

CELEBRATING 75 YEARS OF STRENGTHENING EVERY COMMUNITY WE SERVE.

2021 FIRST QUARTER REPORT



Central Bancshares, Inc.

Central Bank & Trust Co. • Central Insurance Services • Central Investment Center, Inc.

FOCUSED ON COMMUNITY SINCE 1946.



MISSION STATEMENT

The mission of Central Bancshares is to become Kentucky's leading, high-performing, community banking company by empowering our staff to deliver consistently superior service and value to our customers, shareholders and communities. We will be successful because Central Bankers are our greatest resource and our most sustainable advantage.

CONTENTS

Financial Highlights	1
Consolidated Balance Sheets	2
Consolidated Statements of Income	3
Boards of Directors	4
Officers	6

For additional copies or information:

MARKETING
CENTRAL BANK
300 West Vine Street
Lexington, KY 40507

FINANCIAL HIGHLIGHTS

As of and for the three months ended March 31

(dollars in thousands, except share data)	2021	2020	2019	2018	2017
RESULTS OF OPERATIONS:					
Net income	\$ 8,924	\$ 5,903	\$ 8,924	\$ 6,846	\$ 4,244
Net income per share	0.26	0.17	0.26	0.20	0.12
Cash dividends per share	0.00	0.00	0.00	0.00	0.00
Book value per share at quarter end	9.71	9.00	8.32	7.52	6.96
AT MARCH 31:					
Assets	\$ 3,456,712	\$ 2,733,210	\$ 2,604,923	\$ 2,487,296	\$ 2,300,842
Earning assets	3,366,469	2,632,120	2,508,289	2,382,991	2,190,551
Loans, net	2,395,173	2,008,976	2,065,037	1,990,489	1,808,356
Deposits	2,846,595	2,168,717	2,075,901	2,045,577	1,919,872
Shareholders' equity	337,774	313,206	289,555	261,736	242,011
PERFORMANCE RATIOS:					
Return on average assets	1.09%	0.87%	1.42%	1.14%	0.75%
Return on average shareholders' equity	10.89%	7.65%	12.79%	10.73%	7.16%
Average tangible equity					
to average tangible assets	9.45%	10.91%	10.62%	10.10%	9.97%
Net charge-offs to average loans	0.01%	0.02%	0.02%	0.01%	0.03%
Allowance for loan losses as a					
percentage of quarter end loans	1.05%	0.96%	0.98%	1.04%	1.16%
Net interest margin (tax equivalent)	3.28%	3.72%	4.15%	4.01%	3.87%

CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	March 31 2021	March 31 2020
ASSETS		
Cash and due from financial institutions	\$ 33,930	\$ 45,544
Interest bearing deposits with other financial institutions	556,800	144,700
Total cash and cash equivalents	<u>590,730</u>	<u>190,244</u>
Debt securities	382,372	452,155
Loans, net of unearned income	2,420,546	2,028,514
Allowance for loan losses	(25,373)	(19,538)
Loans, net	<u>2,395,173</u>	<u>2,008,976</u>
Premises and equipment, net	26,009	27,791
Federal Home Loan Bank stock	6,751	6,751
Intangible assets	14,313	14,313
Prepaid expenses and other assets	41,364	32,980
Total assets	<u>\$ 3,456,712</u>	<u>\$ 2,733,210</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Non-interest bearing	\$ 1,163,506	\$ 711,696
Interest bearing	1,683,089	1,457,021
Total deposits	<u>2,846,595</u>	<u>2,168,717</u>
Repurchase agreements	208,079	154,685
Federal funds purchased	500	500
Federal Home Loan Bank advances	25,305	50,320
Subordinated debentures	15,000	15,000
Other liabilities	23,459	30,782
Total liabilities	<u>3,118,938</u>	<u>2,420,004</u>
SHAREHOLDERS' EQUITY		
Common stock (voting), \$10 par value; 350,000 shares authorized; 347,922 shares issued and outstanding	3,479	3,479
Common stock (non-voting), no par value; 34,650,000 shares authorized; 34,444,278 shares issued and outstanding	-	-
Additional paid-in capital	6,890	6,890
Retained earnings	329,027	312,582
Accumulated other comprehensive loss	(1,622)	(9,745)
Total shareholders' equity	<u>337,774</u>	<u>313,206</u>
Total liabilities and shareholders' equity	<u>\$ 3,456,712</u>	<u>\$ 2,733,210</u>

CONSOLIDATED STATEMENTS OF INCOME

(in thousands, except share data)

