



CITIZENS
NATIONAL BANK

Annual REPORT 2021





Dear Fellow Shareholder:

The Employees, Officers, and Directors of your company are pleased to provide you with our 2021 Annual Report for Citizens National Bank. We have included financial results for 2021 and a few of the many highlights we celebrated throughout the year. While the COVID Pandemic seems to be in its final stages and we are keenly aware of the economic and geopolitical issues we will face in 2022, we are excited about the promise of this year and the years to come.

Many of you have heard that your Bank has expanded its footprint to the Greater New Orleans area. In May of 2021, we added Jim Hudson to our management team to lead our efforts in the GNO Market. We opened our "Southern Headquarters" in October and announced plans for a Northshore location in December. While we continue to be Northwest Louisiana's community bank, we passionately believe we can bring our customer-centric brand of banking to the GNO area and find the same success we have had in the Bossier City - Shreveport area for almost four decades.

In an effort to provide better service and access to information about the Bank and its products and services, we have appointed Tommy Boggs as our Director of Shareholder Relations. This new position will serve as a concierge for our shareholders to assist them with all things shareholder related and to develop our shareholders as bank customers. We want to make it as easy as possible for you to do all your banking, borrowing, investing and mortgage business with your Bank.

The Board of Directors was pleased to pay a dividend of \$1.00 in early 2022 based on 2021 performance. This level of dividend is consistent with the Board's plan to migrate from the stock dividend strategy to a traditional cash dividend. The Board will continue to be committed to returning a portion of the Bank's earnings to our shareholders to provide them with liquidity and a cash return on investment.

Citizens National Bank, your Bank, is firmly committed to the communities we serve. We believe our success as a company is enhanced by the prosperity of these communities. We are uniquely positioned to support our customers, community and stakeholders through our banking, volunteering and philanthropic efforts. We support economic development, education, medical research, our business community and the arts. We know you share our vision for thriving communities and stakeholder success. It is our pleasure to serve you.

With warmest regards,



James Williams
Chairman of the Board



Jason D. Smith
President and Chief Executive Officer

2021

STATEMENT OF INCOME & EXPENSES

INTEREST INCOME		2021
LOANS:		
Individuals, Partnerships & Corporations		34,626,380
INVESTMENT SECURITIES:		
Taxable		2,812,972
Non-Taxable		1,155,475
Dividends		70,234
Interest on Deposits with Banks		331,422
TOTAL INTEREST INCOME		38,996,483
INTEREST EXPENSE		
Deposits		3,219,844
Federal Funds Purchased		14
Other Borrowings		121,612
TOTAL INTEREST EXPENSE		3,341,501
NET INTEREST INCOME		35,654,982
Less: Allocation for Loan Losses		600,000
NET INTEREST INCOME AFTER PROVISION FOR POSSIBLE LOSSES		
Adjusted		35,054,982
OTHER REVENUES AND EXPENSES		
Commissions, Fees and Other Income		10,243,703
Gains (Losses) on Securities Transactions		523,832
Total Other Expenses before Income Tax		31,044,487
INCOME BEFORE FEDERAL INCOME TAX		14,778,030
Federal Income Taxes		2,357,677
Net Income After Federal Income Taxes		12,420,353

“Citizens National Bank finished 2021 as the Ninth largest bank chartered in Louisiana. While we are not focused on being the *biggest*, we do recognize the value that scale provides to the organization.”

Jason D. Smith – CEO

- 2021 Loan Portfolio growth 6.2%
- 2021 Asset Growth 12%
- 2021 Earnings Growth 14.9%
- 2021 Dividend Growth 33%

FINANCIAL HIGHLIGHTS

ASSETS		2021
Cash & Due From Banks		196,389,188
Investment Securities		339,691,957
Other Investments		2,463,470
Loans, Net of Provision for Possible Loan Losses		779,172,405
Fixed Assets		17,513,269
Interest Earned, Not Collected		3,472,034
Other Assets		34,426,720
TOTAL ASSETS		1,373,129,043
LIABILITIES		
Deposits		1,234,126,038
Other Liabilities		12,538,834
TOTAL LIABILITIES		1,246,664,872
CAPITAL ACCOUNTS		
Capital Stock		2,425,500
Surplus		124,038,671
TOTAL CAPITAL ACCOUNTS		126,464,171
TOTAL LIABILITIES & CAPITAL ACCOUNTS		1,373,129,043





“ **2021 proved to be a year which affirmed** our strong belief that if we lead with a service culture, we will have more opportunities to provide our products and services and create more meaningful relationships throughout our bank. CNB’s retail division is focused on providing ongoing training and support to our employees to help build their consultative sales skills. If our employees believe in our products and services, and are confident in explaining the value we bring to our customers’ financial lives, then we differentiate ourselves in a way that makes us special. In 2022 we look forward to continuing our success with the introduction of new consumer and business relationship products as well as the implementation of an automated customer relationship management tool “CRM” to measure our customer touch points, internal referrals and branch sales growth.”

