



January 12, 2026

Dear Shareholder,

You will have recently seen the press release announcing our name change to Vallant Financial, Inc. from Pinnacle Financial Corporation. We think Vallant is a fitting way to represent the unique character of the organization we have created over many years. Vallant is an amalgamation of valiant, valor and gallantry and represents our desire to grow, innovate and protect, to strive and serve with humility.

This past year represents one of the most significant periods in our company's lifespan. In addition to launching the new brand, we announced a strategic combination with Morris State Bancshares, Inc. that will transform the company and take us to the next level of service and performance. Our financial results, as you can see in the attached statements, show significant growth and record profitability. We expanded our footprint, deepening our presence in the Augusta market. We have also continued to develop our infrastructure by investing in three major technology initiatives. Combined, we believe these investments will continue to drive performance for years to come.

Please review the enclosed statements for details on the results for 2025 of Pinnacle Financial Corporation (now Vallant.) As always, I am available to discuss these results and address any of your questions. Also, be on the lookout for additional information regarding our pending merger. As previously announced, we intend to list Vallant shares on the OTCQX market, which will allow you to trade your Vallant shares in a public market and also provide increased transparency around your investment.

Thank you for the business you do with Pinnacle Bank, for your investment in Vallant Financial and the trust you place in us.

Sincerely,

A handwritten signature in black ink, appearing to read 'L. Jackson McConnell, Jr.', written in a cursive style.

L. Jackson McConnell, Jr.
Chairman and CEO



FORWARD-LOOKING STATEMENTS

This communication contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 regarding the financial condition, results of operations, business plans and the future performance of Vallant Financial, Inc, formerly known as Pinnacle Financial Corporation (“Vallant”), Morris State Bancshares, Inc. (“Morris”), or the combined organization. Words such as “anticipates,” “believes,” “estimates,” “expects,” “forecasts,” “intends,” “plans,” “projects,” “could,” “may,” “should,” “will” or other similar words and expressions are intended to identify these forward-looking statements, although not all forward-looking statements include these words. These forward-looking statements are based on management’s current expectations and assumptions regarding Vallant’s, Morris’ and the combined organization’s business, the economy, and other future conditions. Because forward-looking statements relate to future results and occurrences, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict. Many possible events or factors could affect Vallant’s, Morris’ or the combined organization’s future financial results and performance and could cause actual results or performance to differ materially from anticipated results or performance. Such risks and uncertainties include, among others: the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the parties to terminate the definitive merger agreement between Vallant and Morris, the outcome of any legal proceedings that may be instituted against Vallant or Morris, delays in completing the transaction, the failure to obtain necessary regulatory approvals (and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the transaction) and shareholder approval or to satisfy any of the other conditions to the transaction on a timely basis or at all, the possibility that the anticipated benefits of the transaction are not realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of the strength of the economy and competitive factors in the areas where Vallant and Morris do business, the possibility that the transaction may be more expensive to complete than anticipated, including as a result of unexpected factors or events, diversion of management’s attention from ongoing business operations and opportunities, potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement or completion of the transaction, the ability to complete the transaction and integration of Vallant and Morris successfully, and the dilution caused by Vallant’s issuance of additional shares of its capital stock in connection with the transaction. Except to the extent required by applicable law or regulation, Vallant and Morris disclaim any obligation to update such factors or to publicly announce the results of any revisions to any of the forward-looking statements included herein to reflect future events or developments.

IMPORTANT ADDITIONAL INFORMATION AND WHERE TO FIND IT

In connection with the proposed transaction (the “Transaction”), Morris shareholders will receive a proxy statement of Morris and an offering circular of Vallant, as well as other relevant documents concerning the Transaction, to seek the required shareholder approval from Morris shareholders. Certain matters in respect of the Transaction involving Morris and Vallant will be submitted to Morris shareholders for their consideration.

MORRIS SHAREHOLDERS ARE URGED TO READ THE PROXY STATEMENT/OFFERING CIRCULAR BECAUSE THESE DOCUMENTS DO AND WILL CONTAIN IMPORTANT INFORMATION ABOUT VALLANT, MORRIS AND THE TRANSACTION.

NO OFFER OR SOLICITATION

This communication is for informational purposes only and is not intended to and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, or a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in which such offer, sale or solicitation would be unlawful, prior to registration or qualification under the securities laws of any such jurisdiction. Neither the FDIC, the Georgia Department of Banking and Finance, the Securities and Exchange Commission, nor any other federal or state regulatory authority has approved or disapproved Vallant’s common stock or the terms of the offering of Vallant common stock in connection with the Transaction. It is illegal for any person to tell you otherwise.

THE SECURITIES TO BE OFFERED BY VALLANT ARE NOT DEPOSITS AND ARE NOT AND WILL NOT BE INSURED OR GUARANTEED BY THE FDIC OR ANY OTHER FEDERAL OR STATE GOVERNMENT AGENCY. VALLANT’S COMMON STOCK IS SUBJECT TO INVESTMENT RISK, INCLUDING THE POSSIBLE LOSS OF PRINCIPAL.

