



PRESS RELEASE

October 28, 2026

First National Bancorporation in Carlyle, Inc., Carlyle, Illinois, and its subsidiary, 1NB Bank, Carlyle, Illinois, along with Headquarters Holding Company, Ava, Illinois, jointly announced they have entered into a definitive agreement whereby First National Bancorporation in Carlyle, Inc. will acquire Headquarters Holding Company and its subsidiary bank, First National Bank of Ava, Ava, Illinois, in a stock and cash transaction. Upon completion of the merger, First National Bank of Ava will merge with and become a part of 1NB Bank. The combined organization will have assets of \$394 million and 5 locations throughout Southern Illinois and 1 location in Southeast Missouri. 1NB Bank anticipates that all current employees of First National Bank of Ava will continue as employees of the combined Bank.

The transaction has been unanimously approved by the Board of Directors of all entities. Completion of the transaction is subject to approval of the shareholders of Headquarters Holding Company, receipt of required banking regulatory approvals, and other customary closing conditions. The closing of the transaction is expected to occur in the second quarter of 2027.

“We are very excited about the opportunity to welcome First National Bank of Ava’s customers and employees to 1NB Bank.” Ed Carroll, 1NB Bank Chairman & CEO said in a statement. “Its location is a good geographic fit with our existing footprint, and our organizations share a similar commitment to our customers and to supporting the communities we serve.”

“This merger positions us well for the future of agricultural banking in our local market. By joining 1NB Bank our customers will gain access to expanded lending capacity and a broader range of products such as trust and investment services. We are excited to complete the merger and begin operating as 1NB Bank.” Tim Mitchell, President and CEO First National Bank of Ava.

Shareholders of Headquarters Holding Company will receive additional disclosures regarding the proposed merger and the stock to be issued as merger consideration at a later date as part of the proxy statement to be provided in connection with the shareholder meeting that will be called to vote on the proposal.