

October 15, 2024

Dear Shareholders and Friends, Ladies and Gentlemen,

We are pleased to present to you selected financial highlights of Huron Community Financial Services, Inc. (HCFSI) and Huron Community Bank (HCB) for the period ending September 30, 2024.

HCFSI (In Thousands)

Net Income for our holding company through September 30, 2024 was \$1,171 as compared to \$1,012 for the same period last year. Return on Average Equity was 7.08% and Return on Average Assets was 0.47% compared to 6.33% and 0.43% respectively at September 30, 2023. After the Generally Accepted Accounting Principles (GAAP) adjustments of our Unrealized Gains and Losses of the securities portfolio, the Book Value of your Common Stock is \$44.50 per share and Share-Holder Equity is \$24,126. These GAAP adjustments in **NO WAY** affects any of the bank's regulatory ratios, the strength of the bank, or the **EQUITY OF THE SHAREHOLDERS**. This does **NOT** affect the share price of the stock or the value of shares owned by any shareholder. *This is just an accounting entry reflecting the timing difference between rates maturing up or down and the maturity of these securities.* When these GAAP adjustments are backed out, Book Value per share and Share-Holder Equity are \$53.77 and \$29,155, respectively, compared to \$52.57 and \$29,963, respectively, at September 30, 2023. At September 30, 2024 Earnings per Share is \$2.85 compared to \$2.34 at September 30, 2023.

HCB (In Thousands)

Net Income through the end of the third quarter 2024 was \$1,237 compared to \$1,082 for the same period last year. September 30, 2024 Return on Average Equity was 8.02% with Return on Average Assets of 0.50% compared to 7.24% and 0.43% respectively at September 30, 2023. Total assets at the end of the third quarter were \$341,167 versus \$336,710 in 2023. Total loans ended the third quarter 2024 at \$164,712 while total deposits were \$303,198 compared to \$147,624 and \$300,075 respectively at September 30, 2023.

Year to Date Financial Performance

The 3rd quarter 2024 results show Huron Community Bank continues our positive momentum from the previous quarter compared to 2023 results. The Federal Reserve cut interest rates 50 bps for the first time in a few years to ease the economic slow down pressure and attempt to achieve an economic soft landing. Huron Community Bank has seen minimal stress in our loan portfolios largely due to the strong underwriting and credit culture at the bank. Our bank continues to have positive increases in our metrics with increased Net Income, Return on Average Equity and Return on Average Assets. The bank continues to grow with Total Assets increasing loan and deposit balances. The management team continues to focus on investing in the communities we serve and looking for strong growth opportunities.

As part of our Strategic Plan for 2024-2026 I will be reaching out to our shareholders with personal calls and starting a new quarterly newsletter to share our perspective, community involvement and successes in the communities we serve. Please stop into my office, send me an email, or call me to set up a visit to or answer any questions you may have.

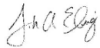
Cash Dividend Declared

Your Board of Directors declared a cash dividend of \$0.45 per share to shareholders of record at October 4, 2024. This represents the 123rd consecutive quarter in which a cash dividend has been paid to our shareholders. The dividend was paid on October 15, 2024. If you are not already enrolled in our dividend reinvestment program I would encourage you to do so. It is a great way to increase investment in the bank!

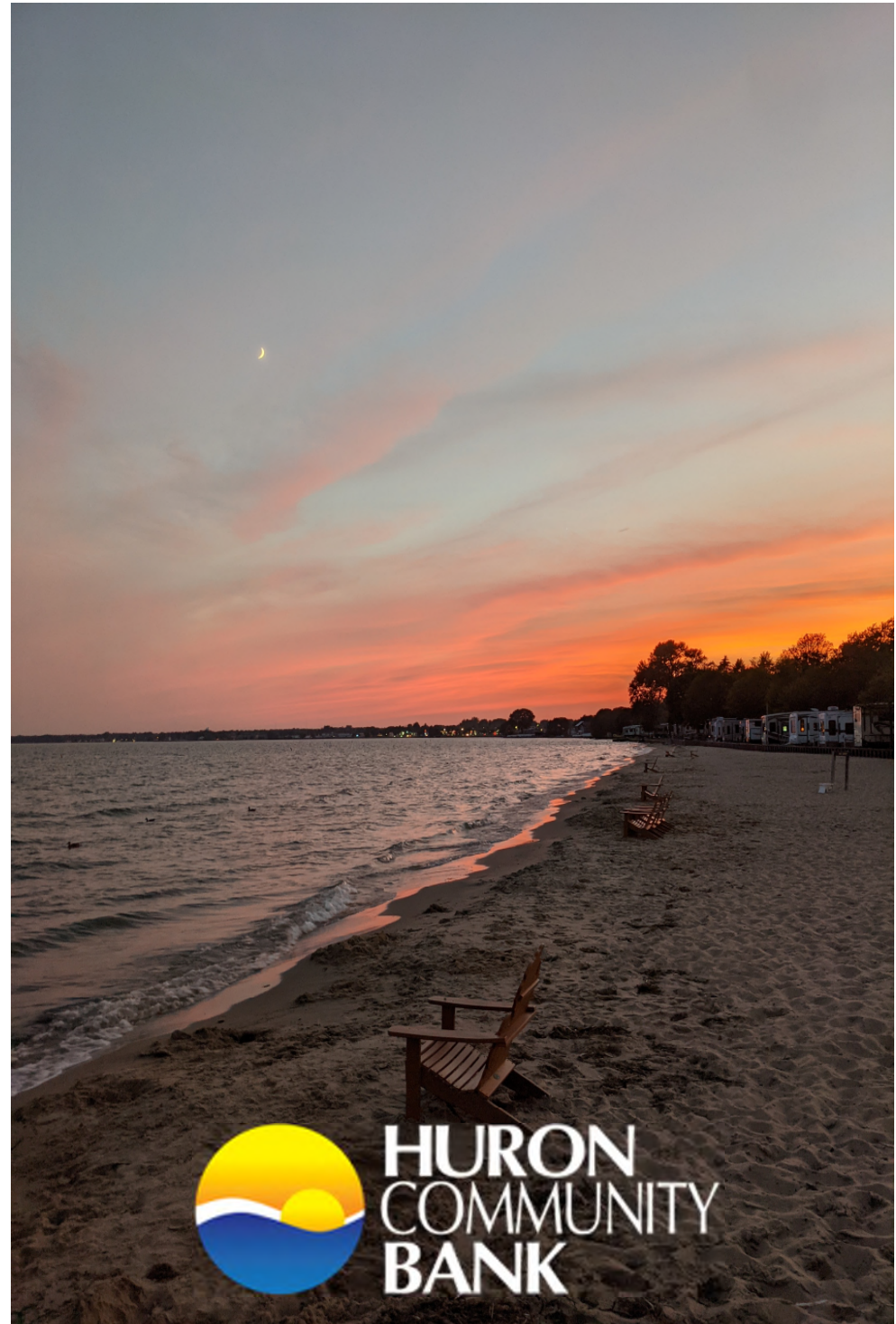
As always, I encourage you to reach out to me if you should have any questions or concerns. We appreciate your continued support and investment in HCFSI/HCB and "Community Banking" as we continue to make a difference in people's lives.

