March 14, 2025

To Our Stockholders,

The 12/31/24 balance sheet shows an increase in assets of $14 million. Higher interest rates during most of 2024 resulted in a nearly 20% increase in time deposits. The funds were utilized and deployed to our loan customers. Outstanding loans increased by $11 million to $252 million. The Directors elected to continue growing dividends to stockholders this year, returning over $1.9 million from earnings. Book value increased with retained earnings of $2 million, and an improvement in the investment portfolio's value of $392 thousand.

Net income for 2024 declined from the high in 2023 by $478 thousand. The decline is mainly due to a reduction in overdraft fees. We elected to terminate the bank's overdraft privilege program in July 2024 and altered our assessment of overdraft fees in March because of oversight and scrutiny by bank regulators. On a positive note, net interest income increased $441 thousand. Non-interest expense showed some increase resulting from the higher cost of doing business, such as higher wages, insurance expense, postage, supplies, and software maintenance costs.

The directors approved a stock buyback plan in November. After obtaining an appraisal of the stock, the process was discussed at length. While the plan is limited in dollars, it provides an immediately available source of liquidity should a stockholder desire to sell stock. If you want information about the plan, please contact us.

As mentioned in last year's letter, employees and directors evaluated the construction of a new facility in Olney. We are pleased to announce that the directors approved moving forward with the project. The new facility will be located at 215 N. West Street, the address of the current Route 130 Branch. Earthwork started in 2025, but some delays occurred, putting the project behind schedule. We expect demolition of the existing Route 130 Branch this summer, and to move from 101 E. Main Street by the summer of 2026. The current staff and our customers who utilize the Route 130 Branch will relocate to the Main Street and Whittle Avenue Branches. Personal banking services will be available at the Whittle Avenue facility during construction. In addition, hours at the Main Street and Whittle Avenue locations will be extended to minimize customer inconvenience.

Thank you for your continued investment in, and support of Summit Bancshares, Ltd. and your patronage of First National Bank in Olney. We appreciate the opportunity to serve your financial needs.

Sincerely,

Summit Bancshares, Ltd

Kevin G. Ochs
President and CEO

Brad E. Harmon
Chairman of the Board of Directors

Summit Bancshares, Ltd. and First National Bank in Olney
Board of Directors

Brad E. Harmon has served as a Director of Summit Bancshares, Ltd. and First National Bank in Olney since 2002, and currently serves as Chairman of the Board for both Summit Bancshares, Ltd. and First National Bank in Olney. Mr. Harmon has been a Registered Pharmacist since graduating from Butler University in 1980. He is President and co-owner of Harmon's Drug Store, Inc. with locations in Oblong, Robinson and Palestine Illinois. Brad is active in promoting small business in Crawford County.

Julie M. Hearring joined the Board of Directors of Summit Bancshares, Ltd. and First National Bank in Olney in July 2016. Mrs. Hearring is an independent insurance agent who joined her father, Don Blank, at Blank's Insurance Agency in Olney, in September of 1977. She purchased the agency in 2003. She works on many state and national insurance association boards and committees, and is a Certified Insurance Counselor. Julie is active at St. Joseph's Catholic Church, the Olney Rotary Club, past Richland Memorial Hospital Foundation member, past board member of the Richland County CEO Program.

James A. Knollenberg has served as Director of Summit Bancshares, Ltd. and First National Bank in Olney since 2002. Mr. Knollenberg is President of K & K Grain Farms, Inc. in Crawford County. Currently Jim serves on the Lincoln Trail College Foundation Board, and does live radio broadcasting of the college's men's home basketball games. He previously served as Chairman of the Crawford County Soil and Water Conservation District for 20 years, was a founding member of the Oblong Schools Academic Foundation, served as Superintendent of the Crawford County Fair, finance committee of Central United Methodist Church in Oblong, past Director of Rich-Law Service Company, and coached basketball at the Oblong Grade School.

Jason A. Mosbey joined the Board of Directors of First National Bank in Olney and Summit Bancshares, Ltd. in May 2020. Jason is the owner of Mosbey Seed Sales, LLC and holds an insurance producer license in both Illinois and Indiana specializing in crop insurance. Mr. Mosbey is also the co-owner of Mosbey Farms, Inc. where he continues to work with his family on their farm. Jason is a member of Mt. Gilead Church, volunteers for various youth programs, as well as acting sponsor to numerous non-profit organizations and youth programs in Richland and surrounding counties.

