COMMUNITY NATIONAL
BANK & TRUST OF TEXAS

Equal Housing Lender Member FDIC

2024 Annual Report

COMMUNITY NATIONAL
BANK & TRUST OF TEXAS

Dear Shareholder:

We are pleased to provide you with the annual report for 2024. You will see in the report that we had growth in our total assets of approximately **$60 million** to finish the year just under **$1.3 billion.**

The growth in total assets was driven primarily by a growth in deposits, which is notable as most financial institutions experienced a low deposit trend in the last year. Interest rates finally moderated some in 2024, which allowed the bank to increase its Net Interest Margin. While loans were flat for the year, the higher-rate environment allowed for an increase in Net Income compared with 2023, which had been a record high. This marked the 9th consecutive year that our Net Income increased over the prior year.

In addition to the successful year, I shared with you in our dividend checks correspondence that we have signed a Definitive Agreement to purchase CapTex Holdings, Inc., the holding company for **CapTex Bank.** We are hopeful that the purchase will be completed in early April and the merger to CNB&T will be completed in June. These dates are subject to a timely receipt of regulatory approval, as well as readiness from our core provider to complete the conversion accordingly.

We look forward to further expanding our footprint with the acquisition of 4 branches near the growing metroplex. Adding Melissa, Trenton, Leonard and Bonham will allow us to capitalize on a significant level of economic growth, similar to what we have accomplished with our Waxahachie and Weatherford locations. The home office located near downtown Fort Worth is an excellent complement to those two branches, as well as our other Tarrant County branches.

After the acquisition is complete, the bank should have an asset size of just over **$1.6 billion** and provide an additional growth in earnings once we have absorbed the costs associated with the transaction.

Management and the board are confident that this acquisition will be a successful addition to the bank family, based on our experience with previous bank acquisitions and mergers. Further, we have an outstanding group of officers and employees that are ready to take on the challenge and opportunity of completing the technical part of the transaction. We are also encouraged that our strong bank culture will help to assimilate our new officers and employees from CapTex.

I want to thank you for your trust with your investment and assure the Board of Directors takes its fiduciary responsibility to protect and grow that investment very seriously. I want to invite you to our annual shareholders meeting in Corsicana on **April 15, 2025 at 2:00pm.** We thank you for your support and look forward to serving your banking and wealth management needs.

Sincerely,

Rusty Hitt
CEO

History of
Community National Bank & Trust of Texas

1960 First National Bank was established in Richland, Texas.

1964 The bank opened its doors in Corsicana on June 15, 1964 at the former site of Sutton's Drug Store on West 15th Avenue. The furnishings and money had been transported earlier from Richland, Texas in a borrowed cattle trailer. Renamed Corsicana National Bank it held about $700,000 in deposits.

1964 December 14, 1964, marked the opening of a newly-constructed bank building at the corner of 15th Street and 3rd Avenue, its present location.

1968 Zane Stites was elected President of Corsicana National Bank on October 7, 1968, having been formerly with State National Bank.

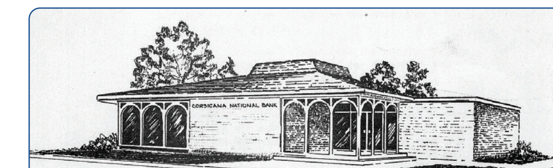
1978 The addition of the main building on the north corner of 15th Street and 3rd Avenue was completed in 1978, when the total assets were $22.6 million, serviced by 23 officers and employees.

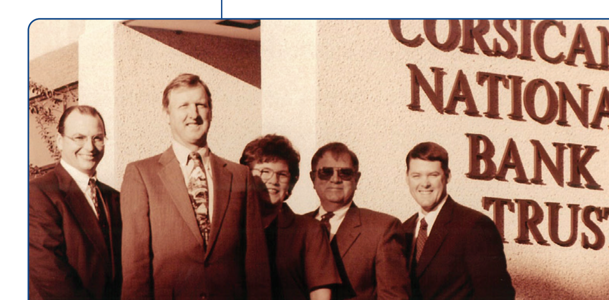
1989 On March 14, 1989 the Office of the Comptroller of the Currency approved a charter to start the Trust and Investment Department. Gary Brown was named Senior Vice President and Trust Officer.

