# DIRECTORS - CNB CORPORATION AND CITIZENS NATIONAL BANK

### DANA F. ANDREWS

Chairman, CNB Corporation Chairman, Citizens National Bank President, Sturgeon River Pottery, Inc.

## SCOTT D. LANDON

Vice Chairman, CNB Corporation Vice Chairman, Citizens National Bank President, Landon Auto Parts

## R. JEFFERY SWADLING

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

## STEPHANIE V. BALDWIN

President, Edgewater Design Group

### MELISSA K. BRIDGES

Attorney, Bodman LLP

## 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

### CHRISTOPHER B. SHEPLER

President, Shepler's Mackinac Island Ferry Service

## RICK A. TROMBLE

Owner, Tromble Bay Farms

## **DIRECTORS EMERITI**

STEVEN J. BAKER, D.V.M.
JAMES C. CONBOY, JR.
THOMAS J. ELLENBERGER
SUSAN A. ENO
BRIAN B. EWBANK
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 Ser	nior 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. GODZIK	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







## STATEMENT OF CONDITION



# CONSOLIDATED BALANCE SHEET (UNAUDITED)

In thousands of dollars

## CONSOLIDATED STATEMENT OF INCOME

(UNAUDITED)

In thousands of dollars, except per share data

ASSETS         2025         2024         INTEREST INCOME         2025         2024         2023           Cash and due from banks         \$ 8,731         \$ 7,820         Interest earning deposits with other financial institutions         135         4,552         Taxable         1,660         1,811         1,885           Federal funds sold         9,940         14,297         Taxable         130         141         151           Total cash and cash equivalents         9,830         14,299         Other interest income         2,75         5,33         2,82           Time deposits with other financial institutions         3,697         5,918         70dal interest income         9,00         8,995         7,789           Securities available for sale         14,661         187,275         150         1,760         1,781         2,600         8,272           Other securities         3,689         2,820         1,781         2,6935         6,962           Loans held for sale         8,87         4,65         1,781         1,767         6,952           Loans held for sale         8,87         4,65         1,767         7,767         6,952           Loans held for sale         8,87         4,65         5,760         7,767         7,7		June 30,		Fo	or the six months ended June 30,		
Interest-bearing deposits with other financial institutions	ASSETS	2025	2024	INTEREST INCOME	2025	2024	2023
Institutions		\$ 8,731	\$ 7,820		\$ 7,344	\$ 6,507	\$ 5,455
Total cash and cash equivalents.		135	4,552	Taxable	1,660	1,811	1,898
Time deposits with other financial institutions   3,697   5,918   Total interest income   9,409   8,995   7,789	Federal funds sold	964	1,927	Tax exempt	130	144	151
Securities available for sale   174,661   187,275   Securities led to maturity   5,489   6,047   Other securities   3,689   2,820   Total investment securities   1833,839   196,142   NET INTEREST INCOME   7,812   6,955   6,962   Couns held for sale   887   465   Provision for credit losses   45   0   64   Couns held for sale   887   465   Provision for credit losses   45   0   64   Couns held for sale   887   465   Provision for CREDIT LOSSES   7,767   6,935   6,898   Couns held for sale   887   465   Provision for CREDIT LOSSES   7,767   6,935   6,898   Couns   6,3450   Coun	Total cash and cash equivalents	9,830	14,299	Other interest income	275	533	285
Securities held to maturity	Time deposits with other financial institutions	3,697	5,918	Total interest income	9,409	8,995	7,789
Colter securities	Securities available for sale	174,661	187,275				
Total investment securities	Securities held to maturity	5,489	6,047	INTEREST EXPENSE	1,597	2,060	827
Note	Other securities	3,689	2,820				
Loans   245,198   238,217   NET INTEREST INCOME AFTER   PROVISION FOR CREDIT LOSSES   7,767   6,935   6,898     Net loans   242,655   235,182   Premises and equipment, net.   10,997   11,168   ORE Properties   0   572   Other assets   18,228   19,391   Net gain from sale of loans   81   224   135     Total assets   \$469,246   \$482,672   Net gain from sale of loans   81   224   135     Total assets   \$469,246   \$482,672   Net gain from sale of loans   81   224   135     Total deposits   157,544   \$146,448   Interest-bearing demand   \$157,544   \$146,448   Interest-bearing deposits   228,284   264,701     Total deposits   440,428   4411,149   NONINTEREST EXPENSES     Fed funds purchased   5,750   57,000   Accrued and other liabilities   65,662   6,613   Accrued and other liabilities   452,740   474,762   Other expenses   1,852   1,862   1,799     SHAREHOLDERS' EQUITY   Total noninterest expenses   7,060   6,482   6,013   Common stock   3,027   3,027   Additional paid-in capital   19,472   19,472   NOME BEFORE INCOME EXPENSES   1,865   1,660   1,959   Accumulated other   Comprehensive Income/(Loss), net (AOCI)   (21,614)   (27,917)   OTHER INCOME   1,559   1,371   1,597   1,597   1,501   1,501   1,507   1,507   1	Total investment securities	183,839	196,142	NET INTEREST INCOME	7,812	6,935	6,962
Loans	Loans held for sale	887	465	Provision for credit losses	45	0	64
Net loans		245,198	238,217	NET INTEREST INCOME AFTER			
Premises and equipment, net	Less: allowance for credit losses		(3,500)	PROVISION FOR CREDIT LOSSES	7,767	6,935	6,898
ORE Properties         0         572 Other assets         18,228 19,391         Service charges and fees         729 726         725 726           Total assets         \$469,246         \$482,672         Net gain from sale of loans         81 224 135           LIABILITIES         Loan servicing income, net         168 173 5           Deposits:         Other income         200 81 209           Noninterest-bearing demand Interest-bearing deposits         282,884 264,701         Total noninterest income         1,178 1,207 1,074           Total deposits         440,428 411,149         NONINTEREST EXPENSES           Fed funds purchased         5,750 57,000 Accrued and other liabilities         6,562 6,613 661         FDIC insurance premiums         151 167 173           Total liabilities         452,740 474,762         Other expenses         1,852 1,862 1,799           SHAREHOLDERS' EQUITY         Total noninterest expenses         7,060 6,482 6,013           Total shareholders' equity before AOCI adjustment and properties and prope	Net loans	242,655	235,182				
