FIRST NATIONAL BANK

PRESS RELEASE **April 21, 2025**

The First National Bank of Williamson
68 East Second Avenue
Williamson, WV 25661

The First National Bank of Williamson:
Charley McCoy, President & CEO at (304) 235-5300

For Release: Immediately

INVESTOR GROUP AGREES TO ACQUIRE CONTROLLING INTEREST IN THE FIRST NATIONAL BANK OF WILLIAMSON

WILLIAMSON, West Virginia – The First National Bank of Williamson ("First National Bank") today announced the signing of a stock purchase agreement to sell $15.0 million of the company's stock to **Wallace Capital LLC ("Wallace")** a limited liability company that was formed by an investor group. Established in 1903, First National Bank has been proudly serving the people and businesses of Southern West Virginia and Eastern Kentucky's coalfields through its two full-service branch offices in Williamson, West Virginia, and Pikeville, Kentucky. As of December 31, 2024, First National Bank had approximately $116.2 million in assets, $77.6 million in loans, $107.7 million in deposits and $7.0 million in shareholders' equity.

In connection with the purchase, Wallace will make a $15.0 million capital infusion into First National Bank at closing to increase overall shareholder equity and provide for near term growth. New shares will be issued in addition to those maintained by current shareholders. Wallace will appoint a majority number of new individuals to the board of directors of First National Bank.

Following the completion of the transaction, First National Bank will continue to operate in its current Southern West Virginia and Eastern Kentucky markets and will expand into new markets to be disclosed upon regulatory approval. All of First National Bank's existing employees will continue to be employed after the transaction.

Charley McCoy, President and CEO of First National Bank, stated, "We are very pleased to partner with the group of investors and new board members that Wallace provides us and continue our rich history of community banking. Through this partnership with a well-qualified investor group, we will have the opportunity to expand our products and services to better serve our current communities and customers. Our employees will also have a greater opportunity to continue to develop as part of a larger growth-oriented institution."

The stock purchase agreement has been unanimously approved by First National Bank's board of directors. The transaction, which is subject to approval by First National Bank's shareholders and regulatory authorities and to other customary conditions set forth in the stock purchase agreement, is anticipated to close in the third quarter of 2025.

Dinsmore & Shohl LLP is serving as legal counsel to Wallace Capital LLC. Jackson Kelly PLLC is serving as legal counsel and Janney Montgomery Scott LLC is serving as financial advisor and issued a fairness opinion to the board of directors of First National Bank.

About The First National Bank of Williamson:

First National Bank is a locally owned community bank headquartered in Williamson, WV. Founded in 1903, the bank has proudly served the people and businesses of Southern West Virginia and Eastern Kentucky's coalfields.

First National Bank provides a variety of personal and business banking products through its two branch offices in Williamson, WV, and Pikeville, KY. Learn more about First National Bank at www.yourfnbonline.com.

Additional Information

Wallace and First National Bank will be providing to shareholders of First National Bank a proxy statement relating to the meeting of First National Bank shareholders to be held to consider the approval of amendments to the articles of association of First National Bank required by the stock purchase agreement which will result in the change of the corporation from a Subchapter S corporation to a Subchapter C corporation and of the election of additional directors to First National Bank. Shareholders of First National Bank are urged to read the proxy statement when it becomes available because it will contain important information regarding Wallace, First National Bank and the transaction.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful.