

**CITIZENS BANCSHARES  
CORPORATION**

**SINCE 1921**



**PURPOSE.  
PERFORMANCE.  
POSSIBILITIES**

## **2023 ANNUAL REPORT**

**Build on momentum and grow**

# PURPOSE. PERFORMANCE. POSSIBILITIES.



**35%** Revenue Growth and  
**30%** increase in Net Income



**11%** Total Loan Growth



Earnings per share (EPS)  
increased to \$6.27 in 2023, a  
**35%** increase over last year



Capital Ratio metric:  
**43%** Total Capital —  
The strength of our company



Rated **#28** by S&P Global  
in the 100 Best Performing  
U.S. Community Banks of 2023  
under \$3 Billion in Assets



Over **95%** of loans originated  
to Low to Moderate Income  
and minority households and businesses



Citizens Trust Bank-established  
**Down Payment Assistance  
Grant Program** for first-time  
home buyers



Over **400** community service and  
volunteer hours supporting 2,800+  
community citizens in financial and  
homeownership education, food, and  
housing insecurities

**BUILD ON MOMENTUM AND GROW.**

2023

# Shareholders Message

Dear Valued Shareholders,

As we present the Company's 2023 Annual Report, we are excited to share a story of performance, innovation, and unwavering commitment to our purpose. We operate in a dynamic and often unpredictable world, yet we remain steadfast in our mission: to serve as the financial cornerstone of our community by empowering our customers, their families, and their businesses to prosper.

As we reflect on empowering and investing in our communities and what that means to us, this year's theme – "Purpose. Performance. Possibilities." – aligns with these core values that inspire and guide our journey.

**PURPOSE** defines who we are and the difference we strive to make. **PERFORMANCE** signifies our commitment to delivering value for our customers, team, and shareholders. **POSSIBILITIES** represent the limitless potential that lies ahead as we dream of and imagine a brighter future for everyone.

We strive to continue progressing in every aspect of our Company so that we keep improving the lives of those around us.

In 2023, we faced a challenging economic environment with rising interest rates, geopolitical uncertainties, and ongoing industry transformation. Despite the complex environment, our Company demonstrated remarkable resilience and adaptability and had the greatest year in the history of our Company. We were extremely proud to have our efforts recognized by the S&P Global ranking of Citizens Trust Bank as #28 in the 100 Best Performing U.S. Community Banks under \$3 Billion in assets.

It is a perception that you cannot be a mission-driven bank and have best-in-class industry performance. Yet, we keep pushing the limits and defying the odds while remaining steadfast in our commitment to our mission: empowering families, businesses, and communities to achieve their dreams and have financial success.

We achieved several notable milestones while simultaneously laying the groundwork for future success.





## PERFORMANCE...

### 2023 Financial Highlights:

- Another historic year of pre-tax earnings of \$16 million, or a 29% increase, compared to \$12 million in 2022
- Record earnings per share of \$6.27, or a 35% increase over last year
- Record common stock dividend of \$1.00 per share, or \$1.8 million, in 2024 compared to a previous record dividend of \$0.75 per share in 2023
- A Return on Assets (“ROA”) of 1.66% — generated by the company's historic performance combined with an extraordinary efficiency ratio of 50.5%
- Solid total loan growth of 11% driven by another exceptional year of funded loan production with a deliberate focus on customer retention. Over 95% of loans originated were to minority or low-to-moderate income borrowers.
- Strong asset quality as measured by low non-performing assets to total assets of 0.24%
- Positioned for continued growth with a total capital ratio of 43%

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**We were extremely proud to have our efforts recognized by the S&P Global ranking of Citizens Trust Bank as #28 in the 100 Best Performing U.S. Community Banks**

## POSSIBILITIES...

### Investing in Our Future: Creating Greater Access

As we continue our strategy to increase wallet share with existing customers and expand into new markets similar in make-up to our current customer composition, we are building infrastructure to accommodate the anticipated growth.

During 2023, we saw great promise in our pursuit of enhancing our digital solutions. Customers are responding positively with an increase in our business and consumer online banking, by 16% and 7%, respectively, and a 13% increase in Zelle customer utilization. We launched:

1) Contactless debit cards with the ability to connect to Apple and Google digital wallets. This creates a better customer experience and allows for faster transactions and a safer and more secure checkout, and

2) More sophisticated strategies to improve engagements with our online and digital communities. One example is through a third-party online vendor relationship that provides an auto-decisioning platform allowing us to deliver fast, convenient loan solutions to consumers and businesses.

Further, in our commitment to facilitating the dream of homeownership, we simplified the mortgage loan application process with a new digital loan portal allowing customers in all 50 states to apply for a mortgage loan entirely online.