	For the three months ended	
	March 31	March 31
	2021	2020
INTEREST AND DIVIDEND INCOME		
Loans, including fees	\$ 26,248	\$ 24,804
Debt securities	661	1,475
Deposits with other financial institutions	141	1,013
	<u>27,050</u>	<u>27,292</u>
INTEREST EXPENSE		
Interest on deposits	841	2,660
Interest on borrowed funds	252	484
	<u>1,093</u>	<u>3,144</u>
Net interest income	25,957	24,148
Provision for loan losses	495	765
Net interest income after provision for loan losses	<u>25,462</u>	<u>23,383</u>
NON-INTEREST INCOME		
Service charges on deposit accounts	1,363	1,732
Service charges on loans	3,377	2,674
Wealth management income	4,526	3,878
Other income	2,150	1,831
	<u>11,416</u>	<u>10,115</u>
NON-INTEREST EXPENSE		
Salaries	10,981	10,751
Benefits	2,296	2,747
Occupancy and equipment	4,853	5,281
Other non-interest expenses	8,403	8,142
	<u>26,533</u>	<u>26,921</u>
Income before income taxes	10,345	6,577
Income taxes	1,421	674
Net income	<u>\$ 8,924</u>	<u>\$ 5,903</u>
Basic earnings per share	<u>\$ 0.26</u>	<u>\$ 0.17</u>

BOARDS OF DIRECTORS



A handwritten signature in black ink, appearing to read "Luther Deaton, Jr.", written in a cursive style.

Luther Deaton, Jr.
Chairman, President & CEO

Central Bancshares, Inc. and Central Bank & Trust Co. Board of Directors

Luther Deaton, Jr.
Chairman, President & CEO, Central Bancshares, Inc. and Central Bank & Trust Co.

Joan D. Kincaid
Vice Chairman of the Board, Central Bancshares, Inc. and Central Bank & Trust Co.

Ulysses Lee "Junior" Bridgeman
President & CEO, Bridgeman Foods Inc.

Michael D. Foley
Retired Partner
RFH, PLLC Certified Public Accountants

Wayne M. Martin
Vice President of Development, Retail Division, Booth Energy

G. Michael Ritchie
Owner, MND Holdings, LLC

Paul E. Sullivan
Partner, Frost Brown Todd, LLC

Advisory Boards of Directors

Central Bank, Georgetown Advisory Board of Directors

Dallas Blankenship
Retired Superintendent, Scott County Board of Education

Luther Deaton, Jr.
Chairman, President & CEO, Central Bancshares, Inc. and Central Bank & Trust Co.

Mason "Butch" Glass
Community Volunteer

William C. Haugh
CEO, Georgetown Community Hospital

George H. Lusby
Retired Scott County Judge Executive

Kimberly E. Marshall
Market President

Randy Mason
Owner-Operator, McDonald's

W. Thomas Prather
Chairman, Central Bank Georgetown & Mayor of Georgetown

Central Bank, Lexington Advisory Board of Directors

Dennis Anderson
President, Anderson Communities

John Atchison
Co-owner, Atchison Heller Construction

Rick Avare
MAP Entities

Ray Ball
Owner, Ball Homes

William Brewer
Dink, Inc.

Jed Bullard
Owner, E.D. Bullard Company

Lucas Campbell
Gorman Company

Kevin Doyle
CFO, Congleton Hacker Company

William Farish, Jr.
President, Lane's End Farm

Crinda Francke
President, ExecuTrain of Kentucky

Don Howard, Jr.
President, H&W Management

John Irvin, Jr.
Attorney, Kinkead & Stilz, PLLC

Bill Justice
President, Justice Real Estate

Louis Mulloy
LTM Associates, LLC

Deborah Spike-Pierce, DVM
President & CEO, Rood & Riddle Equine Hospital

Bill Quenomoen
CEO, Denham-Blythe Company

Nick Rowe
President, Kentucky American Water Co.

Adolph Rupp III
Rupp & Associates, Inc.

Kenny Schomp
President & Owner, Lexington Truck Sales, Inc.

Nick Strong
President, Old Colony Insurance

Bill Thomason
Retired President, Keeneland Association

Dr. Lee Todd
Retired President, University of Kentucky

Lawrence Weathers
Chief of Police, Lexington

Carol Worsham
President, Winterwood, Inc.

Central Bank, Louisville Advisory Board of Directors

Claire Alagia
General Manager, Wakefield Reutlinger Realtors

Ronald L. Carmicle
Owner, PLC Management

Marcia Cassady
Director, Capital Link Consultants

Luther Deaton, Jr.
Chairman, President & CEO, Central Bancshares, Inc. and Central Bank & Trust Co.