Other assets.         18,228         19,391         Service charges and fees.         729         726         725           Total assets.         \$469,246         \$482,672         Net gain from sale of loans         81         224         135           LIABILITIES         Net gain on sale of assets         0         3         0           Deposits:         0ther income         200         81         209           Noninterest-bearing demand         \$157,544         \$146,448         Total noninterest income         1,178         1,207         1,074           Interest-bearing deposits         282,884         264,701         NONINTEREST EXPENSES         1,178         1,207         1,074           Fed funds purchased.         5,750         57,000         Salaries and benefits         3,980         3,570         3,359           Accrued and other liabilities         6,562         6,613         FDIC insurance premiums         151         167         173           Total liabilities         452,740         474,762         Other expenses         1,852         1,862         1,799           SHAREHOLDERS' EQUITY         Total noninterest expenses         7,060         6,482         6,013           Total shareholders' equity before AOCI adjustment		/ '	,	NONINTEREST INCOME			
Net gain from sale of loans   81   224   135     Total assets   \$469,246   \$482,672   Net gain from sale of assets   0   3   0     LIABILITIES   Loan servicing income, net   168   173   5     Deposits:   200   81   209     Noninterest-bearing demand   \$157,544   \$146,448   104   114   114   114   114     Interest-bearing deposits   282,884   264,701   114   114     Total deposits   440,428   411,149   NONINTEREST EXPENSES     Fed funds purchased   5,750   57,000   Accrued and other liabilities   6,562   6,613   114				Service charges and fees	729	726	725
Total assets	Other assets	18,228					
Deposits:	Total assets	\$469,246	\$482,672			3	0
Deposits:	LIADILITIES			Loan servicing income, net	168	173	5
Noninterest-bearing demand				Other income	200	81	209
Fed funds purchased	Noninterest-bearing demand			Total noninterest income	1,178	1,207	1,074
Fed funds purchased.         5,750         57,000 Accrued and other liabilities.         Salaries and benefits.         3,980         3,570         3,359           Accrued and other liabilities.         6,562         6,613         FDIC insurance premiums.         151         167         173           Total liabilities.         452,740         474,762         Other expenses.         1,852         1,862         1,799           SHAREHOLDERS' EQUITY         Total noninterest expenses.         7,060         6,482         6,013           Common stock.         3,027         3,027         3,027         Additional paid-in capital.         19,472         19,472         INCOME BEFORE INCOME TAXES         1,885         1,660         1,959           Retained earnings         15,621         13,328         Income tax expense         346         289         362           Total shareholders' equity before AOCI adjustment Comprehensive Income/(Loss), net (AOCI)         (21,614)         (27,917)         NET INCOME         \$ 1,539         \$ 1,371         \$ 1,597           Total shareholders' equity         16,506         7,910	Total deposits	440,428	411,149	NONINTEREST EXPENSES			
Accrued and other liabilities. 6,562 6,613 FDIC insurance premiums 151 167 173  Total liabilities 7,060 6,482 1,799  SHAREHOLDERS' EQUITY Total noninterest expenses 7,060 6,482 6,013  Common stock 3,027 3,027  Additional paid-in capital 19,472 19,472 Retained earnings 15,621 13,328  Total shareholders' equity before AOCI adjustment Accumulated other Comprehensive Income/(Loss), net (AOCI) (21,614) (27,917)  Total shareholders' equity 16,506 7,910	Fad funds purchased	5 750	57,000	Salaries and benefits	3,980	3,570	3,359
Total liabilities						883	682
SHAREHOLDERS' EQUITY         Total noninterest expenses         7,060         6,482         5,013           Common stock         3,027         3,027         3,027         19,472         19,472         19,472         19,472         19,472         10,600         1,885         1,660         1,959           Retained earnings         15,621         13,328         11,600         1,959         11,600         1,600         1,959           Total shareholders' equity before AOCI adjustment Comprehensive Income/(Loss), net (AOCI)         (21,614)         (27,917)         NET INCOME         \$ 1,539         \$ 1,371         \$ 1,597           Total shareholders' equity         16,506         7,910         7,910         1,500 <t< td=""><td></td><td></td><td><del></del></td><td></td><td></td><td>167</td><td>173</td></t<>			<del></del>			167	173
Common stock         3,027         3,027         3,027         3,027         3,027         3,027         3,027         3,027         3,027         3,027         3,027         3,027         3,027         3,027         3,027         3,027         3,027         1,000	Total liabilities	452,740	4/4,/62	Other expenses	1,852	1,862	1,799
Common stock         3,027         3,027         3,027         Additional paid-in capital         19,472         19,472         19,472         INCOME BEFORE INCOME TAXES         1,885         1,660         1,959           Retained earnings         15,621         13,328         Income tax expense         346         289         362           Accumulated other Comprehensive Income/(Loss), net (AOCI)         (21,614)         (27,917)         NET INCOME         \$ 1,539         \$ 1,371         \$ 1,597           Total shareholders' equity         16,506         7,910	SHAREHOLDERS' EQUITY			Total noninterest expenses	7,060	6,482	6,013
Retained earnings         15,621         13,328         Income tax expense         1,669         1,600         1,939           Total shareholders' equity before AOCI adjustment Comprehensive Income/(Loss), net (AOCI)         38,120         35,827         Income tax expense         346         289         362           NET INCOME         \$ 1,539         \$ 1,371         \$ 1,597           Total shareholders' equity         16,506         7,910	Common stock	3,027	3,027	1			
Retained earnings         15,621         13,328         Income tax expense         346         289         362           Total shareholders' equity before AOCI adjustment Comprehensive Income/(Loss), net (AOCI)         38,120         35,827         NET INCOME         \$ 1,539         \$ 1,371         \$ 1,597           Total shareholders' equity         16,506         7,910         7,910         Total shareholders'			19,472	INCOME BEFORE INCOME TAXES	1.885	1.660	1.959
Total shareholders' equity before AOCI adjustment 38,120 35,827  Accumulated other Comprehensive Income/(Loss), net (AOCI) (21,614) (27,917)  Total shareholders' equity	Retained earnings	15,621	_13,328		, -	,	*-
Comprehensive Income/(Loss), net (AOCI)       (21,614)       (27,917)       NET INCOME       \$ 1,359       \$ 1,371       \$ 1,397         Total shareholders' equity       16,506       7,910	<b>.</b> ,	38,120	35,827	ilicome tax expense			
	Accumulated other Comprehensive Income/(Loss), net (AOCI)	(21,614)	(27,917)	NET INCOME	\$ 1,539	\$ 1,371	\$ 1,597
Total liabilities and shareholders' equity \$469,246 \$482,672 BASIC NET INCOME PER SHARE \$ 1.27 \$ 1.13 \$ 1.32	Total shareholders' equity	16,506	7,910				
	Total liabilities and shareholders' equity	\$469,246	\$482,672	BASIC NET INCOME PER SHARE	\$ 1.27	\$ 1.13	\$ 1.32

