opportunity Insights, CDC, Alabama Department of Revenue