

M&A overview and outlook

Community bank mergers continued to face headwinds in the fourth quarter of 2024 due to economic factors such as tightening liquidity, changes in bank securities valuations and uncertainties in credit quality — particularly within commercial real estate. Despite these challenges, deal volumes remained consistent with previous quarters, driven by sellers focused on succession planning and acquirers pursuing strategic growth opportunities. The relevance of nontraditional financial service firms and credit unions in community bank M&A continued to grow, with these entities accounting for 26% of deals announced during the fourth quarter. Looking ahead, the outlook for community bank M&A in 2025 is highly favorable. Many community banks are leveraging M&A to achieve scale, enhance efficiency and manage rising regulatory and technology costs. Additionally, expectations of a more accommodating regulatory landscape will likely further facilitate increased M&A activity.

State of the banking industry

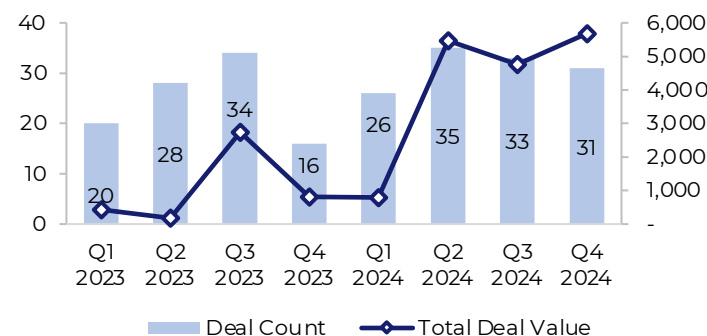
Wipfli's [State of the banking industry research report for 2025](#) reveals a cautiously optimistic outlook among financial institutions, driven by stabilizing interest rates, easing liquidity concerns and a resurgence in growth projections. Based on a survey of nearly 350 C-level executives, the report highlights several key themes, including cybersecurity, digital transformation and talent management.

- Cybersecurity remains the top concern for the fourth consecutive year, with 61% of respondents reporting an increase in fraud and 79% detecting unauthorized access to their networks and data in the past year. This underscores financial institutions' ongoing challenges in protecting their assets and customer information.
- Digital transformation and artificial intelligence (AI) adoption are also prominent themes. While 83% of financial institutions are adopting AI tools, digital maturity varies significantly by size. Improving digital customer engagement is a top strategy for 59% of respondents, reflecting the industry's focus on enhancing customer experiences through technology.
- Talent management continues to be a critical issue, with 46% of institutions increasing wages to address labor shortages. This highlights the ongoing struggle to attract and retain skilled employees in a competitive market.

Overall, financial institutions are navigating a complex landscape of challenges and opportunities, with a strong emphasis on strategic goals and data-driven insights to lead the way forward.

31 Deals during Q4 2024	1.38x Median P/TBV multiple	\$5,680M Total deal value	▲ 19.1% Increase QoQ
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Deal activity in the U.S. (\$ in millions)

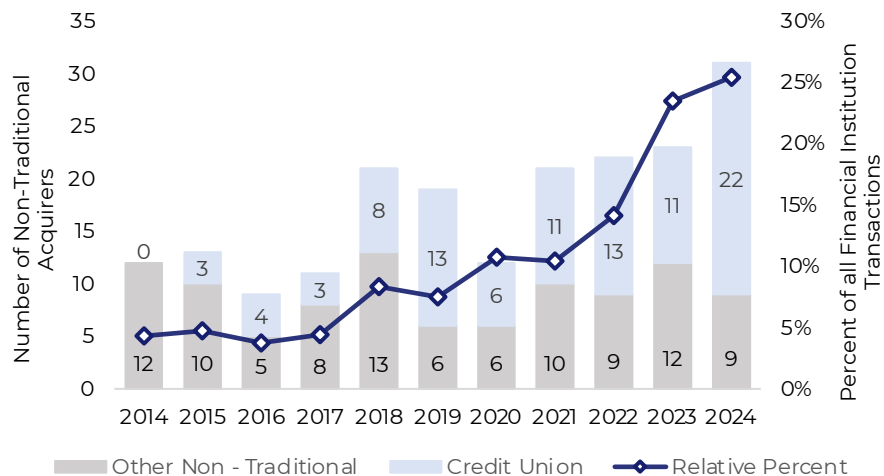


Median deal multiples in the U.S.