William "Billy" K. Doelker
Owner, Key Homes, LLC

Michael D. Foley
Retired Partner
RFH, PLLC Certified Public Accountants

William P. Malone
Retired, Deming, Malone, Livesay & Ostroff

William E. Summers IV
Retired, Deputy Mayor, Louisville Metro Government

BOARDS OF DIRECTORS

Jude Thompson
CEO, Delta Dental

Mark Wheeler
Market President

Central Bank, Madison County Advisory Board of Directors

Dianna Ackerman
Broker/Owner, ERA Professional
Hometown Services

Robert R. Blythe
Mayor of Richmond
Pastor, First Baptist Church

James R. Carr
Builder and Developer

Shannon Combs
Partner, Combs, Parsons and
Collins Funeral Home

Luther Deaton, Jr.
Chairman, President & CEO,
Central Bancshares, Inc. and
Central Bank & Trust Co.

Jeff Fultz
Market President

Greg Gerard
President, Baptist Health
Richmond

James Ernest Hillard
Owner, Middletown Industrial

Mike Rice
Owner, Cars of Kentucky, Inc.

Rita H. Smart
Owner, The Bennett House

Central Bank, Nicholasville Advisory Board of Directors

Sandra J. Adams
Owner, Zaxby's

Luther Deaton, Jr.
Chairman, President & CEO,
Central Bancshares, Inc. and
Central Bank & Trust Co.

Michael D. Foley
Retired Partner
RFH, PLLC Certified Public
Accountants

Joan D. Kincaid
Vice Chairman of the Board,
Central Bancshares, Inc. and
Central Bank & Trust Co.

Ben A. Rainwater
Tutt, Inc.

Paul E. Sullivan
Partner, Frost Brown Todd, LLC

Benjamin G. Taylor
Taylor Made Farm & Sales
Agency, Inc.

Alan S. VanArsdall
Market President

Central Bank, Northern Kentucky Advisory Board of Directors

Mark Ayer
Managing Member
Reading Investments, LLC

Adam Bortz
CEO, Towne Properties

Tonya Burns-Gerakos
Tonya Burns Law

Chris Carle
Senior Vice President & COO, St.
Elizabeth Healthcare, Florence

Wayne Carlisle
President & CEO
Carlisle Enterprises

Luther Deaton, Jr.
Chairman, President & CEO,
Central Bancshares, Inc. and
Central Bank & Trust Co.

David Heidrich
CEO, Zalla Companies

Thomas J. Munninghoff
President, Munninghoff,
Lange & Co.

Greg Schrand
President, GSE, Inc.

Gregory Shumate
Member, Frost Brown Todd, LLC

James Uebel
Market President

Paul Verst
President & CEO, Verst Group
Logistics, Inc., and Zenith Logistics

John Yeager
Owner, Ashley Development

Central Bank, Winchester Advisory Board of Directors

Luther Deaton, Jr.
Chairman, President & CEO,
Central Bancshares, Inc. and
Central Bank & Trust Co.

Jeff Fultz
Market President

Gerald F. (Kelly) Healy III
Director of Operations
McDonald's

Glenn D. Leveridge
Chairman, Central Bank
Winchester

Rex McCrary, D.M.D.
Dentist

Jeff Monohan
President
The Allen Company

Ralph J. Palmer
President, Palmer
Engineering Co.

Patricia M. Smith
President, MD Consulting, Inc.

Robert Strode
Retired

Mary Jane Warner
Manager of Power Delivery, East
Kentucky Power Cooperative, Inc.

OFFICERS

Central Bancshares, Inc.