Nathan A. Stevens is married to Sarah Stevens, and they have three children, Gage, Meah, and Nora. Nathan is a 1998 graduate of Logan College of Chiropractic where he received his bachelors in science degree as well as a Doctor of Chiropractic degree. He is a certified chiropractic sports physician, certified DOT physician, certified in Graston technique, Acupuncture and various adjusting techniques. Nathan is the owner operator of Stevens Chiropractic, LLC. He also owns Stevens Refrigeration, providing direct service to Prairie Farms on smaller refrigeration units. He is a current member of Olney Rotary Club where he has served for the past 25 years. Nathan served as Rotary president from 2002-2004. He was a board member for ERFAE from 2007- 2010. He is a member of Mt Gilead Church and serves as a Deacon, helping to develop multiple community activities throughout the year. He is a current board member of Olney Tiger Sports Boosters, serving over 30 athletic programs in the Richland County School District.

Kevin G. Ochs is the President and CEO of the First National Bank in Olney and Summit Bancshares Ltd being appointed in February of 2023. He was Board secretary from 1998 to 2023. Kevin was appointed to the Board of Directors in 2007. Kevin began his career in banking at the First National Bank in Olney in 1992. His roles at the bank have included loan review, operations and most recently the Chief Financial Officer. Kevin also raises cattle with his son. He is a member of the Richland County Development Corporation and City of Olney Police Pension Boards, the Treasurer of the Wabash Valley Angus Association and a member of the St. Joseph Catholic Church.

Bruce A. Peters is a retired President and CEO of Summit Bancshares, Ltd. and First National Bank in Olney, serving as a Director since 2007. Mr. Peters was an employee of First National Bank in Olney for 42 years. Bruce has been active in the Richland County communities, serving as Chairman of the Richland County Development Corporation Board of Directors, Vice President of the Olney Central College Foundation Board, past Director of the Richland Memorial Hospital Board, member of the Trinity Lutheran Church, where he served on the Audit Committee and Church Council, past member of the Illinois Area 23 Local Workforce Investment Board, and was a founding board member of the Richland County CEO Program. He is a Past Exalted Ruler of the Olney Elks Lodge and continues to be a member.

Craig O. Weber joined the Board of Directors of Summit Bancshares, Ltd. and First National Bank in Olney in July 2014. Mr. Weber is an attorney and a partner in the Weber, Heap, Ayres & Greene, P.C. law firm with locations in Robinson and Newton, Illinois. Craig is active in the Crawford and Jasper County communities, serving as a member and past President of the Crawford County Bar Association, Board member of United Way of Crawford County, past Director of Crawford County Habitat for Humanity, and member of St. Elizabeth’s Catholic Church in Robinson where he formerly served on the Pastoral Council.

Summit Bancshares, Ltd.

Consolidated Balance Sheets

December 31, 2024 and 2023

(Amounts in Thousands, Except for Share Data)

Assets

	2024	2023
Cash and due from banks	$ 15,049	$ 13,573
Interest-bearing time deposits	2,480	3,224
Available-for-sale debt securities	156,374	156,476
Held-to-maturity debt securities	7,320	4,845
Loans, net of allowance for loan losses of $2,898 and $2,559 at December 31, 2024 and 2023	249,573	238,727
Premises and equipment, net	4,610	3,791
Federal Reserve Bank and Federal Home Loan Bank stock	497	497
Interest receivable	4,423	4,033
Goodwill	4,634	4,634
Deferred income taxes, net	2,011	2,373
Other assets	788	1,093
Total assets	$ 447,759	$ 433,266

Liabilities

Deposits		
Demand	$ 83,507	$ 88,126
Savings, NOW and money market	178,412	184,317
Time	139,712	116,594
Total deposits	401,631	389,037
Federal Home Loan Bank borrowings	1,492	1,661
Short-term borrowings	128	309
Deferred income taxes, net	-	-
Interest payable and other liabilities	1,235	1,423
Total liabilities	404,486	392,430

Stockholders Equity

Common stock, $0.83 par value; authorized 3,000,000 shares; 2,299,471 issued and 2,285,134 outstanding at December 31, 2024 and 2023	1,923	1,923
Additional paid-in capital	15,845	15,845
Retained earnings	35,538	33,493
Accumulated other comprehensive income	(9,862)	(10,254)
Treasury stock, at cost, 2024 and 2023 - 14,337 shares	(171)	(171)
Total stockholders' equity	43,273	40,836
Total liabilities and stockholders' equity	$ 447,759	$ 433,266

Summit Bancshares, Ltd.

