

## DIRECTORS - CNB CORPORATION AND CITIZENS NATIONAL BANK

### RICK A. TROMBLE

*Chairman, CNB Corporation  
Chairman, Citizens National Bank  
Owner, Tromble Bay Farms*

### R. JEFFERY SWADLING

*Audit Committee Chairman, CNB Corporation  
Vice President, Ken's Village Market*

### DANA F. ANDREWS

*President, Sturgeon River Pottery, Inc.*

### STEPHANIE V. BALDWIN

*President, Edgewater Design Group*

### MELISSA K. BRIDGES

*Attorney, Bodman LLP*

### BRIAN B. EWBANK

*Retired President & COO, Stafford's Hospitality*

### VICTORIA J. HAND

*Retired Executive Vice President/Chief Operating Officer  
Citizens National Bank*

### MATTHEW E. KEENE

*President/Chief Executive Officer,  
Citizens National Bank & CNB Corporation*

### SCOTT D. LANDON

*President, Landon Auto Parts*

### CHRISTOPHER B. SHEPLER

*President, Shepler's Mackinac Island Ferry Service*

## DIRECTORS EMERITI

STEVEN J. BAKER, D.V.M.

JAMES C. CONBOY, JR.

THOMAS J. ELLENBERGER

SUSAN A. ENO

VINCENT J. HILLESHEIM

KATHLEEN A. LIEDER

THOMAS J. REDMAN

FRANCIS J. VANANTWERP, JR.

## CNB CORPORATION OFFICERS

MATTHEW E. KEENE ..... *President & Chief Executive Officer*  
DAVID A. WOODS ..... *Vice President*  
JOSEPH P. GARBER ..... *Secretary*  
AMY E. ESSEX ..... *Treasurer*

## CITIZENS NATIONAL BANK OFFICERS

### LEADERSHIP:

MATTHEW E. KEENE ..... *President & Chief Executive Officer*  
AMY E. ESSEX ..... *Senior Vice President & Chief Financial Officer*  
JOSEPH P. GARBER ..... *Senior Vice President,  
Chief Credit Officer & Cashier*  
DAVID A. WOODS ..... *Senior Vice President & Chief Loan Officer*  
MARILY J. GALLOWAY ..... *Vice President,  
Operations, Compliance & Risk Officer*  
TRISHA M. DOBIAS ..... *Vice President, Human Resources*  
VALERIE A. JONES ..... *Vice President, Cash Management*  
AMANDA J. NICHOLSON ..... *Vice President, Retail Banking*

### BUSINESS BANKING:

NICOLE M. DRAKE ..... *Senior Vice President*  
TIMOTHY J. TIMMER ..... *Vice President*  
STEPHEN J. DALY ..... *Vice President*  
ADAM B. CUSHMAN ..... *Cash Management Officer*

### RESIDENTIAL BANKING:

STEPHEN J. CRUSOE ..... *Senior Vice President*  
SHARON L. COPPERNOLL ..... *Vice President*  
MICHELLE M. MILLER ..... *Vice President*  
REGINA H. PATTON ..... *Vice President*  
ASHLEY R. WALDIE ..... *Residential & Consumer Officer*

### OPERATIONS:

QUINN C. BONNETT ..... *Facilities Manager & Security Officer*  
MAGHAN J. BROOKS ..... *Loan Operations Officer*  
LESLIE L. BUDNIK ..... *Business Operations Officer*  
LORA L. FRYE ..... *Branch Manager & Officer*  
MEMORY L. MASSEY ..... *Fraud Mitigation Officer*  
SHERI L. POPP ..... *Credit Officer*  
SHERRY M. WICHLACZ ..... *Operations Officer*

*Citizens National Bank has offices in:*

Cheboygan • Onaway • Mackinaw City  
Pellston • Indian River • Alanson • Petoskey

*You can also visit our website at*

**www.CNBisMyBank.com**



*our 94 year tradition continues*

# STATEMENT OF CONDITION

March 31, 2025



May 9, 2025

Dear Shareholder,

## CONSOLIDATED BALANCE SHEET

(UNAUDITED)