John T. Miner, Jr.
Auditing Officer

Luther Deaton, Jr.
Chairman, President & CEO

Joan D. Kincaid
Vice Chairman

Susan L. Simmons
Vice President

Ranee Leland
Vice President & Corporate Secretary

Edward Barnes
Treasurer

Central Bank, Lexington

ADMINISTRATION

Luther Deaton, Jr.
Chairman, President & CEO

Ranee Leland
Vice President & Corporate Secretary

Auditing

Craig L. Daniels, CPA
Executive Vice President

Lisa S. Grant, CRCM
Senior Vice President & Compliance Officer

Donna J. Craven, CRCM
Vice President

Danny C. Noland
Vice President

COMMERCIAL BANKING

Paul R. Thornsberry
Executive Vice President

Commercial Lending

David Ross
Senior Vice President

Shane Anderson
Vice President

Mark R. Fox
Vice President

Stephen J. Mallory
Vice President

Jeff Murphy
Vice President

Commercial Real Estate Lending

Megan Barlow
Vice President

Susan A. Dean
Vice President

Paul B. Drake
Vice President

Gary Loucks
Vice President

Jordan Owens
Vice President

Consumer Lending

D. Keith Preston
Vice President

Ramon Greene
Indirect Lending Officer

Cameron Steiner
Consumer Mortgage Underwriter Officer

Central Bank Mortgage

Catherine Himes
Senior Vice President

Tom Breathitt
Vice President

Brad Fields
Vice President

Lorraine Kinley
Vice President

Brian W. West
Vice President

Lisa Hart
Assistant Vice President

Vina Risner
Assistant Vice President

Bradley Sutherland
Assistant Vice President

Melissa McCay
Secondary Mortgage Underwriter Officer

Chris McGaughey
CRA Community Development Officer

Corporate Services

Karen Rowland, CTP
Senior Vice President

Joan Patterson, CTP
Vice President

Lisa K. Vickers
Vice President

Chris Campbell
Assistant Vice President

Allison Carter
Assistant Vice President

Ashley N. Rodgers
Assistant Vice President

Credit Analysis

Benjamin Wilbanks
Senior Vice President

Steffen Hanser
Assistant Vice President

Michael Danhauer
Credit Analyst Officer

Special Assets

Ellen Sharp
Senior Vice President

Steve Hall
Vice President

Julie Szymanski
Vice President

Becky Mullins
Assistant Vice President

Loan Processing

Donna M. Turner
Vice President

Loan Review

LeeAnn Layne
Vice President

Leigh M. Carr
Assistant Vice President

Small Business

Richard D. Hartley
Vice President

Terri A. Stein
Vice President

HUMAN RESOURCES

Susan L. Simmons
Executive Vice President

Amy Manning
Senior Vice President

Shelia Plymale
Senior Vice President

June Carpenter
Vice President

TECHNOLOGY SERVICES

Julie Bondra
Executive Vice President

Anna Clayton
Senior Vice President

David Hake
Senior Vice President

Kevin J. Lippert
Senior Vice President

E. Sean Profit
Vice President

Adrian Embree
Technology Officer

Kyle Hamilton
Technology Officer

RETAIL & PRIVATE BANKING

Gregory M. Shewmaker
Executive Vice President

Michael Gartner
Senior Vice President

Matthew S. Ratliff
Vice President

Banking Centers

Lana Alexander
Assistant Vice President

Gina Ensminger
Assistant Vice President

OFFICERS

Angela M. Friesz
Assistant Vice President

Barbara Johnson
Assistant Vice President

Karen Lackey
Assistant Vice President

Philip Rochester
Assistant Vice President

Alexandra T. Wolf
Assistant Vice President

Sharon Bradley
Retail Banking Officer

Sheila Carmack
Retail Banking Officer

Rachel Jones
Retail Banking Officer

Laura M. Owens
Retail Banking Officer

Client Services

Cathy K. Combs
Senior Vice President

Diane Gentry
Client Services Officer

Marketing

Lesley Catron
Senior Vice President

Correspondent Banking

Doug Flynn
Correspondent Banking Officer

Private Banking

Mark Ruddell
Senior Vice President

Leslie Flynn
Vice President

Alicia Jordan
Vice President

Christopher Thomason
Vice President

Melissa Shimfessel
Private Banking Officer

FINANCIAL PLANNING

Edward Barnes
Executive Vice President & CFO

Mark A. Hampton, CPA
Senior Vice President

Mark Kendall
Assistant Vice President

Lisa A. Williamson
Assistant Vice President

ENTERPRISE RISK MANAGEMENT

C. Gregory Stacy
Executive Vice President

Beth Lakes Robinson
Vice President

Funds Management

James R. Nall
Assistant Vice President

OPERATIONS AND SUPPORT

Operations

Laura Schweitzer
Executive Vice President

Karen G. Crawley
Senior Vice President

Robin Michul
Senior Vice President

Harvey Sword
Senior Vice President

Internet Banking