1996 David Owen was named President and Chief Executive Officer. Zane Stites served on the Board of Directors.

1999 Abe Stroud was named President and Chief Executive Officer on October 12, 1999.

2000 The Citizens Bank of Frost, a branch of Corsicana National Bank & Trust, was opened in Frost, Texas on February 14, 2000.


Corsicana National Bank 1964



History of
Community National Bank & Trust of Texas

2001 In 2001, a holding company was formed, Community Bank Holdings of Texas, Inc. (CBHOT), as the parent company for Corsicana National Bank & Trust and its branch in Frost, Texas. In June of 2001, CBHOT approved the merger of Eagle Bancshares Inc., which owned First National Bank of Fairfield. Its branches included Texas Bank in Buffalo and Richland Chambers Bank at Richland Chambers Lake. Upon completion, CBHOT was a two-bank holding company, but the subsidiary banks maintained separate charters and operations. First National Bank of Fairfield was first opened in 1907 as First State Bank of Streetman, Texas. The bank changed its charter in 1923 from a state charter to a national charter. In 1973, the bank moved from Streetman to Fairfield and became First National Bank of Fairfield.

2003 In July of 2003, the Board of Directors of Corsicana National Bank & Trust promoted K.C. Wyatt as President of the bank. Abe Stroud continued to serve as CEO of Community Bank Holdings of Texas, Inc.

2005 The newly-constructed bank building on Hwy 287 was completed.

2007 Abe Stroud retired as CEO on March 27, 2007 and K.C. Wyatt was appointed President and CEO of both banks. In 2007, the new building for the Fairfield bank, located at 101 North Mount Street, was complete.

2008 Both banks merged into one charter and it was renamed Community National Bank & Trust of Texas.

2010 The bank acquired a branch from Jefferson Bank located in Red Oak, Texas. After the acquisition, CBHOT had $352 million in assets. Rusty Hitt and Tim Stites were named to the Board of Directors.

2013 On March 14, 2013 Community Bank Holdings of Texas agreed to acquire Mineral Wells Bancshares, Inc., which owned First State Bank of Mineral Wells, and had approximately $130 million in assets at the end of 2012. Upon completion, CBHOT had assets of $496 million and added three branches to its branch network which included Mineral Wells, Weatherford and Possum Kingdom. Riley Peveto, former President/CEO of First State Bank of Mineral Wells, joined CBHOT's Board of Directors.

2016 On January 1, 2016 Community Bank Holdings of Texas acquired StarBanc Holding Company, which owned Star Bank, and had $142 million in assets at the end of 2015. The banks were officially combined on April 11, 2016 with total assets of $650 million and it added three branch locations: Burleson, Lake Worth and White Settlement. Russ Richardson, President of Star Bank, continued to work for Community National as an Executive Vice President and Loan Officer and he was also elected to CBHOT's Board of Directors.

2017 Rusty Hitt was named President, with K.C. Wyatt continuing to serve as CEO and Chairman of the Board. The asset size as of December 31st was $720 million with 178 employees. The main office in Corsicana underwent a $2 million dollar renovation. A Loan Production Office was opened in November in Waxahachie, TX. The bank also purchased Navarro County Abstract Company located in Corsicana in December.

2018 K.C. Wyatt retired on May 31, 2018. Rusty Hitt was named CEO and Tim Stites was named President in April. The banking franchise continued to grow with a new branch location in Centerville that opened in October. In addition, land was purchased on Highway 77 in Waxahachie in order to build a full service branch. The bank ended the year with $751 million in assets and 182 employees.

2019 The bank opened its first-ever call center across the street from the Corsicana main branch, diverting calls from the toll-free number and the Corsicana main branch. In November of 2019, The Board of Directors gathered to break ground on the bank's newest location in Waxahachie, set to open in 2020. For the first time in the bank's history, outstanding loans crossed the $500 million mark and ended the year at $532 million. Community National Bank & Trust of Texas ended 2019 with record-breaking earnings passing the $10 million mark.