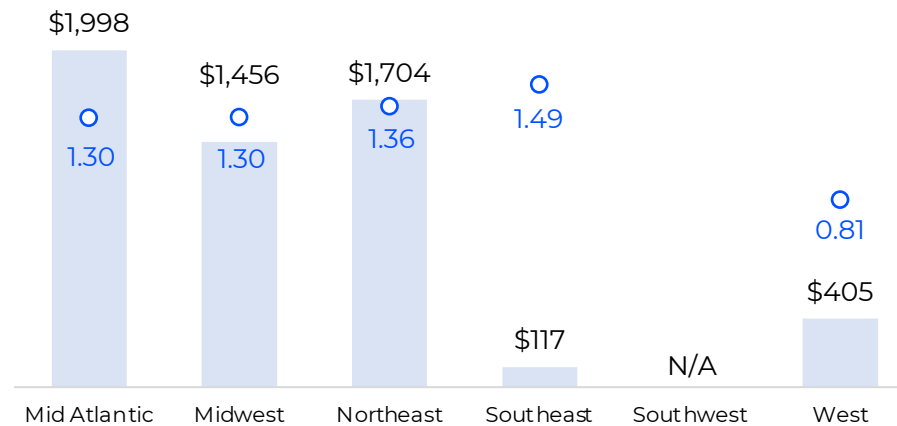
Source: S&P Capital IQ Pro
Data includes all bank, savings bank and thrift transactions in the U.S. between January 1, 2023, and December 31, 2024.
QoQ: Quarter over quarter
P/TBV: Price / tangible book value
Past performance is not a guarantee of future results.

Nontraditional buyers



Median price/tangible book vs. deal value by region

(\$ in millions)

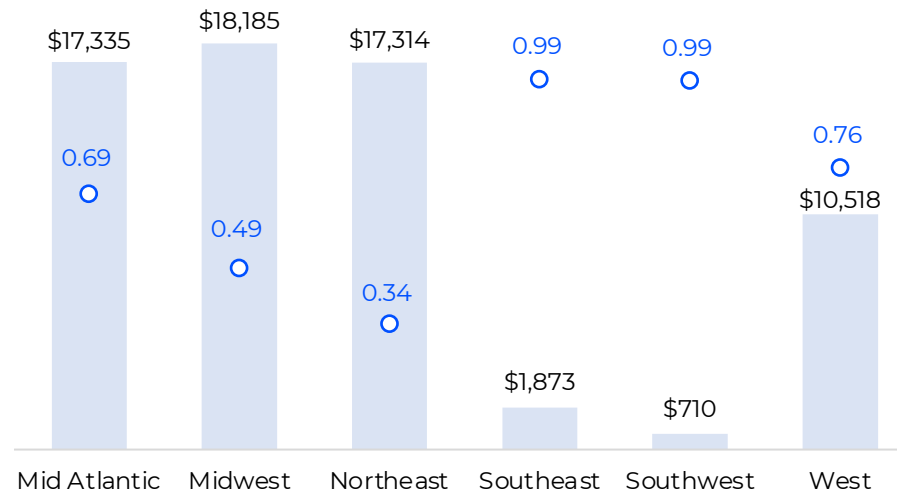


Deal count by region



Total tangible assets vs. average ROAA by region

(\$ in millions)



Source: S&P Capital IQ Pro
Data includes all bank and savings banks/thrifts transactions in the U.S. announced between October 1, 2024, and December 31, 2024.
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ROAA: Return on average assets

Q4 2024: Transactions by region

(\$ in thousands)