**PINNACLE FINANCIAL CORPORATION
AND SUBSIDIARY**

**CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024**

<u>Assets</u>	<u>2025</u> <i>unaudited</i>	<u>2024</u> <i>audited</i>
Cash and due from banks	\$ 35,004,946	\$ 48,498,775
Interest-bearing deposits at other financial institutions	30,317,952	96,497,333
Federal Funds Sold	10,200,000	10,200,000
Securities available for sale	382,707,870	366,490,994
Equity Securities	2,351,358	2,165,559
Federal Home Loan Bank stock, at cost	1,719,300	1,669,600
Loans, net of allowance for loan losses of \$21,012,181 and \$20,058,064, respectively	1,670,401,800	1,536,615,927
Loans held for sale	5,451,309	5,956,953
Premises and equipment, net	42,789,167	37,092,131
Accrued interest receivable	8,868,336	7,899,459
Goodwill and intangibles, net	33,829,560	34,211,989
Cash surrender value of life insurance	14,990,125	15,151,299
Other real estate owned	1,991,720	423,798
Other assets	24,367,952	27,037,392
Total assets	\$ 2,264,991,396	\$ 2,189,911,209
<u>Liabilities and Stockholders' Equity</u>		
Liabilities:		
Deposits:		
Non-interest bearing	\$ 625,575,447	\$ 591,231,415
Interest-bearing	1,361,582,278	1,367,382,763
Total deposits	<u>1,987,157,725</u>	<u>1,958,614,178</u>
Securities sold under repurchase agreements	570,716	505,295
Federal Home Loan Bank advances	-	-
Federal Funds Purchased	737,000	192,000
Subordinated notes	24,747,555	24,697,726
Subordinated debentures	7,217,000	7,217,000
Accrued interest payable	3,153,498	4,318,969
ESOP Contribution	1,000,000	-
Other liabilities	23,013,361	15,163,225
Total liabilities	<u>2,047,596,855</u>	<u>2,010,708,393</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, no par value, 10,000,000 shares authorized; 1,369,116 and 1,375,498 shares issued, respectively	82,702,845	82,697,343
Retained earnings	164,732,335	141,661,077
Accumulated other comprehensive income (loss)	(30,040,639)	(44,155,604)
Total stockholders' equity	<u>217,394,541</u>	<u>180,202,816</u>
Total liabilities and stockholders' equity	\$ 2,264,991,396	\$ 2,190,911,209

as of 1/14/2026

**PINNACLE FINANCIAL CORPORATION
AND SUBSIDIARY**

**CONSOLIDATED STATEMENTS OF INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
	<i>unaudited</i>	<i>audited</i>
Interest income:		
Loans, including fees	\$ 100,274,887	\$ 88,725,987
Securities:		
Taxable	9,200,844	9,254,190
Nontaxable	1,704,400	1,770,983
Interest-bearing deposits at other financial institutions	3,981,013	5,249,324
Total interest income	<u>115,161,144</u>	<u>105,000,484</u>
Interest expense:		
Deposits	25,358,563	26,096,260
Borrowings	1,374,548	2,956,281
Total interest expense	<u>26,733,111</u>	<u>29,052,541</u>
Net interest income	<u>88,428,033</u>	75,947,943
Provision for loan losses	<u>1,800,000</u>	900,000
Net interest income after provision for loan losses	<u>86,628,033</u>	<u>75,047,943</u>
Other income:		
Service charges on deposit accounts	14,986,146	14,284,388
Mortgage loan origination fees	2,995,486	1,401,358
Other service charges and fees	2,093,549	1,910,902
Security gains (losses), net	2,731	(12,116)
Gains (Losses) on equity securities	133,904	(23,415)
Gain on sale of loans	871,725	598,918
Other income	5,322,475	4,667,346
Total other income	<u>26,406,016</u>	<u>22,827,381</u>
Other expenses:		
Salaries and employee benefits	40,877,177	34,679,932
Occupancy and equipment expense	11,067,462	9,789,091
Merger and acquisition expenses	308,258	-
Other expenses	22,580,145	20,700,256
Total other expenses	<u>74,833,042</u>	<u>65,169,279</u>
Net income before taxes	<u>\$ 38,201,007</u>	<u>\$ 32,706,045</u>
Taxes	<u>\$ 7,580,590</u>	<u>\$ 7,313,447</u>
Net Income	<u>\$ 30,620,417</u>	<u>\$ 25,392,598</u>
Basic earnings per share	<u>\$ 22.31</u>	<u>\$ 19.42</u>
Diluted earnings per share	<u>22.01</u>	<u>18.42</u>
Average shares outstanding - basic	<u>1,372,512</u>	<u>1,307,876</u>
Average shares outstanding - diluted	<u>1,391,312</u>	<u>1,378,405</u>

as of 1/14/2026