Consolidated Statements of Income

December 31, 2024 and 2023

(Amounts in Thousands, Except for Share Data)

	2024	2023
Interest Income		
Loans, including fees	$ 14,349	$ 11,913
Debt securities	5,772	5,300
Federal funds sold	-	-
Deposits with financial institutions	1,359	1,409
Total interest income	21,480	18,622
Interest Expense		
Deposits	7,848	5,507
Federal Home Loan Bank advances and other borrowings	206	130
Total Interest Expense	8,054	5,637
Net Interest Income	13,426	12,985
Provision for Loan Losses	64	45
Net Income After Provision for Loan Losses	13,362	12,940
Noninterest Income		
Fiduciary activities	308	301
Loan servicing fees	97	102
Service charges and fees	1,287	1,565
Net gains on loan sales	(5)	5
Net realized gains on sales of available-for sale debt securities	-	128
Other	53	302
Total noninterest income	1,740	2,403
Noninterest Expense		
Salaries and employee benefits	5,808	5,678
Net occupancy and equipment expense	996	1,011
Data processing	792	712
Professional fees	257	218
Marketing	253	262
Printing and office supplies	275	221
Deposit insurance premiums	208	200
Other	1,104	989
Total noninterest expense	9,693	9,291
Income Before Income Tax	5,409	6,052
Provision for Income Taxes	1,445	1,610
Net Income	$ 3,964	$ 4,442
Earnings per Share	$ 1.73	$ 1.94

Summit Bancshares, Ltd.

Consolidated Statements of Stockholders Equity

December 31, 2024 and 2023

(Amounts in Thousands, Except for Share Data)

	Common Stock		Additional Paid-in	Retained	Accumulated Other Comprehensive	Treasury	
	Shares	Amount	Capital	Earnings	Income	Stock	Total
Balance, January 1, 2023	2,285,134	$ 1,923	$ 15,845	$ 30,990	$ (13,070)	$ (171)	$ 35,517
Net Income				4,442			4,442
Dividends on common stock, $0.82 per share				(1,874)			(1,874)
Adjustment for the adoption of CECL				(65)			(65)
Other comprehensive loss				-	2,816		2,816
Balance, December 31, 2023	2,285,134	$ 1,923	$ 15,845	$ 33,493	$ (10,254)	$ (171)	$ 40,836
Net Income				3,964			3,964
Dividends on common stock, $0.84 per share				(1,919)			(1,919)
Other comprehensive gain					392		392
Balance, December 31, 2024	2,285,134	$ 1,923	$ 15,845	$ 35,538	$ (9,862)	$ (171)	$ 43,273

Summit Bancshares, Ltd.

Notes to Consolidated Financial Statements

December 31, 2024 and 2023

(Table Dollar Amounts in Thousands)

Debt Securities

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-Sale Debt Securities				
December 31, 2024				
U.S. Treasuries	$ 42,633	$ 24	$ (1,880)	$ 40,777
U.S. Government agencies	10,529	48	(737)	9,840
U.S. Government sponsored enterprises mortgage-backed securities	4,501	7	(227)	4,281
State and political subdivisions	63,358	-	(9,829)	53,529
Other asset-backed - student loans	7,691	22	(18)	7,695
U.S. Government sponsored enterprises collateralized mortgage obligations	41,456	7	(1,211)	40,252
	$ 170,168	$ 108	$ (13,902)	$ 156,374
December 31, 2023				
U.S. Treasuries	$ 45,313	$ -	$ (2,459)	$ 42,854
U.S. Government agencies	11,831	67	(735)	11,163
U.S. Government sponsored enterprises mortgage-backed securities	4,592	-	(130)	4,462
State and political subdivisions	63,668	4	(9,709)	53,963
Other asset-backed - student loans	8,211	-	(54)	8,157
U.S. Government sponsored enterprises collateralized mortgage obligations	37,204	1	(1,328)	35,877
	$ 170,819	$ 72	$ (14,415)	$ 156,476

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Held-to-Maturity Debt Securities				
December 31, 2024				
State and political subdivisions	$ 2,770	$ -	$ -	$ 2,770
Corporates	4,550	-	-	4,550
	$ 7,320	$ -	$ -	$ 7,320
December 31, 2023				
State and political subdivisions	$ 295	$ -	$ -	$ 295
Corporates	4,550	-	-	4,550
	$ 4,845	$ -	$ -	$ 4,845

Summit Bancshares, Ltd.