Date Announced	Buyer Name	Target Name	Target Region	Target State	Total Assets	Deal Value	Deal Value to Earnings	Deal Value to TBV
12/30/2024	Zeal Credit Union	Gogebic Range Bank	Midwest	MI	\$147,283	NA	NA	NA
12/30/2024	Investor Group	American Savings Bank, F.S.B.	West	HI	\$9,267,846	\$405,450	NA	80.77
12/20/2024	Hanscom Federal Credit Union	The Peoples Bank	Mid Atlantic	MD	\$299,365	NA	NA	NA
12/18/2024	First Commonwealth Financial Corporation	CenterGroup Financial, Inc.	Midwest	OH	\$348,397	\$54,600	23.66	160.18
12/17/2024	Northwest Bancshares, Inc.	Penns Woods Bancorp, Inc.	Mid Atlantic	PA	\$2,259,250	\$270,357	13.05	144.49
12/16/2024	Berkshire Hills Bancorp, Inc.	Brookline Bancorp, Inc.	Northeast	MA	\$11,676,721	\$1,141,317	15.28	117.66
12/14/2024	F & M Bancshares, Inc.	Newcastle Bancshares, Inc.	Southwest	TX	\$49,308	NA	NA	NA
12/13/2024	Heritage Bancshares, Inc.	Fidelity State Bank and Trust Company	Midwest	KS	\$158,500	NA	NA	NA
12/9/2024	Independent Bank Corp.	Enterprise Bancorp, Inc.	Northeast	MA	\$4,742,809	\$562,866	15.54	155.29
12/5/2024	Beneficient	Mercantile Bank International	Mid Atlantic	PR	NA	\$1,500	NA	NA
12/3/2024	United Community Banks, Inc.	ANB Holdings, Inc.	Southeast	FL	\$438,765	\$80,000	18.2	149.12
12/2/2024	Fleur Capital Corporation	Simmesport State Bank	Southwest	LA	\$231,532	NA	NA	NA
11/27/2024	GSB Mutual Holding Company	Eastern Connecticut Savings Bank	Northeast	CT	\$260,753	NA	NA	NA
11/25/2024	Old National Bancorp	Bremer Financial Corporation	Midwest	MN	\$16,208,879	\$1,401,124	13.43	99.90
11/11/2024	Farmers Savings Bank	Elgin State Bank	Midwest	IA	\$28,168	NA	NA	NA
11/8/2024	DFCU Financial	Winter Park National Bank	Southeast	FL	\$845,000	NA	NA	NA
11/1/2024	Mid Penn Bancorp, Inc.	William Penn Bancorporation	Mid Atlantic	PA	\$812,229	\$126,127	NA	102.48
10/23/2024	Griggsville Bancshares, Inc.	Scott Morgan Bancorp, Inc.	Midwest	IL	\$59,333	NA	NA	NA
10/23/2024	Y-12 Federal Credit Union	First State Bank of The Southeast, Inc	Midwest	KY	\$415,207	NA	NA	NA
10/21/2024	Atlantic Union Bankshares Corporation	Sandy Spring Bancorp, Inc.	Mid Atlantic	MD	\$14,383,073	\$1,599,936	18.38	129.56
10/17/2024	First Liberty National Bancshares, Inc.	Pearland State Bank/First National Bank of Alvin	Southwest	TX	\$345,952	NA	NA	NA

Source: S&P Capital IQ Pro
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Q4 2024: Transactions by region

(\$ in thousands)

Date Announced	Buyer Name	Target Name	Target Region	Target State	Total Assets	Deal Value	Deal Value to Earnings	Deal Value to TBV
10/16/2024	First Commerce Bancorp, Inc.	Peoples Bank of Middle Tennessee	Southeast	TN	\$185,018	NA	NA	NA
10/16/2024	Austin BanCorp, Inc.	The Chasewood Bank	Southwest	TX	\$83,472	NA	NA	NA
10/10/2024	Oak Tree Financial Corporation, Inc.	Riverside Bank	Southeast	AR	\$59,948	\$10,100	13.79	182.44
10/9/2024	Bravera Holdings Corp.	Vision Bank Holdings, Inc.	Midwest	ND	\$266,317	NA	NA	NA
10/9/2024	Georgia Banking Company, Inc.	Primary Bancshares Corporation	Southeast	GA	\$344,359	\$27,000	37.5	137.57
10/8/2024	Grasshopper Bancorp, Inc.	Auto Club Trust, FSB	Midwest	MI	\$484,462	NA	NA	NA
10/8/2024	HAPO Community Credit Union	Community First Bank	West	WA	\$632,255	NA	NA	NA
10/4/2024	Jewel Box Financial Services, Inc.	Wisconsin River Bank	Midwest	WI	\$182,925	NA	NA	NA
10/3/2024	OneAZ Credit Union	1st Bank Yuma	West	AZ	\$623,715	NA	NA	NA
10/1/2024	River Run Bancorp, MHC	Rollstone Bancorp, MHC	Northeast	MA	\$899,474	NA	NA	NA