For other loan products, in 2023, we began our pursuit of engaging a fintech partnership to optimize, automate, and accelerate the loan decisioning process to enhance the customer experience while integrating fraud prevention and risk mitigating attributes. We have selected a partner and are anticipating a 3rd quarter 2024 launch.

**We remain committed  
to transforming how  
we do business and  
fostering a culture  
of innovation.**





We remain committed to transforming how we do business and fostering a culture of innovation. As we look forward to 2024, we are already continuing our progress by:

- Implementing a new digital banking platform with a modern user interface that anticipates customer's needs, streamlines workflow, and works seamlessly on any device.
- Launching instant issue debit cards that allow our customers to receive their cards immediately. This will enhance the customer's experience, increase activation rate, reduce fraud, and provide a competitive advantage.
- Preparing the launch of a new digital marketing campaign in collaboration with our digital marketing partners to create a brand-differentiating strategy to bolster brand awareness, promote customer acquisition, increase wallet share, and deepen relationships with existing clients.

We are excited about the strides we are making in our delivery channels and building infrastructure for expansion. We are positioning our Company for scale and future success by developing tools and deploying

resources to enhance client engagement and bring greater efficiencies into our business model. But most importantly, we are investing in high-performance teammates. Teammates who can execute our vision, build relationships, and create an exceptional personalized customer experience.

## **PURPOSE...**

### **Investing in our Community: Our Mission**

Though we are extremely proud of our financial performance, we are equally proud of our partnership and impact in the communities we serve. We remain true to our mantra: We are not just in the Community, we are a part of the Community. Our legacy is founded on the principles of economic equality and well-being, and we are dedicated to fulfilling our mission of empowering communities, families, and future generations to achieve financial success and overall well-being.





## We are positioning our Company for scale and future efficiencies.

We demonstrated our commitment by:

- Extending over \$82 million in community loans to consumers and small businesses, contributing to job growth and economic revitalization and promoting strong community ecosystems.
- Committed \$100,000 to our Citizens Trust Bank-funded Down Payment Assistance Grant Program for first-time home buyers supporting homeownership and addressing the widening wealth gap.
- Dedicated over 400 community service and volunteer hours — supporting over 2,800 community citizens through financial and homeownership education and addressing food, and housing insecurities.

Furthermore, through our involvement in the community, we continue to provide financial literacy and money management skills to small businesses and community youth and give a vision of hope for future generations through internships and corporate exposure.

Our collaboration with the community and respected community partners allowed us to provide much-needed support and continue to enrich our understanding of the challenges faced by our communities. We are inspired by the progress made and continue to be dedicated to our efforts to create positive change.



## A Message of Confidence

In a dynamic and competitive landscape, we are confident that our Company is well positioned for continued success. We remain dedicated to our core values of purpose, performance, and possibilities, and are committed to delivering long-term value for our shareholders, customers, teammates, and the communities we serve.

We are confident that by staying true to our purpose, delivering exceptional performance, and embracing endless possibilities, we will continue to grow and thrive.

We thank our teammates and board of directors for their unwavering commitment to the success of our Company and we thank you, our fellow shareholders, for your continued support. Together, we will continue to build a better future, as we build on the momentum and grow with purpose and passion.

Sincerely,



A handwritten signature in black ink that reads "Cynthia N. Day".

Cynthia N. Day  
President and CEO  
Citizens Trust Bank



A handwritten signature in black ink that reads "Ray M. Robinson".

Ray M. Robinson  
Chairman of the Board  
Citizens Bancshares Corporation

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**We are not just in the Community, we are a part of the Community. We are dedicated to fulfilling our mission of empowering communities, families, and future generations to achieve financial success.**

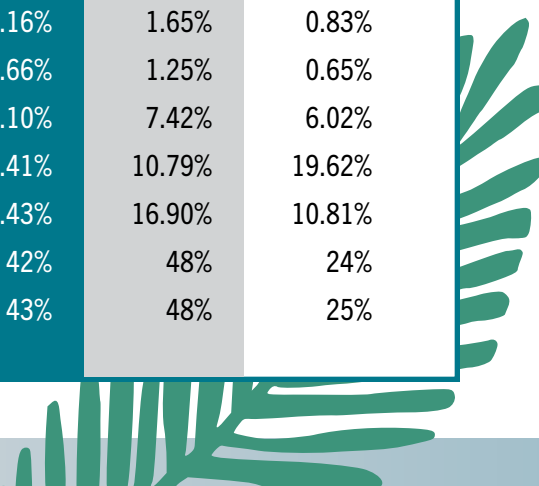


# Financials

## SELECTED CONSOLIDATED FINANCIAL DATA FOR CITIZENS BANCSHARES CORPORATION

As of and for the years ended December 31,  
(amounts in thousands, except per share data and financial ratios)

