

TO OUR SHAREHOLDERS

Mid-year greetings fellow shareholders. I am pleased to report the second quarter results for Century Financial Corporation and its subsidiary Century Bank and Trust.

For the six months ending June 30, 2025, Century Bank and Trust reported net income of \$4,404,000 or earnings per share of \$2.66 resulting in Return on Average Assets (ROA) of 1.86% and Return on Average Equity (ROE) of 15.31%. This compares favorably to net income of \$4,095,000 or earnings per share of \$2.46 for the same period ending June 30, 2024. ROA and ROE at June 30, 2024 were 1.76% and 16.61%, respectively.

Comparison of the bank’s income results for the three months ended June 30th is as follows:

- 2025 – net income of \$2,122,000 and earnings per share of \$1.28.
- 2024 – net income of \$2,118,000 and earnings per share of \$1.27.

**Balance Sheet**  
Total assets for the bank at June 30, 2025 stood at \$481,141,000, compared to \$469,588,000 for June 30, 2024. Deposits at mid-year 2025 totaled \$411,687,000 compared to total deposits of \$408,266,000 at June 30, 2024. Total assets and deposits at March 31, 2025 were - \$483,332,000 and \$415,100,000, respectively.

Loans ended the period at \$242,570,000 versus \$239,446,000 at June 30, 2024. At 12-31-24, the loan portfolio stood at \$231,929,000. The allowance for credit loss, as a percentage of loans, at June 30, 2025 stands at 1.48%. This compares to 1.48% reported at June 30, 2024. Asset quality metrics remain extremely strong. No provision for credit loss expense was made for the quarter, or year-to-date. A provision expense of \$225,000 was made in the second quarter 2024.

Shareholder equity at June 30, 2025 and 2024 was \$61,944,000 and \$53,159,000, respectively. Capital ratios at June 30, 2025 remain strong and well above minimum regulatory requirements.

Book value at June 30, 2025 was \$37.42 compared to \$31.97 at June 30, 2024.

**Income Statement**  
Total revenue at June 30, 2025 was \$12,711,000 compared to \$12,299,000 at June 30, 2024. The revenue mix, year-to-date, was \$10,003,000 in net interest income and \$2,708,000 in fee income. For the same period last year, this corresponding combination was \$9,555,000 and \$2,744,000.

Key income statement summaries:

- Net interest income is up \$448,000 year-over. Comparing second-quarter 2025 to 2024, this revenue line has a positive variance of \$205,000.
- Trust and Investment Management revenue was up \$85,000 year-over.
- Gain on sale of mortgage loans at 6-30-25 was \$139,800 compared to \$211,800 at 6-30-24.
- Non-interest expense through June 30, 2025 totaled \$7,266,000 versus \$6,994,000 at June 30, 2024. Operating costs, net of employee related expenses, increased \$271,000 when comparing June 2025 and 2024.

As the second-half of the year begins, we continue to see stable and positive economic trends within all segments of the communities, and markets we serve. Our team of talented community bankers remains diligently focused on executing our 2025 remaining plans and initiatives – that are always based on our fundamental focus of building and growing long-term client relationships.

Thank you for your continued support, loyalty, business, and referrals to Century Bank and Trust. I look forward to reporting to you in the upcoming quarters.

*Eric H. Beckhusen*  
Eric H. Beckhusen  
Chairman & CEO

DIRECTORS & OFFICERS

CENTURY FINANCIAL CORPORATION DIRECTORS

<b>ERIC H. BECKHUSEN</b> Chairman & CEO, Century Bank and Trust	<b>BRUCE S. A. GOSLING</b> Certified Public Accountant, Phillips & Company
<b>ROBERT P. BROTHERS</b> Attorney at Law, Brothers Law Office, PLLC	<b>BRIAN D. PRIDGEON</b> Partner, Pridgeon Farms, LLC
<b>JEFFREY W. BUDD</b> CPA, Chief Finance Officer, Sekisui Voltek, LLC	<b>ERIC J. WYNES</b> President, Century Bank and Trust