Notes to Consolidated Financial Statements

December 31, 2024 and 2023

(Table Dollar Amounts in Thousands)

Loans and Allowance for Loan Losses

Classes of Loans at December 31, 2024 and 2023, include:

	2024	2023
Construction and land development	$ 2,521	$ 3,094
Real Estate		
Residential	54,180	55,425
Commercial	19,722	19,258
Agricultural	78,618	80,721
Other	6,589	4,616
Commercial		
Agricultural	42,367	38,522
Industrial	39,076	29,374
Consumer	8,545	9,437
Other Loans	189	175
	251,807	240,622
Add net deferred loan costs	664	664
Less allowance for loan losses	2,898	2,559
Net loans	$ 249,573	$ 238,727

Summit Bancshares, Ltd.

Notes to Consolidated Financial Statements

December 31, 2024 and 2023

(Table Dollar Amounts in Thousands)

The following tables present the credit risk profile of the Company's loan portfolio based on internal rating category and payment activity as of December 31, 2024 and 2023:

	2024				
	Construction and Land Development	Real Estate			
		Residential	Commercial	Agricultural	Other
Pass (A-D)	$ 2,521	$ 52,359	$ 18,615	$ 74,952	$ 6,589
Special Mention (E)	-	791	662	1,682	-
Substandard (F)	-	1,030	199	1,984	-
Doubtful (G)	-	-	246	-	-
Total	$ 2,521	$ 54,180	$ 19,722	$ 78,618	$ 6,589

	Commercial				
	Agricultural	Industrial	Consumer	Other Loans	Total
Pass (A-D)	$ 41,588	$ 37,662	$ 8,466	$ 189	$ 242,941
Special Mention (E)	379	1,242	21	-	$ 4,777
Substandard (F)	400	172	58	-	$ 3,843
Doubtful (G)	-	-	-	-	$ 246
Total	$ 42,367	$ 39,076	$ 8,545	$ 189	$ 251,807

	2023				
	Construction and Land Development	Real Estate			
		Residential	Commercial	Agricultural	Other
Pass (A-D)	$ 2,892	$ 53,630	$ 18,341	$ 75,743	$ 4,616
Special Mention (E)	-	1,015	406	1,644	-
Substandard (F)	202	780	227	3,334	-
Doubtful (G)	-	-	284	-	-
Total	$ 3,094	$ 55,425	$ 19,258	$ 80,721	$ 4,616

	Commercial				
	Agricultural	Industrial	Consumer	Other Loans	Total
Pass (A-D)	$ 35,472	$ 28,008	$ 9,283	$ 175	$ 228,160
Special Mention (E)	2,650	1,183	76	-	$ 6,974
Substandard (F)	400	183	78	-	$ 5,204
Doubtful (G)	-	-	-	-	$ 284
Total	$ 38,522	$ 29,374	$ 9,437	$ 175	$ 240,622

Summit Bancshares, Ltd.

Notes to Consolidated Financial Statements

December 31, 2024 and 2023

(Table Dollar Amounts in Thousands)

The following tables present the Company's loan portfolio aging activity of the recorded investment in loans as of December 31, 2024 and 2023:

	2024						
	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 Days	Total Past Due	Current	Total Loans Receivable	Total Loans > 90 Days and Accruing
Construction and Land Development	$ 103	$ -	$ -	$ 103	$ 2,418	$ 2,521	$ -
Real Estate				$ -		$ -	
Residential	1,875	502	122	$ 2,499	51,681	$ 54,180	-
Commercial	693	51	-	$ 744	18,978	$ 19,722	-
Agricultural	498	-	-	$ 498	78,120	$ 78,618	-
Other	-	-	-	$ -	6,589	$ 6,589	-
Commercial							
Agricultural	400	300	-	$ 700	41,667	$ 42,367	-
Industrial	443	108	31	$ 582	38,494	$ 39,076	-
Consumer	74	59	-	$ 133	8,412	$ 8,545	-
Other Loans	-	-	-	$ -	189	$ 189	-
Total	$ 4,086	$ 1,020	$ 153	$ 5,259	$ 246,548	$ 251,807	$ -

