

Stephens Financial Institutions Group Transaction Announcement

Stock Yards Bancorp, Inc. (NASDAQ: SYBT) has agreed to acquire Commonwealth Bancshares, Inc., the parent company of Commonwealth Bank & Trust

Stephens served as exclusive financial advisor to Stock Yards Bancorp, Inc. and rendered a fairness opinion to its Board

August 3, 2021

\$153 MILLION

STOCK YARDS BANCORP, INC.

HAS AGREED TO ACQUIRE

COMMONWEALTH BANCSHARES, INC.,
THE PARENT COMPANY OF



Transaction Details

- On August 3, 2021, Stock Yards Bancorp, Inc. ("Stock Yards") announced that it has entered into a definitive agreement to acquire Commonwealth Bancshares, Inc. ("Commonwealth"), the parent company of Commonwealth Bank & Trust
- Commonwealth, the largest privately-held bank headquartered in Louisville, Kentucky, operates 16 total retail branches including 10 branches in Jefferson County, four in Shelby County and two in Northern Kentucky
- Creates the largest bank by total assets and largest bank-owned Trust company headquartered in Kentucky
- Under the terms of the merger agreement, Commonwealth shareholders will have the right to receive 0.9267 shares of Stock Yards common stock and \$11.20 in cash for each share of Commonwealth common stock with total consideration to consist of approximately 80% stock and 20% cash
- The transaction is expected to close during the fourth quarter of 2021

Transaction Overview⁽¹⁾

Deal Value (Millions):	\$	153
Price / Tg. Book Value:		1.78x
Price / LTM Net Income ⁽²⁾ :		10.4x

Commonwealth Highlights

Headquarters:		Louisville, KY
Branches:		16
Assets (Millions):	\$	1,262
Total Gross Loans HFI (Millions):	\$	733
Total Deposits (Millions):	\$	1,114
TCE (Millions):	\$	86
LTM Net Income (Millions) ⁽²⁾ :	\$	14.7
LTM ROAA ⁽²⁾ :		1.15%
LTM NCOs / Avg. Loans		0.03%
NPAs / Assets		0.35%

Note: Reflects financial data as of June 30, 2021.

1) Based on SYBT closing price of \$47.64 as of July 30, 2021.

2) Commonwealth's net income figures are tax-effected at 23.5%

Sources: Company Documents, S&P Global Market Intelligence and publicly available information.

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