

M&A Transaction Announcement

Johnson County Bank Has Agreed to be Acquired by Skyline National Bank

Transaction Profile

Advised Seller



Has agreed to be acquired by



The undersigned served as financial advisor to
Johnson County Bank



April 17, 2024

Johnson County Bank and Skyline Bankshares, Inc. (“Skyline”, OTCQX: SLBK), the holding company of Skyline National Bank, announced today that they have entered into a definitive agreement to combine their companies. Under the terms of the agreement, Johnson County Bank will merge with and into Skyline National Bank in an all cash transaction valued at \$25.0 million. Furthermore, one Johnson County Bank director, the current CEO of Johnson County Bank, will be invited to join the Skyline Board of Directors.

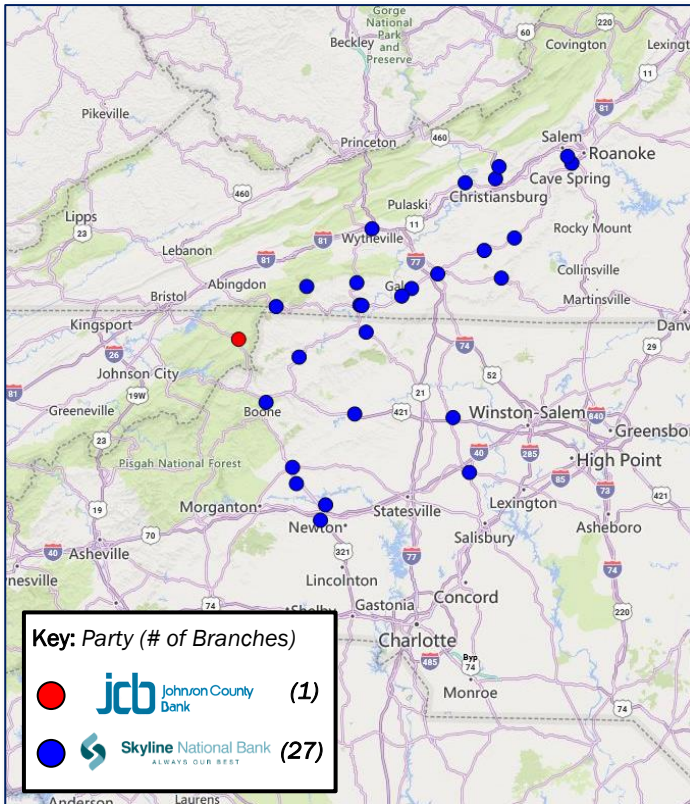
Olsen Palmer LLC served as financial advisor to Johnson County Bank in connection with this transaction and issued a Fairness Opinion to its Board of Directors.

Luse Gorman, PC acted as legal advisor to Johnson County Bank in connection with the transaction.

The combination is subject to approval by Johnson County Bank’s shareholders, banking regulators, and other customary closing conditions. The transaction is expected to be completed during the second half of 2024.

Olsen Palmer is the #1 sell-side bank M&A advisor nationwide – and one of the top 2 overall bank M&A advisors – based on the number of transactions advised upon in 2023 according to S&P Global.

Branch Footprint



Transaction Summary and Valuation Multiples

Announcement Date	April 17, 2024
Anticipated Closing Date	2H 2024
Aggregate Consideration Value	\$25.0 million
Form of Consideration	All Cash
Price / Tangible Common Equity – Normalized	1.4x
Price / Net Income (LTM)	23.1x

Note: Normalized reflects 9.0% equity

Financial and Operating Summary

	Johnson County Bank	Skyline National Bank
Location	Mountain City, TN	Independence, VA
Year Established	1975	1900
CEO	Christopher Reece	Blake Edwards Jr.
Branches	1	27
Assets (\$MM)	\$151.9	\$1,045.6

Note: Information as of Q4 2023. Source: S&P Global.

M&A Advisory Expertise

Olsen Palmer is a Leading M&A Advisor to Community Banks



Recent M&A Advisory Assignments

<p>Advised Seller</p> <p>Has agreed to be acquired by</p> <p>April 17, 2024</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>April 10, 2024</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>March 1, 2024</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>January 31, 2024</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>January 16, 2024</p>	<p>Advised Seller</p> <p>Has agreed to sell 5 branches to</p> <p>January 2, 2024</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>December 31, 2023</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>December 8, 2023</p>
<p>Advised Seller</p> <p>Has been acquired by</p> <p>October 20, 2023</p>	<p>Advised Seller</p> <p>Has agreed to be acquired by</p> <p>August 31, 2023</p>	<p>Advised Seller</p> <p>Has agreed to be acquired by</p> <p>August 28, 2023</p>	<p>Advised Seller</p> <p>Has agreed to be acquired by</p> <p>August 1, 2023</p>	<p>Advised Merger-of-Equals</p> <p>Has merged with</p> <p>March 31, 2023</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>March 31, 2023</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>March 31, 2023</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>January 20, 2023</p>
<p>Advised Seller</p> <p>Has been acquired by</p> <p>January 10, 2023</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>January 1, 2023</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>December 31, 2022</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>December 9, 2022</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>October 1, 2022</p>	<p>Advised Acquirer</p> <p>Has acquired</p> <p>October 1, 2022</p>	<p>Advised Acquirer</p> <p>Has acquired 2 branches from</p> <p>October 1, 2022</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>August 8, 2022</p>
<p>Advised Seller</p> <p>Has been acquired by</p> <p>July 29, 2022</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>May 18, 2022</p>	<p>Advised Acquirer</p> <p>Has acquired</p> <p>April 30, 2022</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>April 29, 2022</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>February 28, 2022</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>February 14, 2022</p>	<p>Advised Acquirer</p> <p>Has acquired</p> <p>January 3, 2022</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>December 31, 2021</p>
<p>Advised Seller</p> <p>Has been acquired by</p> <p>December 17, 2021</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>December 8, 2021</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>October 8, 2021</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>October 8, 2021</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>October 1, 2021</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>September 1, 2021</p>	<p>Advised Merger-of-Equals</p> <p>Has merged with</p> <p>September 1, 2021</p>	<p>Advised Seller</p> <p>Has been acquired by</p> <p>July 30, 2021</p>



202.808.3306
info@olsenpalmer.com
olsenpalmer.com

Olsen Palmer LLC is an independent investment banking firm that exclusively advises financial institutions across the spectrum of Mergers & Acquisitions.

By design, we combine the deep M&A expertise of a traditional investment banking firm with the agility, creativity, responsiveness, and independence of a boutique firm.

Specializing in sell-side M&A advisory, buy-side M&A advisory, valuations, fairness opinions, branch acquisitions and divestitures, and Board-level assessments of strategic options.

For more information, please visit our website: www.OlsenPalmer.com