



# SHAREHOLDER MEETING - 2020

SUMMARY FINANCIAL INFORMATION  
2014-2019

# BOARD OF DIRECTORS



**CITIZENS BANCORP  
INVESTMENT, INC.**

# Board of Directors

## 2019-2020

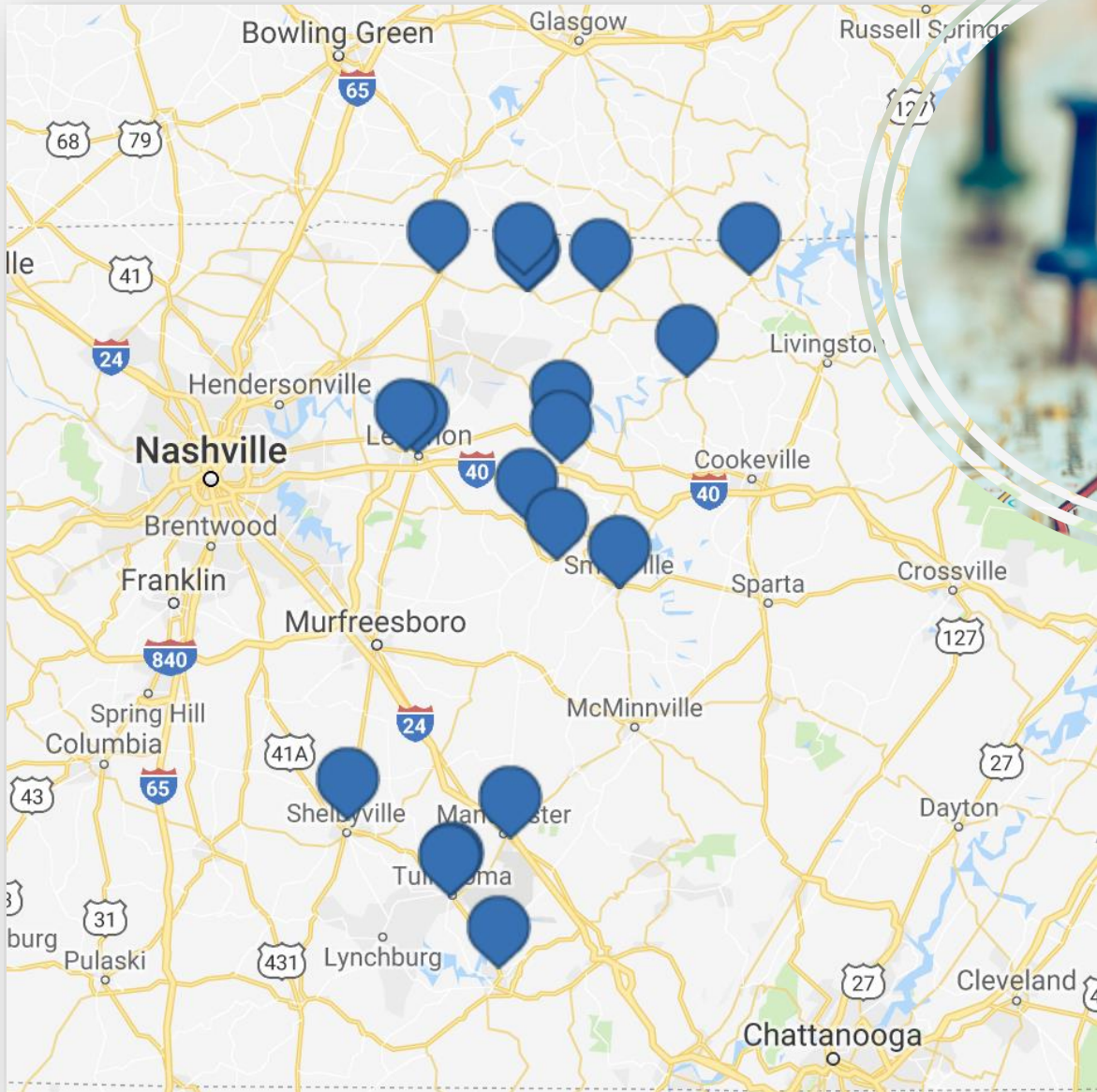
- Thomas E. Anderton  
*President, Citizens Bank, Shelbyville, TN*
- Joe M. Carter  
*Banker (retired), Lafayette, TN*
- Charles E. Darnell  
*Director Emeritus, Banker (retired), Lafayette, TN*
- W. Ransom Jones  
*Larco Medical Equipment, Lascassas, TN*
- Eugene R. London, Jr.  
*Systems Integration/Modeling & Simulation, Inc., Tullahoma, TN*
- Jon Alan Long  
*Dentist, Carthage, TN*
- F. Tom McCall, Jr.  
*D.T. McCall & Sons, Lafayette, TN*
- Cynthia A. McClard  
*Pharmacy Consultant/Store Owner, Brentwood, TN*
- Tony H. Polston  
*BD Polston Building Supply, Lafayette, TN*
- Michael W. Reese  
*Reese's Piggly Wiggly, Castalian Springs, TN*
- Gail L. Srygley  
*Educator (retired), Nashville, TN*
- Peter G. Williston  
*Chairman and CEO, Citizens Bank, Lafayette, TN*