August 8, 2025

Dear Shareholder,

CNB Corporation (Corporation) is pleased to announce the Board of Directors approved a cash dividend to the shareholders. Please find enclosed a \$0.40 per share dividend to shareholders of record on July 24, 2025. The financial performance for the Corporation and its subsidiary, Citizens National Bank (Bank) from the 2nd quarter of 2025 is outlined below:

- As mentioned in the 1st quarter Statement of Condition, investment maturities and deposit growth allowed the Bank to pay down its borrowings earlier than planned. Since then, the Bank has utilized smaller, short-term borrowings to manage the balance sheet. As a result, borrowings have declined by \$51.25 million year-overyear.
- The Bank's loan portfolio continues to grow, increasing by \$6.98 million compared to the same period last year.
- Higher interest income from loans and decreased interest expense deriving from the reduction of Bank debt, resulted in an increase of \$877,000 in net interest income year-over-year.
- The net result of the Bank's 2025 activities was an increase in net income of \$168,000 through the 2nd quarter as compared to the same period in 2024, an improvement of 12.3%.
- Driven by lower market rates and investment maturities of \$12.3 million, the Bank's AOCI continues to improve. This, coupled with steady earnings, resulted in a yearover-year increase of \$8.6 million in total shareholders' equity.

I would like to congratulate Stephanie V. Baldwin and Melissa K. Bridges on their re-election to the Corporation's Board of Directors at the annual shareholder meeting. They each offer invaluable professional expertise, and I value the opportunity to seek their counsel well into the future. In preparation for retirement, Rick A. Tromble has stepped down as Board Chairman but continues his service as a board director. I would like to express my gratitude to Rick for his steady guidance over the years. The directors have unanimously elected Dana F. Andrews as the new Chairman and Scott D. Landon as Vice Chairman. A sincere congratulations to everyone!

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