

# Merger of Equals Announcement – Virginia National Bankshares Corp.

October 2020

**Virginia National Bankshares Corp.**



is merging with

**TFB** Fauquier Bankshares, Inc.

The undersigned served as financial advisor to Virginia National Bankshares Corp. for this transaction.

**Performance Trust Capital Partners**

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## Transaction Overview

On October 1, 2020, Charlottesville, Virginia-based Virginia National Bankshares Corp. (OTCQX: VABK), the parent company of Virginia National Bank, and Warrenton, Virginia-based Fauquier Bankshares, Inc. (NASDAQ: FBSS), the parent company of The Fauquier Bank, announced that they have entered into a definitive merger agreement whereby the companies and their subsidiary banks will combine in a Merger of Equals in which the surviving entities are Virginia National Bankshares Corp. and Virginia National Bank. Upon completion of the transaction, Virginia National Bankshares Corp. will be the 10<sup>th</sup> largest community bank in Virginia with over \$1.6 billion in assets and over \$1.0 billion in assets under management.<sup>(1)</sup>

*Performance Trust Capital Partners served as exclusive financial advisor to Virginia National Bankshares Corp. in connection with this transaction.*

## Key Terms

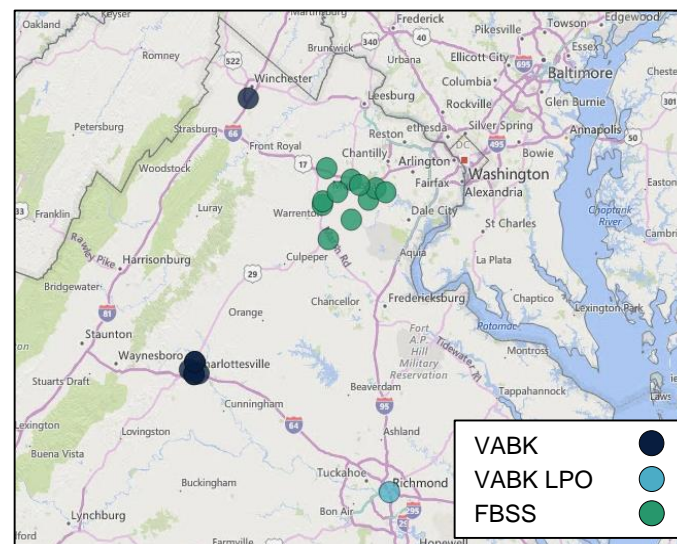
- Aggregate Merger Value: \$63.4 million
- Consideration Mix: 100% Stock
- Exchange Ratio: 0.675

## Financial Highlights (June 30, 2020)

| (\$000s)              | VABK      | FBSS      |
|-----------------------|-----------|-----------|
| Assets:               | \$799,584 | \$825,553 |
| Loans: <sup>(2)</sup> | 627,377   | 616,260   |
| Deposits:             | 714,201   | 705,806   |
| TCE / TA              | 9.81%     | 8.61%     |
| NPAs / Assets:        | 0.26%     | 1.39%     |
| LTM Net Income:       | \$6,820   | \$6,598   |
| LTM ROAA:             | 0.96%     | 0.90%     |
| LTM ROAE:             | 8.86%     | 9.75%     |

<sup>(2)</sup> Total Net Loans

## Combined Branch Map



VABK Richmond branch application approved

(1) Includes banks under \$15 billion in assets

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