Brenda P. Oaks
Assistant Vice President

Card Services

Beverly Smalley
Assistant Vice President

Loan Services

Timothy R. Austin
Vice President

Shawn Presnell
Vice President

Deposit Services

Lisa Durham
Vice President

Ryan Leigh Chapman
Deposit Services Officer

Financial Intelligence & Security Unit

Shane Ensminger
Vice President

Angela D. Campbell
Assistant Vice President

Alan Stewart
Security Officer

Betsy Williams
Security Officer

WEALTH MANAGEMENT

Trust

Barry Hickey
Executive Vice President

Business Development

Charles N. Rush, Jr.
Vice President

Employee Benefits

Vicky L. Foster
Vice President

Sheila C. Parks
Vice President

Operations

Leigh Ann Young
Assistant Vice President

Carol Robinson
Trust Operations Supervisor

Personal Trust

Kathryn Wilson Gibson
Senior Vice President

Elizabeth Johns
Vice President

Matthew Frank, CFP®
Assistant Vice President

Anna Hovekamp
Assistant Vice President

Lauren Lovely
Assistant Vice President

Ballard "Cash" Cassady
Personal Trust Officer

Investment Management

Timothy D. Fyffe
Senior Vice President

Chris Andress, CFA®
Vice President

Thomas Corr
Vice President

Chris Taylor
Trust Officer

CENTRAL INSURANCE SERVICES

Ross Barnette
President

Tom Francis
Vice President

Rob Wessel
Vice President

Justin Whipple
Vice President

Steven P. Wright
Vice President

Don Yaden
Vice President

Chris Harrison
Assistant Vice President

Andrew Alexander
Commercial Insurance Officer

Joanna Gwinn-Estill
Insurance Officer

OFFICERS

CENTRAL INVESTMENT CENTER, INC.

Jeff Ginnan
Executive Vice President & Senior Financial Advisor

Jeff Fields, CRPS®
Vice President & Financial Advisor

Tony Brown
Financial Advisor

Deborah Fisher
Financial Advisor

Thomas E. Roberts, CFP®
Financial Advisor

John Saunier
Financial Advisor

Jennifer Wilson
Financial Advisor

CENTRAL BANK, GEORGETOWN

Kimberly E. Marshall
Market President

Andrea Smith
Vice President

Jennifer Phillips
Assistant Vice President

Mortgage Lending

Ashley Weir
Vice President

CENTRAL BANK, LOUISVILLE

Mark Wheeler
Market President

James E. Evans II
Senior Vice President & Senior Market Lender

John Hubbuch, Jr.
Vice President

Mortgage Lending

Bridgette Wingate
Mortgage Lending Officer

Retail Banking

Edman Cundiff
Vice President

Elaine Fawbush
Vice President

Clayton Rogers
Retail Banking Officer

Private Banking

Robert Slider
Senior Vice President

Mary Littrell
Vice President

Jim Morris
Vice President

M. Trish Osborn
Vice President

Wealth Management

Bill Kaiser
Vice President

CENTRAL BANK, MADISON COUNTY

Jeff Fultz
Market President

Cameron Abney
Senior Vice President & Senior Market Lender

Ken Riley
Vice President

Retail Banking

Shawn McWilliams
Vice President

Kristy Napier
Retail Banking Officer

Mortgage Lending

Donna Haney
Vice President

CENTRAL BANK, NICHOLASVILLE

Alan S. VanArsdall
Market President

Brandy Osborne
Assistant Vice President

Jill Slone
Assistant Vice President

Kathy Moore
Retail Banking Officer

Adam Rodgers
Commercial Lending Officer

Mortgage Lending

Monna Treadway
Vice President

CENTRAL BANK, NORTHERN KENTUCKY

James Uebel
Market President

Matthew E. Eilers
Vice President

Karen J. Homan
Vice President

Amy Roberts
Vice President

JB Schmidt
Assistant Vice President

Mortgage Lending

Dennis Barnes
Vice President

Dottie Dawson
Mortgage Lending Officer

Retail Banking

Steven Gillespie
Vice President

Adam Metzger
Vice President

Mark Minton
Vice President

Diana Webster
Vice President

Private Banking

John Finley
Senior Vice President

Karen Hartig
Vice President

Larry Luebbbers
Vice President

Wealth Management

Jeff Augsback
Trust Officer

CENTRAL BANK, WINCHESTER

Jeff Fultz
Market President

Tim M. Duncan
Senior Vice President & Senior Market Lender

Lisa T. Earlywine
Vice President

Erica Parks
Assistant Vice President

Retail Banking

Tammy M. Carroll
Vice President

OFFICERS

Deborah R. Banks
Retail Banking Officer

Crystal Hunt
Retail Banking Officer

Mortgage Lending

Paula Beebe
Vice President

Lee Coleman
Vice President



centralbank.com • (859) 253-6222 • (800) 637-6884

Central Bank & Trust Co. • Central Insurance Services • Central Investment Center, Inc.
Central Bank & Trust Co. is a wholly-owned subsidiary of Central Bancshares, Inc.



Member FDIC