	2023	2022	2021
<b>STATEMENT OF INCOME DATA:</b>			
Net interest income	\$34,222	\$23,722	\$16,007
Income before income tax expense	\$15,969	\$12,417	\$5,216
Net income	\$12,295	\$9,437	\$4,061
Net income available to common shareholders	\$12,025	\$9,206	\$3,923
<b>PER SHARE DATA:</b>			
Net income per common share—basic	\$6.27	\$4.64	\$1.97
Book value per common share	\$30.34	\$24.97	\$27.04
Cash dividends paid per common share	0.75	\$0.50	\$0.40
<b>BALANCE SHEET DATA:</b>			
Loans, net of unearned income	\$378,717	\$340,855	\$284,761
Deposits	\$554,796	\$620,208	\$581,421
Advances from Federal Home Loan Bank	\$65	\$3,088	\$110
Total assets	\$745,638	\$807,136	\$668,919
Average stockholders' equity	\$173,229	\$127,265	\$67,508
Average assets	\$739,344	\$753,088	\$624,701
<b>RATIOS:</b>			
Income before income tax expense to average assets	2.16%	1.65%	0.83%
Net income to average assets	1.66%	1.25%	0.65%
Net income to average stockholders' equity	7.10%	7.42%	6.02%
Dividend payout ratio per common share	12.41%	10.79%	19.62%
Average stockholders' equity to average assets	23.43%	16.90%	10.81%
Tier 1 capital ratio (to risk weighted assets)	42%	48%	24%
Total capital ratio	43%	48%	25%



## Stockholders Information

Corporate Headquarters  
230 Peachtree Street, NW  
Suite 2700  
Atlanta, Georgia 30303  
www.ctbconnect.com  
678.406.4000

Mailing Address  
Citizens Bancshares  
Corporation  
Post Office Box 56943  
Atlanta, Georgia 30343

Notice of Annual Meeting  
May 22, 2024, 11:00 a.m. ET  
Citizens Trust Bank  
Corporate Headquarters  
230 Peachtree Street, NW  
Suite 2700  
Atlanta, Georgia 30303

Transfer Agency  
Computershare  
Investor Services  
1.800.568.3476  
250 Royall Street  
Canton, Massachusetts 02021

## Board of Directors of Citizens Bancshares Corporation

### **RAY M. ROBINSON**

Chairman of the Board  
Citizens Bancshares Corporation  
President Emeritus  
East Lake Golf Club

### **CYNTHIA N. DAY**

President and CEO  
Citizens Trust Bank

### **ROBERT L. BROWN, JR.**

President  
R.L. Brown & Associates

### **STEPHEN A. ELMORE, SR.**

Managing Principal  
Elmore CPAs, LLC

### **C. HOWIE HODGES, II**

Chief Executive Officer,  
CH Hodges, Inc.

### **C. DAVID MOODY, JR.**

Chief Executive Officer  
C.D. Moody Construction  
Company, Inc.

### **H. JEROME RUSSELL, JR.**

President  
H.J. Russell and Company  
Russell New Urban Development, LLC

### **JAMES E. WILLIAMS**

Chairman  
Immersive Solutions

## Principal Officers of Citizens Trust Bank

### **CYNTHIA N. DAY**

President and Chief Executive Officer

### **SAMUEL J. COX**

Executive Vice President/ Chief Financial Officer

### **FREDERICK L. DANIELS, JR.**

Executive Vice President/Chief Credit Officer

### **FARRAND O. LOGAN**

Executive Vice President/ Chief Lending Officer/  
Director of Sales and Business Development

### **IRIS D. GOODLY**

Senior Vice President/Director of Client Services  
and Operations

### **WANDA F. NESBIT**

Senior Vice President/Human Resources Director





**Citizens Trust Bank**  
678.406.4000  
[www.ctbconnect.com](http://www.ctbconnect.com)

# Locations

## GEORGIA

**Cascade**  
3705 Cascade Road  
South Fulton, GA 30331

**East Point**  
2840 East Point Street  
East Point, GA 30344

**Panola**  
2727 Panola Road  
Stonecrest, GA 30058

**Rockbridge**  
5771 Rockbridge Road  
Stone Mountain, GA 30087

**Westside**  
Main Office  
965 MLK Jr. Drive, NW  
Atlanta, GA 30314

## ALABAMA

**Birmingham Headquarters**  
1700 3rd Avenue North  
Birmingham, AL 35203

**Eutaw**  
213 Main Street  
Eutaw, AL 35462

## TRANSFER AGENCY

Trading Symbol: CZBS  
Computershare  
Investor Services | 1.800.568.3476  
250 Royall Street, Canton, MA 02021