Frances Dufrene
Executive Vice President | Retail Banking

“ **The Shareholder Relations Department was created** to improve communication between the Bank and the Shareholders. With this enhanced communication, we will be able to provide a customized experience to each of our shareholders. These services include bank relationship products for the shareholders and their families, keeping our shareholders informed of events within the bank and stock price activity. We value your support as a shareholder and look forward to developing your financial growth.”

Tommy Boggs
Executive Vice President, Director of Shareholder Relations
318 213 1483 • tboggs@citizensnb.com



“ **In 2021 the business banking division focused on implementing** the second funding of the Paycheck Protection Program to our clients, along with processing the forgiveness of these loans. The strengthening of the banker client relationship during these difficult times has been extraordinary. Moving into 2022 with a historically low interest rate environment we are focusing more on non-interest income through our expanded suite of Treasury Services. The addition of treasury services and products our clients utilize will further deepen the relationship, increase non-interest income and enhance franchise value.”

Charles C. Coleman
Executive Vice President | Business Banking

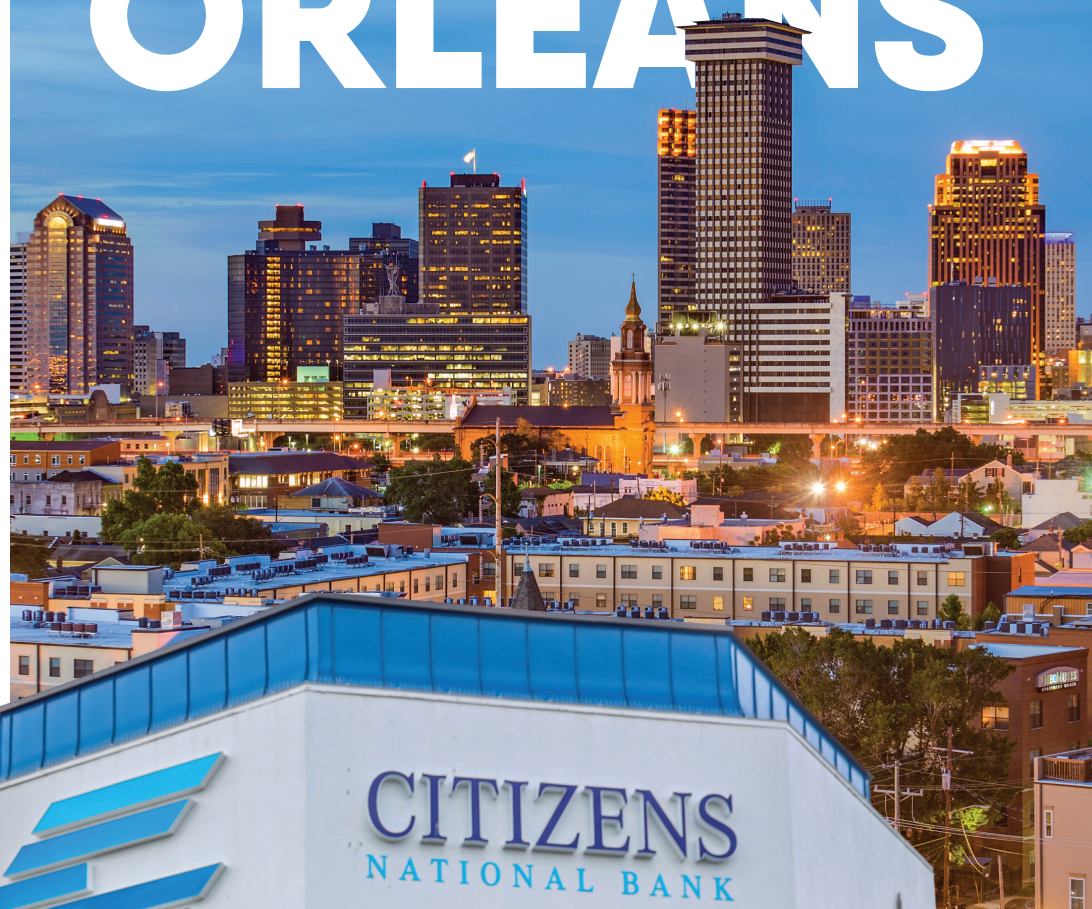


INTRODUCING NEW ORLEANS

“In just a short time since opening on October 7th 2021, CNB has established a strong presence in the NOLA region through the opening of a highly visible branch on Veterans Blvd in the heart of Metairie. Our staff is comprised of very seasoned and highly professional bankers, who have embraced the highest level of client satisfaction that CNB is known for throughout our 37 year history.

“Our goals of 70 million in new loans and 20 million in deposits by year end 2022 will easily be accomplished by the NOLA Team with great support from partners in Bossier City. We are opening new accounts daily and our pipeline on credit opportunities is very robust. In addition, we are searching for a Northshore location in St Tammany. CNB has gotten the attention of the Jefferson parish business community and there is a strong buzz all around about a new style of relationship banking in the NOLA Region.”

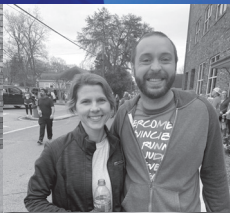
Jim Hudson
EVP | New Orleans Market
