Annual Report of Holding Companies—FR Y-6

Report at the close of business as of the end of fiscal year

This Report is required by law: Section 5(c)(1)(A) of the Bank Holding Company Act (12 U.S.C. § 1844(c)(1)(A)); sections 8(a) and 13(a) of the International Banking Act (12 U.S.C. §§ 3106(a) and 3108(a)); sections 11(a)(1), 25, and 25A of the Federal Reserve Act (12 U.S.C. §§ 245(a)(1), 602, and 611a); and sections 113, 165, 312, 809, and 809 of the Dodd-Frank Act (12 U.S.C. §§ 5361, 5365, 5412, 1850a(c)(1), and 5468(b)(1)). Return to the appropriate Federal Reserve Bank the original and the number of copies specified.

NOTE: The Annual Report of Holding Companies must be signed by one director of the top-tier holding company. This individual should also be a senior official of the top-tier holding company. In the event that the top-tier holding company does not have an individual who is a senior official and is also a director, the chairman of the board must sign the report. If the holding company is an ESOP/ESOT formed as a corporation or is an LLC, see the General Instructions for the authorized individual who must sign the report.

Date of Report (top-tier holding company's fiscal year-end): December 31, 2018

Person to whom questions about this report should be directed: Aaron C. Hicks, CFO

Address (URL) for the Holding Company's web page: www.powellvalleybank.com

For holding companies not registered with the SEC—Indicate status of Annual Report to Shareholders:

☐ is included with the FR Y-6 report
☐ will be sent under separate cover
☐ is not prepared

For Federal Reserve Bank Use Only

RSSID ID
C.I.

Is confidential treatment requested for any portion of this report submission? 

☐ Yes

In accordance with the General Instructions for this report (check only one),

1. a letter justifying this request is being provided along with the report.

☐ No

2. a letter justifying this request has been provided separately ...................................

NOTE: Information for which confidential treatment is being requested must be provided separately and labeled as "confidential."
Powell Valley Bankshares, Inc.
Jonesville, Virginia
Fiscal Year Ending December 31, 2018

Report Item 2a - Organization Chart of Parent - Subsidiary Relationships

Powell Valley Bankshares, Inc.
(Parent Company)
No LEI
Incorporated in Virginia
33785 Main St.
Jonesville, VA 24263

- 100%

Powell Valley National Bank
(Subsidiary)
LEI: 2454900GBSHEUZ4PGG08
Incorporated in Virginia
33785 Main St.
Jonesville, VA 24263

- 100%

Powell Valley Service Corporation, Inc.
(Subsidiary)
No LEI
Incorporated in Virginia
33785 Main St.
Jonesville, VA 24263
Report Item 2b - Domestic Branch Listing
NOTE: Branch verification submitted early via email on 3/28/17

1) Jonesville - Main Office
   33785 Main Street
   Jonesville, VA 242263
   Lee / USA
   Full Service

2) Pennington Gap - Branch
   42180 East Morgan Avenue
   Pennington Gap, VA 24277
   Lee / USA
   Full Service

3) Wise - Branch
   540 West Main Street
   Wise, VA 24293
   Wise / USA
   Full Service

4) Big Stone Gap - Branch
   228 East 5th Street South
   Big Stone Gap, VA 24219
   Wise / USA
   Full Service

5) Duffield - Branch
   301 Duff-Patt Highway
   Duffield, VA 24244
   Scott / USA
   Full Service

6) Kingsport - Branch
   240 West Center Street
   Kingsport, TN 37660
   Sullivan / USA
   Full Service

   Opened 9-01-2018
Report Item 3: Securities Holders  
(1)(a)(b)(c) and (2)(a)(b)(c)

