M&A Transaction Announcement OLSEN PALMER

Mechanics Bank Has Agreed to be Acquired by BankFirst Capital Corporation

Transaction Profile



Florence Hunt Tupelo Birmingha Starkville Greenville Tuscaloosa ALAB lackson Meridian M ISSIPPI Key: Party (# of Branches) Hattiesburg (6) MECHANICS Crest

Mobile

Pensacola

Gulfport

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 guarter 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.

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

Location	MECHANICS Water Valley, MS	BANKFIRST 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.



BANKFIRST (31)

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M&A Advisory Expertise

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



Recent M&A Advisory Assignments Advised Seller Advised Acquirer FIRST SAVANNA CITIZENS B STATE BANK BANK OF BURLINGTON BOUNDARY WATERS BANK BANKFIRST freedom bank SAVINGS BANK MECHANICS Has agreed to Has agreed to Has agreed to Has been Has been Has agreed to Has agreed to Has agreed be acquired by be acquired by be acquired by acquired by acquired by be acquired by be acquired by to acquire Citizens State 1 LANDMARK NATIONAL BANK Longview 🕥 BANKFIRST 🕿 Highland Bank âvadian SYCAMORE Rank August 31, 2022 August 22, 2022 June 22, 2022 August 8, 2022 July 14, 2022 June 28, 2022 August 23. 2022 lulv 29. 2022 Advised Seller Advised Seller Advised Seller Advised Acauirer Advised Acauirer Advised Seller Advised Seller Advised Seller \sim 👎 First Bank SECURITY FEDERAL BANK LINCOLNWAY PIONEER LSB LEGACY BANK Dupaco STATE BANK WESTERN STATES Has agreed Has agreed to Has been Has been Has agreed to Has been Has been to acquire 2 Has acquired be acquired by acquired by acquired by acquired by acquired by be acquired by branches from H SOUTHERN STATES BANK Banner 🖁 Capital CoVantage **N**BANK MALABAMA ① fnbo HOME April 30, 2022 April 27, 2022 June 1, 2022 May 18, 2022 February 14, 2022 May 23, 2022 April 29, 2022 February 28, 2022 Advised Seller Advised Acquirer Advised Seller Advised Seller Advised Seller Advised Seller Advised Seller Advised Seller University First Capital BANKFIRST First Security 1 TRI-STATE BANK National **ASB** LANDMARK TWO RIVERS Bank Ba Has been Has acquired acquired by 1 ST First State Bank Simmons FIRST NATIONAL BANK The Citizens Bank Liberty Bank Great American Bank ⁄ Planters Bank Bank. First National Bank September 1, 2021 January 3, 2022 December 31, 2021 December 17, 2021 December 8, 2021 October 8, 2021 October 8, 2021 October 1, 2021 Advised MOE Advised Seller Advised Seller Advised Seller Advised Seller Advised Acquirer Advised Acquirer Advised Seller First Bank Eureka Savings TTT . TCNB CAMP GROVE STATE BANK **MERCHANTS &** Durand State Bank FIRST BANK OF LINDEN ARKANSAS FARMERS BANK Has been Has been Has been Has been Has heen Has merged with Has acquired Has acquired acquired by acquired by acquired by acquired by acquired by SOLUTIONS Wenona State Bank Southern FIRST STATE BANK Bancorp United Bank 🚺 Alabama **ONE** SouthFirst KATZ CAPITAL BAKØ September 1, 2021 April 9, 2021 July 30, 2021 July 26, 2021 May 28, 2021 May 14, 2021 April 30, 2021 April 15, 2021 Advised Seller Advised Acquirer Advised Seller Advised Seller Advised Seller Advised Seller Advised Acquirer Advised Acquirer ESCAMBIA AMERICAN FIRST FARMERS 22 STATE (CB) Citizens Bank BANKFIRST Reynolds State Bank BANK Has been Has been Has been Has been Has been Has acquired Has acquired Has acquired acquired by acquired by acquired by acquired by 1 branch from acquired by Carroll Community Bank TRADERS & \diamond Bank of Holly Springs Bank of Pontiac PNB CITIZENS BANK Farmers Bank AMERIFIRST Bank OZK

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

November 30, 2020

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.

November 13, 2020

October 1, 2020

July 1, 2020

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

November 30, 2020



February 27, 2021

November 30, 2020

April 1, 2021

202.808.3306 info@olsenpalmer.com olsenpalmer.com