

CITIZENS COMMERCE BANCSHARES, INC.
CONSOLIDATED BALANCE SHEETS
December 31

	Audited <u>2017</u>	Audited <u>2016</u>
ASSETS		
Cash and cash equivalents	\$ 14,907,675	\$ 23,166,689
Securities:		
Available for sale	38,426,410	51,373,390
Loans held for sale	-	561,283
Loans, net of \$2,037,621 and \$2,597,568 in allowance for loan losses in 2017 and 2016	155,448,277	129,217,142
Bank premises and equipment, net	5,316,791	5,365,730
Federal Home Loan Bank stock	1,310,900	1,310,900
Federal Reserve Bank stock	588,250	398,550
Other real estate owned	79,440	658,580
Cash surrender value of bank owned life insurance	2,444,021	2,301,017
Interest receivable	753,967	780,535
Other assets	<u>3,268,863</u>	<u>395,819</u>
Total assets	\$ 222,544,594	\$ 215,529,635
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits		
Demand - noninterest bearing	\$ 25,435,185	\$ 21,273,866
Savings, NOW and money market	86,466,703	82,024,233
Time	<u>82,030,693</u>	<u>76,250,010</u>
Total deposits	193,932,581	179,548,109
Securities sold under agreements to repurchase	4,669,992	7,114,378
Federal Home Loan Bank advances	-	16,000,000
Note payable	-	2,901,025
Subordinated debentures	-	3,500,000
Interest payable	43,639	1,772,640
Other liabilities	<u>627,713</u>	<u>4,821,840</u>
Total liabilities	199,273,925	215,657,992
Stockholders' equity		
Preferred stock, no par value; 0 (2017) shares issued and outstanding and 6,300 (2016) Series A shares and 315 Series B shares, issued and outstanding	-	6,615,000
Common stock, no par value; 45,000,000 shares authorized, 40,124,334 (2017) shares issued and 39,884,770 shares outstanding and 2,034,800 (2016) shares issued and 1,795,236 shares outstanding	20,073,213	3,313,626
Additional paid in capital	1,808,119	1,808,119
Accumulated deficit	2,106,934	(10,965,508)
Accumulated other comprehensive loss	<u>(717,597)</u>	<u>(899,594)</u>
Total stockholders' equity	23,270,669	(128,357)
Total liabilities and stockholders' equity	\$ 222,544,594	\$ 215,529,635

CITIZENS COMMERCE BANCSHARES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
Years Ended December 31

	Audited <u>2017</u>	Audited <u>2016</u>
Interest income		
Loans, including fees	\$ 7,847,613	\$ 6,613,808
Securities		
U. S. Treasury, government agencies and other	424,289	592,962
Municipal bonds	994,858	1,082,606
Federal funds sold	-	2,475
Other	<u>305,164</u>	<u>162,321</u>
	9,571,924	8,454,172
Interest expense		
Deposits	848,286	800,141
Subordinated debentures	61,259	175,341
Other borrowings	<u>620,286</u>	<u>1,388,642</u>
	<u>1,529,831</u>	<u>2,364,124</u>
Net interest income	8,042,093	6,090,048
(Credit) provision for loan losses	<u>(500,000)</u>	<u>-</u>
Net interest income after (credit) provision for loan losses	8,542,093	6,090,048
Other income		
Service charges and fees	882,439	818,487
Net gains on sale of securities	12,688	194,509
Gain on sale of loans held for sale	146,036	181,101
Other	<u>3,069,070</u>	<u>222,358</u>
	4,110,233	1,416,455
Other expenses		
Salaries and benefits	3,884,689	3,776,172
Occupancy and equipment	655,065	645,500
Data processing	620,276	611,522
Professional fees	284,171	385,525
FDIC Insurance	432,529	417,548
Other	<u>2,174,554</u>	<u>1,625,473</u>
	<u>8,051,284</u>	<u>7,461,740</u>
Provision for income taxes	(2,960,106)	4,000
Net income (loss)	<u>\$ 7,561,148</u>	<u>\$ 40,763</u>
Effect of exchange of preferred stock for common stock	<u>(5,610,519)</u>	<u>-</u>
Dividend and accretion on preferred shares	<u>99,225</u>	<u>595,350</u>
Net income (loss) available to common shareholders	<u>\$ 13,072,442</u>	<u>\$ (554,587)</u>
Earnings (loss) per share		
Basic	\$ 0.39	\$ (0.31)
Diluted	0.39	(0.31)