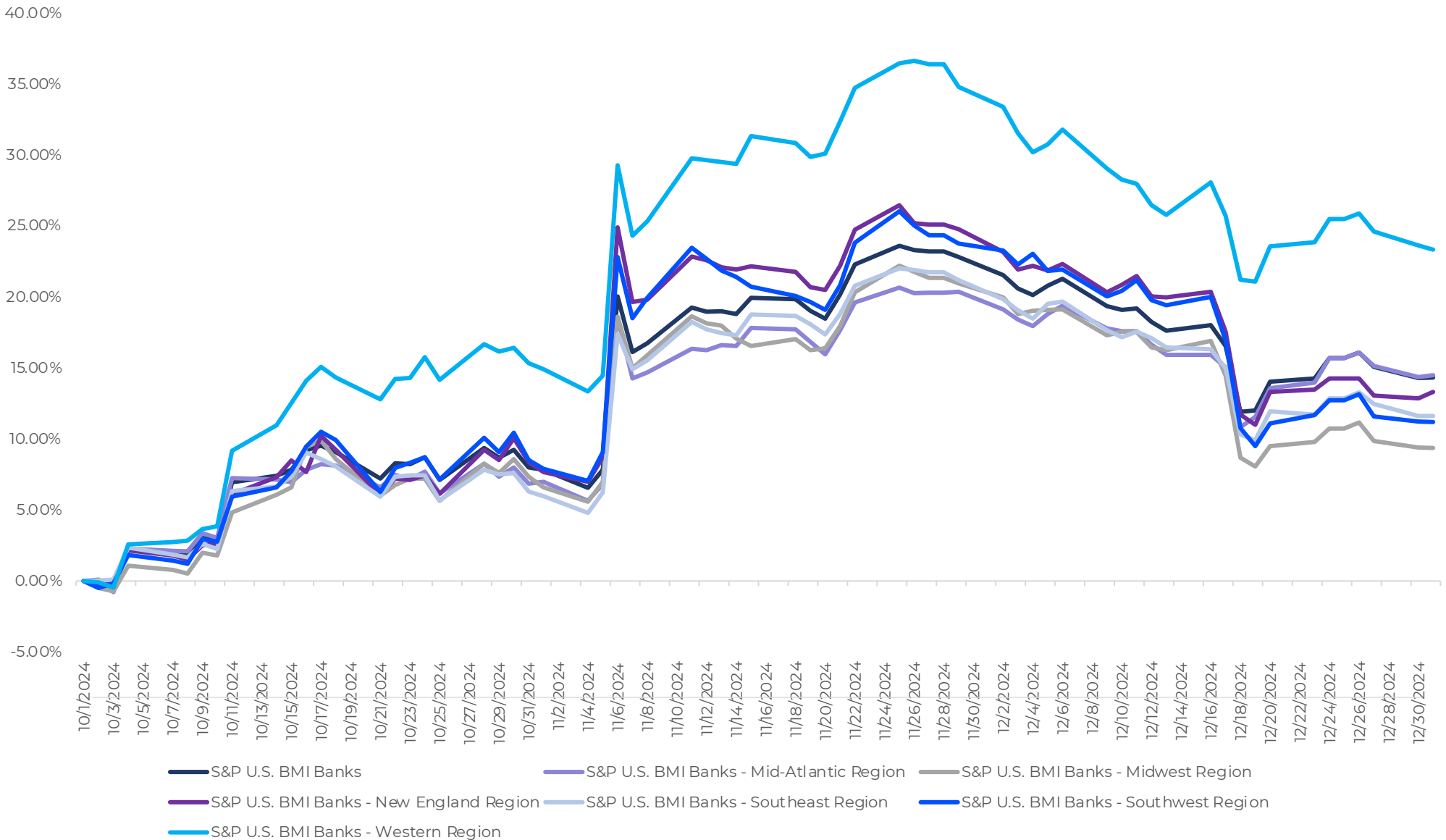
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Banking index overview



S&P U.S. BMI Banks: High: 23.59%, Low: (0.49%), Start: 0.00%, End: 14.32%
 S&P U.S. BMI Banks - Western Region: High: 36.61%, Low: (0.46%), Start: 0.00%, End: 23.34%
 S&P U.S. BMI Banks - Southwest Region: High: 26.02%, Low: (0.49%), Start: 0.00%, End: 11.18%
 S&P U.S. BMI Banks - Southeast Region: High: 22.00%, Low: 0.00%, Start: 0.00%, End: 11.60%

S&P U.S. BMI Banks - New England Region: High: 26.45%, Low: (0.30%), Start: 0.00%, End: 13.31%
 S&P U.S. BMI Banks - Midwest Region: High: 22.19%, Low: (0.73%), Start: 0.00%, End: 9.36%
 S&P U.S. BMI Banks - Mid-Atlantic Region: High: 20.65%, Low: (0.78%), Start: 0.00%, End: 14.48%

Source: S&P Capital IQ Pro
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Select WCF Transactions

Currently engaged Community Bank in the Midwest looking for a strategic partner

WCF Advisors is Acting as the Exclusive Sell-Side M&A Advisor to Undisclosed Bank

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To be acquired by Lake Central Financial

WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to State Bank of Danvers

Acquired by Lake Shore III Corporation

WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Headwaters State Bank

Acquired by Eureka Savings Bank

WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Wenona State Bank

Acquired by Nicolet Bankshares, Inc.

WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Advantage Community

Acquired by Private Investor Group

WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Waterman State Bank

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Acquired by Time Federal Savings Bank

WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to River Cities Bank

Acquired by First State Bancshares, Inc.

WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Pioneer Bank

Acquired by PF Investors, Inc.

WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Pigeon Falls State Bank

Acquired by Superior Choice Credit Union

WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Dairyland State Bank

Acquired by Private Investor Group

WCF Advisors Acted as the Exclusive Sell-Side M&A Advisor to Anchor State Bank

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