Summit Bancshares, Ltd.

Consolidated Balance Sheets

December 31, 2025 and 2024

(Amounts in Thousands, Except for Share Data)

Assets

	2025	2024
Cash and due from banks	$ 29,178	$ 15,049
Interest-bearing time deposits	1,984	2,480
Available-for-sale debt securities, net allowance for securities losses of $72 and $0 at December 31, 2025 and 2024.	148,882	156,374
Held-to-maturity debt securities	10,965	7,320
Loans, net of allowance for loan losses of $3,504 and $2,898 at December 31, 2025 and 2024	244,860	249,573
Premises and equipment, net	8,342	4,610
Federal Reserve Bank and Federal Home Loan Bank stock	497	497
Interest receivable	4,390	4,423
Goodwill	4,634	4,634
Deferred income taxes, net	458	2,011
Other assets	849	788
Total assets	$ 455,039	$ 447,759

Liabilities

Deposits		
Demand	$ 87,471	$ 83,507
Savings, NOW and money market	188,461	178,412
Time	128,151	139,712
Total deposits	404,083	401,631
Federal Home Loan Bank borrowings	1,321	1,492
Short-term borrowings	645	128
Deferred income taxes, net	-	-
Interest payable and other liabilities	981	1,235
Total liabilities	407,030	404,486

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; 2,299,471 issued and 2,234,461 outstanding at December 31, 2025	1,874	1,923
Additional paid-in capital	14,970	15,845
Retained earnings	37,598	35,538
Accumulated other comprehensive income	(6,262)	(9,862)
Treasury stock, at cost, 2025 and 2024 - 14,337 shares	(171)	(171)
Total stockholders' equity	48,009	43,273
Total liabilities and stockholders' equity	$ 455,039	$ 447,759

Summit Bancshares, Ltd.

Consolidated Statements of Income

December 31, 2025 and 2024

(Amounts in Thousands, Except for Share Data)

	2025	2024
Interest Income		
Loans, including fees	$ 15,732	$ 14,349
Debt securities	5,459	5,772
Federal funds sold	-	-
Deposits with financial institutions	1,174	1,359
Total interest income	22,365	21,480
Interest Expense		
Deposits	7,868	7,848
Federal Home Loan Bank advances and other borrowings	126	206
Total Interest Expense	7,994	8,054
Net Interest Income	14,371	13,426
Provision for Loan Losses	1,022	64
Net Income After Provision for Loan Losses	13,349	13,362
Noninterest Income		
Fiduciary activities	253	308
Loan servicing fees	91	97
Service charges and fees	1,672	1,287
Net gains on loan sales	19	(5)
Net realized gains on sales of available-for sale debt securities	16	-
Other	54	53
Total noninterest income	2,105	1,740
Noninterest Expense		
Salaries and employee benefits	5,799	5,808
Net occupancy and equipment expense	1,079	996
Data processing	863	792
Professional fees	237	257
Marketing	250	253
Printing and office supplies	236	275
Deposit insurance premiums	211	208
Other	1,350	1,104
Total noninterest expense	10,025	9,693
Income Before Income Tax	5,429	5,409
Provision for Income Taxes	1,441	1,445
Net Income	$ 3,988	$ 3,964
Earnings per Share	$ 1.78	$ 1.73

Summit Bancshares, Ltd.

Consolidated Statements of Stockholders Equity

December 31, 2025 and 2024

(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, 2024	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)
Stock Repurchase Program		-					-
Other comprehensive gain				-	392		392
Balance, December 31, 2024	2,285,134	$ 1,923	$ 15,845	$ 35,538	$ (9,862)	$ (171)	$ 43,273
Net Income				3,988			3,988
Dividends on common stock, $0.86 per share				(1,928)			(1,928)
Stock Repurchase Program	(50,673)	(49)	(875)				(924)
Other comprehensive gain					3,600		3,600
Balance, December 31, 2025	2,234,461	$ 1,874	$ 14,970	$ 37,598	$ (6,262)	$ (171)	$ 48,009

Summit Bancshares, Ltd.

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

(Table Dollar Amounts in Thousands)

Debt Securities

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-Sale Debt Securities				
December 31, 2025				
U.S. Treasuries	$ 24,688	$ 9	$ (926)	$ 23,771
U.S. Government agencies	18,275	34	(358)	17,951
U.S. Government sponsored enterprises mortgage-backed securities	5,265	-	(173)	5,092
State and political subdivisions	61,082	-	(6,882)	54,200
Other asset-backed - student loans	8,484	23	(43)	8,464
U.S. Government sponsored enterprises collateralized mortgage obligations	39,918	130	(572)	39,476
				-
	$ 157,712	$ 196	$ (8,954)	$ 148,954
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

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Held-to-Maturity Debt Securities				
December 31, 2025				
State and political subdivisions	$ 5,415	$ -	$ -	$ 5,415
Corporates	5,550	-	-	5,550
	$ 10,965	$ -	$ -	$ 10,965
December 31, 2024				
State and political subdivisions	$ 2,770	$ -	$ -	$ 2,770
Corporates	4,550	-	-	4,550
	$ 7,320	$ -	$ -	$ 7,320

Summit Bancshares, Ltd.