	2023						
	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 Days	Total Past Due	Current	Total Loans Receivable	Total Loans > 90 Days and Accruing
Construction and Land Development	$ 202	$ -	$ -	$ 202	$ 2,892	$ 3,094	$ -
Real Estate				$ -		$ -	
Residential	1,128	752	38	$ 1,918	53,507	$ 55,425	-
Commercial	368	58	-	$ 426	18,832	$ 19,258	-
Agricultural	265	-	-	$ 265	80,456	$ 80,721	-
Other	-	-	-	$ -	4,616	$ 4,616	-
Commercial				$ -		$ -	
Agricultural	12	-	-	$ 12	38,510	$ 38,522	-
Industrial	111	210	-	$ 321	29,053	$ 29,374	-
Consumer	160	6	2	$ 168	9,269	$ 9,437	-
Other Loans	-	-	-	$ -	175	$ 175	-
Total	$ 2,246	$ 1,026	$ 40	$ 3,312	$ 237,310	$ 240,622	$ -

Interest-bearing deposits in denominations of $250,000 or more were approximately $54,060,000 and $35,041,000 at December 31, 2024 and 2023, respectively.

At December 31, 2024 the scheduled maturities of time deposits are as follows:

2025	$ 121,678
2026	11,607
2027	4,964
2028	757
2029	681
	$ 139,687

Summit Bancshares, Ltd.
Notes to Consolidated Financial Statements
December 31, 2024 and 2023
(Table Dollar Amounts in Thousands)

	Actual		Minimum Required For Capital Adequacy Purposes	
	Amount	**Ratio**	**Amount**	**Ratio**
As of December 31, 2024				
Community Bank Leverage Ratio	$ 48,350	10.50%	$ 41,442	9.00%
As of December 31, 2023				
Community Bank Leverage Ratio	$ 47,752	10.56%	$ 40,691	9.00%

Summit Bancshares, Ltd.

Notes to Consolidated Financial Statements

December 31, 2024 and 2023

(Table Dollar Amounts in Thousands)

Condensed Financial Information (Parent Company Only)

Presented below is condensed financial information as to financial position, results of operations and cash flows of the Company:

Condensed Balance Sheets

	December 31	
	2024	2023
Assets		
Cash and due from banks	$ 1,048	$ 63
Investment in common stock of subsidiary	42,193	40,757
Other Assets	32	16
Total Assets	$ 43,273	$ 40,836
Stockholders' Equity	$ 43,273	$ 40,836

Condensed Statements of Income

	Years Ended December 31	
	2024	2023
Income- Dividends from subsidiary	$ 2,957	$ 1,869
Expenses- Other	53	34
Income Before Income Tax and Equity in Undistributed Income of Subsidiary	$ 2,904	$ 1,835
Income Tax Benefit	(16)	(10)
Income Before Equity in Undistributed Income of Subsidiary	2,920	1,845
Equity in Undistributed Income of Subsidiary	1,044	2,597
Net Income	$ 3,964	$ 4,442

First National Bank in Olney

~ DIRECTORS ~

Brad E. Harmon – Chairman
Julie M. Hearring
James A. Knollenberg
Jason A. Mosbey
Kevin G. Ochs
Bruce A. Peters
Nathan A. Stevens
Craig O. Weber

~ EMPLOYEES ~

Brittany Akers
William Alexander
Michelle Alumbaugh
Amy Angle
Anita Atkins
Chelsea Bangert
Janice Beavers
Britney Blessing
Diana Branham
Stephanie Brinson
Lisa Bruner
April Bunting
Karsyn Bynum
Bobbie Cheesman
Emily Clark
Terri Clodfelter
Reece Copeland
Erik Cordell
Joe Davis
Elizabeth Dhom
Jayla Doan
Ava Einhorn
Janice Ellis
Sandi Everingham
Katie Fehrenbacher
Rose Hampton
Fay Hedrick
Kim Ferguson
Carrie French
Mindy Henton
Tony Herman
Rachel Hernandez
Shawna Hill
Cara Hinkel-Schroth
Christine Hollowell
Heath Houchin
Teresa Hunt
Rick Johnson
Kate Kaufmann
Lucas Kepley
Stacy Kessler
Jack Kinkade
Victoria Kittle
Connie Knecht
Rhett Kocher
Rhonda Kuenstler
Katie Kuhl
Aubrey Lambird
Nora Leggitt
Sabrina Malone
Anita Mason
Kyle Mewes
Ann Muston
Kristina Newton
Christopher Ochs
Kevin Ochs
Matthew Paddick
Gail Parker
Lindsey Phillips
Amy Read
Jenna Schnepper
Kim Simmers
Jenicee Sloan
Jennifer Taylor
Paige Tedford
Joshua Thomas
Jamey Tracy
Janice Travis
Christine Uebinger
Emily Uebinger
Sarah Weaver
Maggie Weidner
Derek Weiler
Celeste White
Kevin Woods
Joseph Wyatt
Herman Zuber