The ladies and gentlemen of HCB thank you for your support and welcome your comments.

Sincerely,



Josh A. Eling
President & CEO



HCFSI Consolidated Balance Sheet
(000's Omitted)

HCFSI Consolidated Report of Income
(000's Omitted)

Huron Community Bank
Financial Highlights

ASSETS	(Unaudited) 9/30/2024	(Unaudited) 9/30/2023	Nine Months Ended	(Unaudited) 9/30/2024	(Unaudited) 9/30/2023	PROFITABILITY	(Unaudited) 9/30/2024	(Unaudited) 9/30/2023
Cash & Due From Banks	\$ 60,895	\$ 68,345	Interest on Loans	\$ 7,278	\$ 6,049	Net Income (In thousands)	\$ 1,237	\$ 1,082
Investment Securities	102,175	105,807	Interest on Investments	3,266	2,551	Return on Assets - YTD Annualized	0.50%	0.43%
Total Loans	164,762	147,638	TOTAL INTEREST INCOME	10,545	8,600	Return on Equity - YTD Annualized	8.02%	7.24%
Allowance for Loan Loss	(2,520)	(2,676)				Net Interest Margin - YTD Annualized	3.15%	3.03%
Net Loans	162,241	144,961	INTEREST EXPENSE	3,500	1,891			
Bank Premises & Equipment	3,349	3,656	NET INTEREST INCOME	7,045	6,709			
Accrued Interest Receivable	1,202	1,380						
Intangible Assets	405	405	Fees on Loans	263	311			
Other Assets	12,035	13,246	Other Income	799	672	SELECTED BALANCES (In Thousands)		
TOTAL ASSETS	\$ 342,304	\$ 337,802	Total Other Operating Income	1,062	983	Total Assets	\$ 341,167	\$ 336,710
			Salaries and Benefits (net)	3,562	3,459	Total Loans	\$ 164,712	\$ 147,624
LIABILITIES & EQUITY			Fixed Expense	845	736	Total Deposits	\$ 303,198	\$ 300,075
Total Deposits	\$ 303,100	\$ 300,044	Variable Expense	2,328	2,401	Stockholder's Equity	\$ 22,909	\$ 19,935
Repurchase Agreements	3,087	4,658	Loan Loss Provision	0	0			
FHLB/FRB Borrowings	10,000	10,000	Loss (Gain) on Assets	0	(1)			
Other Liabilities	1,990	2,062	Other Operating Expense	6,825	6,595			
TOTAL LIABILITIES	318,178	316,763	NET INCOME BEFORE INCOME TAXES	1,282	1,097			
Common Stock	542	570	FEDERAL INCOME TAXES	110	85			
Surplus	16,092	17,715	NET INCOME	\$ 1,171	\$ 1,012			
Retained Earnings	12,521	11,678	Basic Earnings Per Share	\$ 2.14	\$ 1.76			
Unrealized Gain(Loss) Inv. Sec. AFS	(5,030)	(8,924)	Book Value Per Share	\$ 44.50	\$ 36.91			
TOTAL SHAREHOLDERS EQUITY	24,126	21,039	Cash Dividends Declared Per Share	\$ 1.35	\$ 1.11			
TOTAL LIABILITIES & EQUITY	\$ 342,304	\$ 337,802						

HURON COMMUNITY FINANCIAL SERVICES, INC.

BOARD OF DIRECTORS

Alan J. Stephenson, Chairman
Wayne D. Bigelow, Vice Chairman
David H. Cook
Matthew W. Buresh
Gary J. Thibault
Larry J. Richardson
Brenden A. Stephenson
Josh A. Eling

DIRECTORS EMERITUS

Monty L. Kruttlin
Robert M. Beneson
Thomas B. Huck
Mark D. Elliott

East Tawas Office
(989) 362-6700

Oscoda Office
(989) 739-9125

AuGres Office
(989) 876-8068

West Branch Office
(989) 343-1050

Tawas City Office
(989) 362-8671

Lincoln Office
(989) 736-6727

Harrisville Office
(989) 724-6719

Rose City Office
(989) 685-1169