# Board of Directors

## Changes in Board Membership

- In January 2020, our long-time Chairman and CEO of Citizens Bank, Charlie Darnell, was named Director Emeritus of the bank and the holding company. Charlie joined the bank as CEO in 1973 and retired from the bank and holding company in 2005. He remained actively involved on our board and loan committees.
- Eugene R. London, Jr. joined the board in December 2019. Eugene London is president of Systems Integration/Modeling & Simulation, Inc., and is a resident of Tullahoma, Tennessee. Local civic roles include Vice Chairman of a Tullahoma, Tennessee community bank board of directors, Tullahoma Chamber of Commerce President, and Motlow College Foundation Director.
- Dr. Jon Alan Long joined the board in December 2019. Dr. Long is a dentist and resident of Carthage, Tennessee. A graduate of the University of Tennessee - Knoxville and the University of Tennessee College of Dentistry in Memphis, Dr. Long joined the Smith County Advisory Board of Citizens Bank in 2004, and has been an active advisory board member, shareholder and supporter of the bank for nineteen years.





# Locations

19 Banking Centers Throughout  
Middle Tennessee

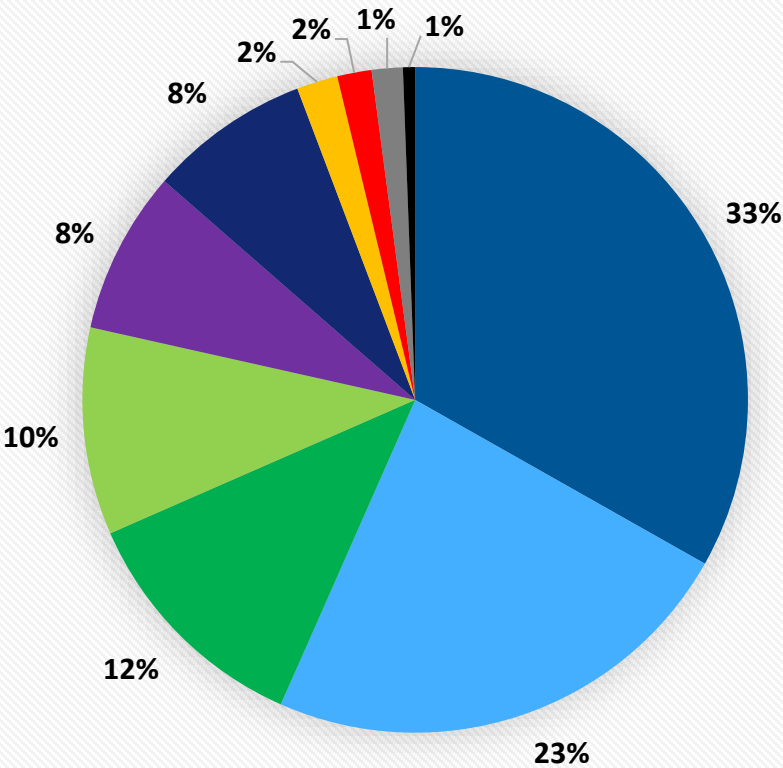
# Market Share by Deposits (as of June 2019)