In thousands of dollars

	March 31,	
ASSETS	2025	2024
Cash and due from banks .....	\$ 4,748	\$ 4,598
Interest-bearing deposits with other financial institutions .....	3,154	15,235
Federal funds sold .....	341	1,748
Total cash and cash equivalents .....	8,243	21,581
Time deposits with other financial institutions .....	3,697	5,918
Securities available for sale .....	178,060	195,479
Securities held to maturity .....	5,970	6,400
Other securities .....	3,689	2,820
Total investment securities .....	187,719	204,699
Loans held for sale .....	1,349	489
Loans .....	239,749	230,669
Less: allowance for credit losses .....	(3,400)	(3,490)
Net loans .....	237,698	227,668
Premises and equipment, net .....	11,032	10,938
ORE Properties .....	0	572
Other assets .....	18,838	19,722
Total assets .....	\$467,227	\$491,098
<b>LIABILITIES</b>		
Deposits:		
Noninterest-bearing demand .....	\$ 144,256	\$ 140,173
Interest-bearing deposits .....	302,905	280,813
Total deposits .....	447,161	420,986
Fed funds purchased .....	0	57,000
Accrued and other liabilities .....	5,906	5,759
Total liabilities .....	453,067	483,745
<b>SHAREHOLDERS' EQUITY</b>		
Common stock .....	3,027	3,027
Additional paid-in capital .....	19,472	19,472
Retained earnings .....	14,832	12,612
Total shareholders' equity before AOCI adjustment .....	37,331	35,111
Accumulated other Comprehensive Income/(Loss), net (AOCI) .....	(23,171)	(27,758)
Total shareholders' equity .....	14,160	7,353
Total liabilities and shareholders' equity .....	\$467,227	\$491,098

## CONSOLIDATED STATEMENT OF INCOME

(UNAUDITED)

In thousands of dollars, except per share data

	For the three months ended March 31,		
INTEREST INCOME	2025	2024	2023
Interest and fees on loans .....	\$ 3,585	\$ 3,152	\$ 2,642
Interest on securities:			
Taxable .....	830	919	962
Tax exempt .....	67	72	82
Other interest income .....	210	227	164
Total interest income .....	4,692	4,370	3,850
<b>INTEREST EXPENSE</b>	796	982	311
<b>NET INTEREST INCOME</b> .....	3,896	3,388	3,539
Provision for credit losses .....	8	0	64
<b>NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES</b> ..	3,888	3,388	3,475
<b>NONINTEREST INCOME</b>			
Service charges and fees .....	341	341	321
Net gain from sale of loans .....	99	117	44
Net gain on sale of assets .....	0	3	0
Loan servicing income, net .....	84	67	10
Other income .....	52	62	139
Total noninterest income .....	576	590	514
<b>NONINTEREST EXPENSES</b>			
Salaries and benefits .....	2,031	1,826	1,794
Occupancy and equipment .....	510	392	345
FDIC insurance premiums .....	78	82	88
Other expenses .....	925	894	920
Total noninterest expenses .....	3,544	3,194	3,147
<b>INCOME BEFORE INCOME TAXES</b> .....	920	784	842
Income tax expense .....	170	129	151
<b>NET INCOME</b> .....	\$ 750	\$ 655	\$ 691
<b>BASIC NET INCOME PER SHARE</b> .....	\$ 0.62	\$ 0.54	\$ 0.57

Be assured that your community bank is operating from a position of strength with a continued focus on prudent management and long-term success. The positive momentum from 2024 has carried over into 2025, as reflected in the following 1st quarter financial highlights for CNB Corporation (Corporation) and its subsidiary, Citizens National Bank (Bank):

- The maturity of Bank investments coupled with deposit growth have enabled the Bank to repay its borrowings ahead of schedule. This said, it may be necessary to reborrow on occasion as the Bank navigates its traditional deposit cyclicity leading to the summer tourist season.
- The Bank's loan portfolio continues to grow, resulting in a year-over-year balance increase of \$9.1 million.
- Net interest income increased by \$508,000, attributed to higher interest income from loans and lower interest expense, primarily attributed to the reduction in Bank debt.
- The \$350,000 year-over-year increase in noninterest expenses was driven primarily by higher salaries and benefits, reflecting the Bank's continued commitment to attracting and retaining top talent. Additionally, the rise in occupancy and equipment costs was largely due to the opening of the Petoskey branch in early 2024.
- Despite the increase in noninterest expenses year-over-year, the Bank's net income increased by \$95,000 in the 1st quarter, an improvement of 14.5%.
- Total shareholders' equity experienced strong improvement, driven by lower market interest rates which improved the Unrealized Loss in the Bank's investment portfolio, and the \$2.2 million increase in retained earnings, reflecting earnings less dividends to shareholders.

The Annual Meeting of Shareholders will take place on Tuesday, May 20th at the Knights of Columbus Hall in Cheboygan. We will once again be holding a dinner following the meeting. I hope to see you all there. At this meeting, we will recognize Brian E. Ewbank, who has served as a director since 2021, as he retires from the CNB Board. We extend our sincere thanks for his dedicated service and wish him all the best in his retirement.

As always, please feel free to call or visit if you have any questions or comments concerning the Bank or the Corporation.

Sincerely,

Matthew E. Keene  
President & CEO