<table>
<thead>
<tr>
<th>Name &amp; Address</th>
<th>(City, State, Country)</th>
<th>Number and Country of Citizenship or Class of Voting Incorporation Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cridlin Investment Co. LLLP</td>
<td>USA</td>
<td>47,826 shares - 7.322% of common stock</td>
</tr>
<tr>
<td>Karen Cridlin</td>
<td>USA</td>
<td></td>
</tr>
<tr>
<td>H. Fuller Cridlin</td>
<td>USA</td>
<td></td>
</tr>
<tr>
<td>J. Patton Cridlin</td>
<td>USA</td>
<td></td>
</tr>
<tr>
<td>John C. Wynn</td>
<td>USA</td>
<td>256,226 shares - 39.228% of common stock</td>
</tr>
<tr>
<td>Patricia M. Wynn</td>
<td>USA</td>
<td></td>
</tr>
<tr>
<td>Browning Wynn II</td>
<td>USA</td>
<td></td>
</tr>
<tr>
<td>Sarah H. Wynn</td>
<td>USA</td>
<td></td>
</tr>
<tr>
<td>Laura M. Wynn</td>
<td>USA</td>
<td></td>
</tr>
<tr>
<td>Rachel Hammonds Wynn</td>
<td>USA</td>
<td></td>
</tr>
<tr>
<td>1888 Investments, LP</td>
<td>USA</td>
<td></td>
</tr>
<tr>
<td>Jennie Grigsby Stewart Pennington Gap, VA</td>
<td>USA</td>
<td>17,071 shares - 2.614% of common stock</td>
</tr>
<tr>
<td>NONE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) (a)</td>
<td>(1) (b)</td>
<td>(1) (c)</td>
</tr>
<tr>
<td>-------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>Name &amp; Address</td>
<td>Country of Citizenship or Incorporation</td>
<td>Number and Percentage of Each Class of Voting Securities</td>
</tr>
<tr>
<td>Robert T. Estes</td>
<td>USA</td>
<td>44,712 shares - 6.845% of common stock</td>
</tr>
<tr>
<td>Estes Bros Construction, Inc.</td>
<td>USA</td>
<td></td>
</tr>
<tr>
<td>Julaine Estes</td>
<td>USA</td>
<td></td>
</tr>
<tr>
<td>Jonesville, VA</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Report Item 4: Insiders

#### (1), (2), (3)(a)(b)(c) and (4)(a)(b)(c)

<table>
<thead>
<tr>
<th>Names &amp; Address (City, State, Country)</th>
<th>(2) Principal Occupation if other than with Bank Holding Company</th>
<th>(3)(a) Title &amp; Position with Bank Holding Company</th>
<th>(3)(b) Title &amp; Position with Subsidiaries</th>
<th>(3)(c) Title &amp; Position with Other Businesses (Include names of other businesses)</th>
<th>(4)(a) Percentage of voting shares in Bank Holding Company</th>
<th>(4)(b) Percentage of voting shares in Subsidiaries</th>
<th>(4)(c) List names of other companies (includes partnerships) if 25% or more of voting securities are held</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leton L. Harding</td>
<td>N/A</td>
<td>Executive Vice Pres.</td>
<td>Chairman of the Board PVB and PVNB, EVP, and CEO</td>
<td>NONE</td>
<td>0.153%</td>
<td>NONE</td>
<td>N/A</td>
</tr>
<tr>
<td>Roy E. Woodward, Jr.</td>
<td>N/A</td>
<td>Director</td>
<td>Director (PVNB)</td>
<td>NONE</td>
<td>1.102%</td>
<td>NONE</td>
<td>N/A</td>
</tr>
<tr>
<td>F. Winston Witt, Jr.</td>
<td>Insurance Agent</td>
<td>Director</td>
<td>Director (PVNB)</td>
<td>President Southwest Insurance Agency</td>
<td>0.071%</td>
<td>NONE</td>
<td>Southwest Insurance Agency 90% owner</td>
</tr>
<tr>
<td>Robert Estes</td>
<td>Commercial Contractor</td>
<td>Director</td>
<td>Director (PVNB)</td>
<td>President of Estes Bros, Construction Company</td>
<td>6.845%</td>
<td>NONE</td>
<td>Boones Trail Bison, LLC - 51% Lee Land Co., LLC - 51%</td>
</tr>
<tr>
<td>Browning Wynn, II</td>
<td>N/A</td>
<td>Director</td>
<td>Vice President (PVNB)</td>
<td>NONE</td>
<td>39.228% (aggregate family ownership)</td>
<td>NONE</td>
<td>1888 Investments, LP - 25%</td>
</tr>
<tr>
<td>Sarah Wynn</td>
<td>N/A</td>
<td>Director</td>
<td>Director (PVNB)</td>
<td>NONE</td>
<td>39.228% (aggregate family ownership)</td>
<td>NONE</td>
<td>1888 Investments, LP - 25%</td>
</tr>
</tbody>
</table>