

M&A Transaction Announcement

OLSEN PALMER

Mechanics Bank Has Agreed to be Acquired by BankFirst Capital Corporation

Transaction Profile

Advised Seller



MECHANICS
BANK

Has agreed to be acquired by

BANKFIRST

The undersigned served as financial advisor to
Mechanics Banc Holding Co., parent of Mechanics Bank

OLSEN PALMER

August 31, 2022

Mechanics Banc Holding Company (“Mechanics”), the parent company of Mechanics Bank, today announced the signing of a definitive merger agreement with BankFirst Capital Corporation (OTCQX:BFCC) (“BankFirst”), parent of BankFirst Financial Services, under which BankFirst will acquire Mechanics and Mechanics Bank for all-cash consideration.

Olsen Palmer LLC served as financial advisor to Mechanics Bank Holding Company in connection with this transaction.

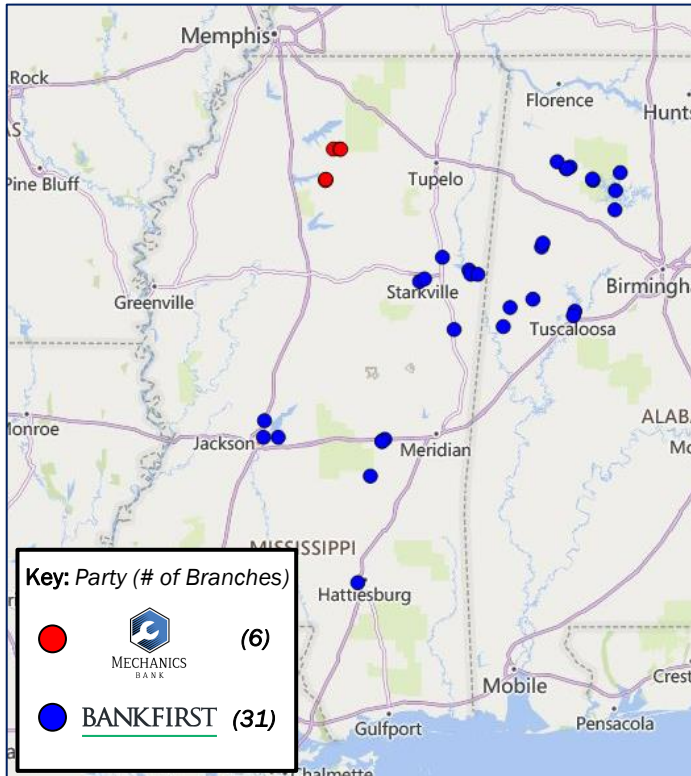
The transaction has been approved by the board of directors of each company, is expected to close in the first quarter of 2023, and is subject to customary closing conditions, including approval from the shareholders of Mechanics and bank regulatory authorities.

Founded in 1892, Mechanics Bank has six banking offices and approximately \$331 million in total assets as of June 30, 2022.

After the merger is completed, and assuming the completion of an unrelated previously-announced transaction, BankFirst is expected to have 42 offices and have assets in excess of \$2.7 billion.

Olsen Palmer remains one of the top 3 bank M&A advisory firms nationwide according to S&P Global, as ranked by the total number of whole-bank M&A transactions the firm has advised upon over the last three years.

Branch Footprint





Transaction Summary and Valuation Multiples

| | |
|-------------------------------|-----------------|
| Agreement Date | August 31, 2022 |
| Anticipated Closing Date | Q1 2023 |
| Aggregate Consideration Value | Not disclosed |
| Form of Consideration | Cash |
| Pricing Multiples | Not disclosed |

Note: Transaction pricing and other details were not disclosed.

Financial and Operating Summary

| |  MECHANICS BANK |  BANKFIRST |
|------------------|--|--|
| Location | Water Valley, MS | Columbus, MS |
| Year Established | 1892 | 1888 |
| CEO | Cameron Tyler | Moak Griffin |
| Branches | 6 | 31 |
| Assets (\$MM) | \$330.8 | \$2,045.2 |

Note: Information as of Q2 2022. Source: S&P Global.

OLSEN PALMER

Washington DC • Chicago • Denver • Birmingham
202.808.3306 • olsenpalmer.com • MEMBER FINRA/SIPC

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>August 31, 2022</p> | <p>Advised Seller</p> <p>Has agreed to be acquired by</p> <p>August 23, 2022</p> | <p>Advised Seller</p> <p>Has agreed to be acquired by</p> <p>August 22, 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 agreed to be acquired by</p> <p>July 14, 2022</p> | <p>Advised Seller</p> <p>Has agreed to be acquired by</p> <p>June 28, 2022</p> | <p>Advised Acquirer</p> <p>Has agreed to acquire</p> <p>June 22, 2022</p> |
| <p>Advised Seller</p> <p>Has agreed to be acquired by</p> <p>June 1, 2022</p> | <p>Advised Acquirer</p> <p>Has agreed to acquire 2 branches from</p> <p>May 23, 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 agreed to be acquired by</p> <p>April 27, 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 MOE</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> | <p>Advised Seller</p> <p>Has been acquired by</p> <p>July 26, 2021</p> | <p>Advised Seller</p> <p>Has been acquired by</p> <p>May 28, 2021</p> | <p>Advised Seller</p> <p>Has been acquired by</p> <p>May 14, 2021</p> | <p>Advised Acquirer</p> <p>Has acquired</p> <p>April 30, 2021</p> | <p>Advised Acquirer</p> <p>Has acquired</p> <p>April 15, 2021</p> | <p>Advised Seller</p> <p>Has been acquired by</p> <p>April 9, 2021</p> |
| <p>Advised Seller</p> <p>Has been acquired by</p> <p>April 1, 2021</p> | <p>Advised Seller</p> <p>Has been acquired by</p> <p>February 27, 2021</p> | <p>Advised Seller</p> <p>Has been acquired by</p> <p>November 30, 2020</p> | <p>Advised Seller</p> <p>Has been acquired by</p> <p>November 30, 2020</p> | <p>Advised Seller</p> <p>Has been acquired by</p> <p>November 30, 2020</p> | <p>Advised Acquirer</p> <p>Has acquired 1 branch from</p> <p>November 13, 2020</p> | <p>Advised Acquirer</p> <p>Has acquired</p> <p>October 1, 2020</p> | <p>Advised Acquirer</p> <p>Has acquired</p> <p>July 1, 2020</p> |



202.808.3306
info@olsenpalmer.com
olsenpalmer.com

Olsen Palmer LLC is a nationally-recognized 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