President





ADVISORY BOARD OF THE **GREATER NEW ORLEANS MARKET**

Left to Right: Phillip Rebowe, Tab Damiens, Jason Smith, Lynda Nugent Smith, Tim P. Coulon, Darryl Ward, Pat Leblanc, Marty Mayer, Jim Hudson, Jack F. Stumpf, Jr., James Williams



INVESTING IN OUR COMMUNITIES

Building a strong bond between our employees and our Community impacts the growth and wellbeing of our organization and the communities we serve.

HIGHLIGHTS

- Expanded into the Greater New Orleans Area
- Voted Biz Magazine “Best Place to Work” 5 years in a row
- New Benton Road location for our Investment Services and Mortgage Department
- Welcomed Frances Dufrene as our new Executive Vice President, Retail Banking
- Appointed Tommy Boggs Director of Shareholder Relations
- Originated \$36,000,000 in Second Round SBA Paycheck Protection Program Loans – Protecting thousands of Louisiana pay checks

Lyle Jeansonne

Executive Vice President,
Chief Credit Officer

Jason D. Smith

President,
Chief Executive Officer

Dawn Bastarache

Executive Vice President,
Chief Operations Officer

Charles C. Coleman

Executive Vice President,
Business Banking

Chris Willcox

Senior Vice President,
Chief Financial Officer



EXECUTIVE
**MANAGEMENT
TEAM**



Tommy Boggs

Executive Vice President,
Director of Shareholder Relations

Bill Allred

Senior Vice President,
Chief Technology Officer

Mark Johnson

Executive Vice
President Loan Review,
Audit & Compliance

Jim M. Hudson

Executive Vice
President, New Orleans
Market President

Frances Dufrene

Executive Vice President,
Retail Banking

COMING SOON:
4040 Florida Street
Mandeville, LA 70448

LOCATIONS

NEW LOCATION **New Orleans**

3908 Veterans Memorial Blvd Suite A
(504) 324-0080

Beaird Tower

Downtown Shreveport
330 Marshall Street, Ste. 120
Beaird Tower
(318) 629-3921

Benton Road

2005 Benton Road
(318) 747-8888

Bossier City

Main Office
2711 E. Texas Street
(318) 747-6000

East 70th Street

1545 E. 70th Street
(318) 797-7707

Haughton

401 W. McKinley Ave
(318) 949-0422

Mansfield Road

9237 Mansfield Road
(318) 688-2265

Mansfield

94 Polk Street
(318) 872-0044

Minden

1176 Homer Road
(318) 382-0080

Plain Dealing

102 N. Forrest Road
(318) 326-5544

South Bossier City

1600 Jimmie Davis Hwy
(318) 747-7626

Springhill

18 Machen Drive
(318) 539-5656



CITIZENS
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CONTACT INFO



www.citizensnb.com
NMLS#412577