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

(Table Dollar Amounts in Thousands)

Loans and Allowance for Loan Losses

Classes of Loans at December 31, 2025 and 2024, include:

	2025	2024
Construction and land development	$ 3,692	$ 2,521
Real Estate		
Residential	58,276	54,180
Commercial	20,377	19,722
Agricultural	69,169	78,618
Other	15,595	6,589
Commercial		
Agricultural	39,706	42,367
Industrial	32,158	39,076
Consumer	8,228	8,545
Other Loans	425	189
	247,626	251,807
Add net deferred loan costs	666	664
Less allowance for loan losses	3,432	2,898
Net loans	$ 244,860	$ 249,573

Summit Bancshares, Ltd.

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

(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, 2025 and 2024:

	2025									
	Construction and Land Development	Real Estate				Commercial				
		Residential	Commercial	Agricultural	Other	Agricultural	Industrial	Consumer	Other Loans	Total
Pass (A-D)	$ 3,581	$ 55,780	$ 16,909	$ 65,072	$ 15,452	$ 38,123	$ 30,344	$ 8,022	$ 425	$ 233,708
Special Mention (E)	-	615	2,291	2,220	-	242	1,417	165	-	$ 6,950
Substandard (F)	111	1,605	1,088	1,877	143	1,341	397	41	-	$ 6,603
Doubtful (G)	-	276	89	-	-	-	-	-	-	$ 365
Total	$ 3,692	$ 58,276	$ 20,377	$ 69,169	$ 15,595	$ 39,706	$ 32,158	$ 8,228	$ 425	$ 247,626

	2024									
	Construction and Land Development	Real Estate				Commercial				
		Residential	Commercial	Agricultural	Other	Agricultural	Industrial	Consumer	Other Loans	Total
Pass (A-D)	$ 2,521	$ 52,359	$ 18,615	$ 74,952	$ 6,589	$ 41,588	$ 37,662	$ 8,466	$ 189	$ 242,941
Special Mention (E)	-	791	662	1,682	-	379	1,242	21	-	$ 4,777
Substandard (F)	-	1,030	199	1,984	-	400	172	58	-	$ 3,843
Doubtful (G)	-	-	246	-	-	-	-	-	-	$ 246
Total	$ 2,521	$ 54,180	$ 19,722	$ 78,618	$ 6,589	$ 42,367	$ 39,076	$ 8,545	$ 189	$ 251,807

Summit Bancshares, Ltd.

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

(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, 2025 and 2024:

	2025						
	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	$ 520	$ 209	$ -	$ 729	$ 2,963	$ 3,692	$ -
Real Estate				$ -		$ -	
Residential	1,562	595	537	$ 2,694	55,582	$ 58,276	-
Commercial	1,155	-	579	$ 1,734	18,643	$ 20,377	-
Agricultural	1,754	-	-	$ 1,754	67,415	$ 69,169	-
Other	-	-	-	$ -	15,595	$ 15,595	-
Commercial							
Agricultural	92	-	-	$ 92	39,614	$ 39,706	-
Industrial	27	90	149	$ 266	31,892	$ 32,158	-
Consumer	169	97	2	$ 268	7,960	$ 8,228	-
Other Loans	-	-	-	$ -	425	$ 425	-
Total	$ 5,279	$ 991	$ 1,267	$ 7,537	$ 240,089	$ 247,626	$ -

	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	$ -

Interest-bearing deposits in denominations of $250,000 or more were approximately $51,986,000 and $54,060,000 at December 31, 2025 and 2024, respectively.

At December 31, 2025 the scheduled maturities of time deposits are as follows:

2026	$ 100,815
2027	22,651
2028	2,585
2029	729
2030	1,344
	$ 128,124

Summit Bancshares, Ltd.
Notes to Consolidated Financial Statements
December 31, 2025 and 2024
(Table Dollar Amounts in Thousands)

	Actual		Minimum Required For Capital Adequacy Purposes	
	Amount	**Ratio**	**Amount**	**Ratio**
As of December 31, 2025				
Community Bank Leverage Ratio	$ 50,358	10.90%	$ 41,576	9.00%
As of December 31, 2024				
Community Bank Leverage Ratio	$ 48,350	10.50%	$ 41,442	9.00%

Summit Bancshares, Ltd.

Notes to Consolidated Financial Statements

December 31, 2025 and 2024

(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	
	2025	2024
Assets		
Cash and due from banks	$ 169	$ 1,048
Investment in common stock of subsidiary	47,802	42,193
Other Assets	38	32
Total Assets	$ 48,009	$ 43,273
Stockholders' Equity	$ 48,009	$ 43,273

Condensed Statements of Income

	Years Ended December 31	
	2025	2024
Income- Dividends from subsidiary	$ 1,997	$ 2,957
Expenses- Other	23	53
Income Before Income Tax and Equity in Undistributed Income of Subsidiary	$ 1,974	$ 2,904
Income Tax Benefit	(7)	(16)
Income Before Equity in Undistributed Income of Subsidiary	1,981	2,920
Equity in Undistributed Income of Subsidiary	2,007	1,044
Net Income	$ 3,988	$ 3,964