County	Largest Office	Deposits (in 000's)	Market Share	Rank
Macon	Lafayette	\$ 227,470	41.98%	2
Coffee	Tullahoma	\$ 109,272	10.86%	4
DeKalb	Smithville	\$ 104,506	24.69%	2
Jackson	Gainesboro	\$ 81,861	57.62%	1
Clay	Celina	\$ 65,499	64.01%	1
Smith	Carthage	\$ 48,827	9.48%	3
Wilson	Lebanon	\$ 31,821	1.14%	13
Sumner	Westmoreland	\$ 29,959	0.78%	17
Bedford	Shelbyville	\$ 29,790	3.76%	7
Franklin	Winchester	\$ 13,645	2.45%	8
		<b>TOTAL \$ 742,650</b>		

# Loan Mix (as of December 31, 2019)

Description	Current Balance (in 000's)	% of Loans
1-4 Family Residential Properties	\$ 203,390	33.19%
NonFarm NonResidential Properties	143,540	23.42%
Farmland	72,426	11.82%
Construction , Land development and other land loans	61,686	10.07%
Loans to Individuals for household	48,500	7.91%
Commercial and Industrial Loans	47,952	7.83%
Multifamily (5 or more)	12,241	2.00%
Loans to Finance Agricultural production	10,218	1.67%
Loans to State, County & Municipals	9,228	1.50%
Other Loans	3,607	0.59%
<b>Total Loans &amp; Leases</b>	<b>\$ 612,788</b>	<b>100.00%</b>

# Loan Mix



- 1-4 Family Residential Properties
- NonFarm NonResidential Properties
- Farmland
- Construction , Land development and other land
- Loans to Individuals for household
- Commercial and Industrial Loans
- Multifamily (5 or more)
- Loans to Finance Agricultural production
- Loans to State, County & Municipals
- Other Loans



# AWARDS & FOCUS



**CITIZENS BANCORP  
INVESTMENT, INC.**

# Banky Award

Institute of Extraordinary Banking

Citizens Bank received two 2019 Banky Awards!

Given to the top banks with a strong emphasis on:

- ✓ *Philanthropy*
- ✓ *Customer Service*
- ✓ *Innovative Practices*
- ✓ *Internal Culture*
- ✓ *Financial Literacy Education*





# LiFE Program

## Literacy in Financial Education

- Literacy in Financial Education Program (LiFE) is a computer-based, interactive learning platform consisting of 9 modules.
- More than 5,00 students have completed 18,000 hours of financial literacy modules from our LiFE Program
- Currently in 16 High Schools in our communities

# FINANCIALS



**CITIZENS BANCORP  
INVESTMENT, INC.**

# Financial Report

Balance Sheet Summary		12/31/2019	3/31/2020
Cash and Due from Banks		\$ 42,937	\$ 57,722
Securities	FMV	242,148	256,414
Federal Funds Sold		1,000	1,000
Loans and Leases		612,671	589,555
Less: Allowance for Loan and Lease Losses		8,964	8,966
<b>Net Loans and Leases</b>		<b>603,707</b>	<b>580,589</b>
Premises and Fixed Assets		13,755	14,197
Other Real Estate Owned		40	150
Investment in Unconsolidated Subsidiaries		480	494
Intangible Assets (Goodwill, Core Deposits)		8,366	8,307
Other Assets		31,210	31,506
<b>Total Assets</b>		<b>943,643</b>	<b>950,379</b>



# Financial Report

Balance Sheet Summary cont.	12/31/2019	3/31/2020
Deposits - Noninterest-bearing	\$ 134,577	\$ 132,995
Deposits - Interest-bearing	625,204	638,260
<b>Total Deposits</b>	<b>759,781</b>	<b>771,255</b>
Other Borrowed Money	63,814	56,937
Other Liabilities	4,887	4,646
<b>Total Liabilities</b>	<b>828,482</b>	<b>832,838</b>
Equity Capital	115,161	117,541
<b>Total Liabilities and Capital</b>	<b>943,643</b>	<b>950,379</b>

# Financial Report

Income Statement Summary	12/31/2019	3/31/2020
Interest Income	\$ 42,100	10,286
Interest Expense	8,718	2,220
<b>Net Interest Income</b>	<b>33,382</b>	<b>8,066</b>
Provision for Loan and Lease Losses	1,296	213
Noninterest Income	7,374	1,763
Security Gains and Losses	94	0
Noninterest Expense	25,446	6,214
<b>Net Income before Taxes</b>	<b>14,108</b>	<b>3,402</b>
Unrealized Holding Gain or Losses	13	(20)
Income Taxes Expense	2,891	701
<b>Net Income</b>	<b>11,230</b>	<b>2,681</b>