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SECOND QUARTER  
REPORT TO SHAREHOLDERS  
JUNE 30, 2025

BRONSON • COLDWATER • NOTTAWA  
QUINCY • READING • STURGIS  
THREE RIVERS

CONSOLIDATED BALANCE SHEET				
	JUNE 30,			
	2025		2024	
<b>ASSETS</b>				
Cash and due from banks	\$	17,232,213	\$	10,234,115
Interest bearing deposits in other financial institutions		1,000,000		1,250,000
Investment securities available for sale		130,320,650		123,994,329
Investment securities (market value of \$11,903,871 in 2025 and \$13,360,173 in 2024) held to maturity		15,485,784		17,493,640
Federal funds sold and other overnight investments		60,268,802		61,746,298
Loans		242,569,749		239,445,582
Less: Allowance for credit losses		(3,583,717)		(3,541,502)
Loans, Net		238,986,033		235,904,080
Bank premises and equipment, net		4,516,245		4,212,711
Bank owned life insurance		8,568,681		9,137,130
Accrued interest receivable and other assets		4,762,737		5,615,459
<b>TOTAL ASSETS</b>	\$	481,141,146	\$	469,587,762
<b>LIABILITIES</b>				
Deposits				
Non-interest bearing	\$	156,065,535	\$	155,727,781
Interest bearing		255,621,736		252,538,619
<b>TOTAL DEPOSITS</b>		411,687,271		408,266,399
Accrued interest payable and other liabilities		2,510,244		3,171,949
Other borrowings		5,000,000		5,000,000
<b>TOTAL LIABILITIES</b>	\$	419,197,515	\$	416,438,348
<b>SHAREHOLDERS' EQUITY</b>				
Common stock - \$1 par value;				
Shares authorized: 3,000,000 in 2025 and 2024;				
issued and outstanding: 1,655,247 in 2025 and 1,662,327 in 2024	\$	1,655,247	\$	1,662,327
Paid in capital		12,664,158		12,908,952
Retained earnings		50,693,609		43,570,171
Accumulated other comprehensive loss		(3,069,383)		(4,992,036)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	\$	61,943,631	\$	53,149,413
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	\$	481,141,146	\$	469,587,762
<b>BOOK VALUE PER SHARE</b>	\$	37.42	\$	31.97

CONSOLIDATED STATEMENT OF INCOME				
	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2025	2024	2025	2024
<b>INTEREST INCOME</b>				
Loans, including fees	\$	3,889,926	\$	3,710,074
Securities		-		-
Taxable		1,381,485		1,224,733
Non-Taxable		92,897		99,487
Federal funds sold and other overnight investments		701,248		935,268
Interest on deposits in other financial institutions		8,068		11,123
<b>TOTAL INTEREST INCOME</b>	\$	6,073,624	\$	5,980,686
<b>INTEREST EXPENSE</b>				
Interest on other deposits		924,502		1,065,793
Interest on time deposits over \$100,000		62,384		56,566
Other interest expense		44,083		20,551
<b>TOTAL INTEREST EXPENSE</b>	\$	1,030,969	\$	1,142,910
Net Interest Income		5,042,655		4,837,776
<b>PROVISION FOR LOAN LOSSES</b>				
Net Interest Income after Provision for Loan Losses		-		225,000
				-
				275,000
Net Interest Income after Provision for Loan Losses		5,042,655		4,612,776
				10,002,520
				9,554,699
<b>NON-INTEREST INCOME</b>				
Trust and investment management revenue		742,491		695,873
Service charges on deposit accounts		407,328		424,742
Gain on sale of mortgage loans		63,453		143,630
Other income		142,063		147,781
<b>TOTAL NON-INTEREST INCOME</b>	\$	1,355,335	\$	1,412,025
<b>NON-INTEREST EXPENSE</b>				
Salaries		1,767,128		1,629,604
Employee benefits		471,229		412,881
Occupancy and equipment expense		593,364		555,995
Other expense		943,375		823,155
<b>TOTAL NON-INTEREST EXPENSE</b>	\$	3,775,096	\$	3,421,634
<b>INCOME BEFORE INCOME TAXES</b>		2,622,894		2,603,168
<b>INCOME TAXES</b>		500,530		485,031
<b>NET INCOME</b>	\$	2,122,364	\$	2,118,137
<b>BASIC &amp; DILUTED EARNINGS PER SHARE</b>	\$	1.28	\$	1.27
				2.66
				2.46

Certain amounts in the prior year consolidated financial statements may have been reclassified to conform with the current year presentation.