# Financial Report

Capital Ratios	FDIC Well Capitalized	12/31/19	3/31/20
GAAP Capital Ratio	NA	12.20 %	12.37 %
Tier 1 Leverage Ratio	5.00 %	11.29 %	11.39 %
Tier 1 Risk-Based Capital Ratio	8.00 %	16.26 %	17.01 %
Total Risk-Based Capital Ratio	10.00 %	17.51 %	18.26 %
Loan Ratios			
Loans to Deposit Ratio		80.64 %	76.44 %
Loans to Funding Ratio		74.39 %	71.19 %
Loans to Asset Ratio		64.93 %	62.03 %
Allowance for Loan Losses to Loans		1.46 %	1.52 %
YTD Performance Ratios			
Return on Average Assets		1.20 %	1.14 %
Return on Average Equity		10.22 %	9.27 %
Efficiency Ratio		62.4 %	63.2 %

# Balance Sheet - Historical

	2014	2015	2016	2017	2018	2019
Assets	\$ 670,551	\$ 845,668	\$ 888,289	\$ 913,666	\$ 923,129	\$ 943,463
Loans	\$ 340,688	\$ 459,777	\$ 496,776	\$ 570,251	\$ 614,389	\$ 612,671
Deposits	\$ 531,467	\$ 684,295	\$ 701,105	\$ 696,580	\$ 721,416	\$ 759,781
Capital	\$ 75,941	\$ 83,783	\$ 87,425	\$ 95,802	\$ 102,384	\$ 115,161

(Numbers in 000's)

# Balance Sheet - Historical

	2014	2015	2016	2017	2018	2019
Net Earnings	\$ 7,193	\$ 8,229	\$ 8,883	\$ 8,920	\$ 12,003	\$ 11,230
Net Charge-offs <i>(Annualized)</i>	0.30%	0.40%	0.22%	0.18%	0.14%	0.07%

(Numbers in 000's)



# Shareholders - Historical

	2014	2015	2016	2017	2018	2019
Earnings Per Share*	\$ 1.24	\$ 1.42	\$ 1.51	\$ 1.52	\$ 2.04	\$ 1.91
Return on Average Assets	1.08%	1.01%	1.04%	0.99%	1.30%	1.20%
Return on Average Equity	10.01%	10.64%	10.06%	9.58%	12.30%	10.22%
Dividends Per Share*	\$ 0.21	\$ 0.22	\$ 0.23	\$ 0.35	\$ 0.44	\$ 0.52
Book Value Per Share*	\$ 13.16	\$ 14.30	\$ 14.90	\$ 16.32	\$ 17.43	\$ 19.61
Shares Outstanding*	5,769,600	5,859,000	5,868,200	5,868,200	5,872,200	5,872,200

*\* Adjusted for 200:1 stock split in July 1, 2019*

# ENHANCING SHAREHOLDER VALUE

# Enhancing Shareholder Value



Increased Dividends



Broadridge Corporate Issuer Solutions as Stock Transfer Agent



Stock Split



DTC eligibility = electronic stock transfers



**Ticker Symbol** *(coming soon)*



**OTCQX stock listing service** *(coming soon)*



**HOW DOES  
THIS HELP THE  
SHAREHOLDER**

# Once Citizens Bancorp is listed on OTCQX:



May hold your stock in a brokerage account



May buy/sell through a stockbroker



Stock transfers may happen electronically



Dividends may be paid by direct deposit



More shares = lower stock price = more affordable



More affordable price = helps stock sell = helps stock price rise





**HOW DOES  
THIS HELP  
THE BANK**

# How Does This Help The Bank?



Professional support for our shareholder activity



Lower price per share can encourage more trading and easier movement of the stock price



Higher priced stock generates more capital in a sale of new stock



Gains more visibility for the company



May assist in future acquisitions

# Timing

All steps  
complete except

**OTCQX**

Timing of  
OTCQX has  
recently been

**MARKET  
DRIVEN**

OTCQX listing  
may occur by  
end of summer

**2020**

# THANKYOU

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