2020 In the midst of a worldwide pandemic, the bank provided 855 Paycheck Protection Program loans, totaling $79.7 million for small business customers across Texas.
The PPP loan program contributed to substantial asset growth, crossing the $900 million mark with a net income of $11.3 million for the year. Building continued for the new branch location in Waxahachie, slotted to open to the public in 2021.

2021 Construction was completed on the 27,000 square foot facility in Waxahachie, including a full-service branch, lease space for local businesses, and sharable meeting space. The Burleson branch was sold to Grandview Bank in December. Les Leskoven retired as Chief Investment & Trust Officer and continued serving on the Board of Directors. The bank participated in the second round of PPP loans, providing an additional

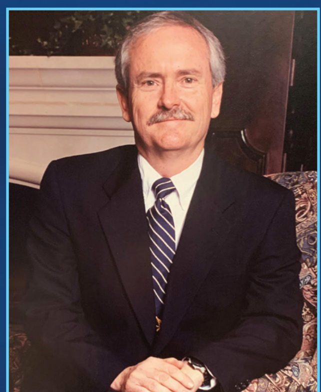
(continued)
$42 million to small business owners and a program total of $121 million. Total assets exceeded the $1 billion mark, and earnings reached a new high of $13 million.

2022 Navarro County Abstract Company, the bank-owned title company, was sold in August 2022. The bank maintained ownership of the property in Corsicana that houses the title company, the bank's call center and tenants, with plans to expand the call center to a comprehensive operations center. A bordering property was also purchased to allow building and parking expansion in the future. The bank was awarded the #1 Company to Work For in Texas by the Texas Association of Business, and 11th Best Bank to Work For in the Country by American Banker.

2023 A banking crisis erupted following the Silicon Valley & Signature bank failures in the first quarter of the year. CNB&T customers were comforted by the bank's previously contracted partnership with IntraFi, providing additional FDIC coverage for customers with over $250,000 in deposits at the bank. The bank expanded its fraud prevention and digital services for customers, and began developing a Quality Assurance Department to be launched in 2024.

2024 The holding company prepared to sign a definitive agreement to purchase CapTex Bancshares, Inc., expecting the close the transaction in the second quarter of 2025. The expected acquisition will grow the bank by 5 branches throughout North Texas, including Fort Worth, Bonham, Leonard, Melissa, and Trenton.

Directors of
Community National Bank & Trust of Texas



Gary Summerall
(Chairman) - 1987

Byron Cook
1991

Ginne Davis
2020

K.C. Wyatt
2003

Laura Coffey
2020

Les Leskoven
2019

Rusty Hitt
2010

Scott Summerall
2020

Tim Cooper
2008

Tim Stites
2010

Executive Officers of
Community National Bank & Trust of Texas

Rusty Hitt
CEO

Tim Stites
President

Alfred Vega
Executive Vice President
Chief Risk & Chief Credit Officer

Ashley Grigar
Executive Vice President
Chief Operations Officer

Greg Olsen
Executive Vice President
Chief Lending Officer

Steven Nutt
Executive Vice President
Chief Financial Officer

Locations

BUFFALO BRANCH
906 North Buffalo Avenue
Buffalo, TX 75831

CENTERVILLE BRANCH
412 South Commerce Street
Centerville, TX 75833

CORSICANA BRANCH
3401 South Highway 287
Corsicana, TX 75110

CORSICANA MAIN OFFICE
321 North 15th Street
Corsicana, TX 75110

FAIRFIELD BRANCH
101 North Mount Street
Fairfield, TX 75840

FROST BRANCH
400 North Garitty Street
Frost, TX 76641

LAKE WORTH BRANCH
3930 Boat Club Rd.
Fort Worth, TX 76135

MINERAL WELLS BRANCH
101 SE 1st Ave.
Mineral Wells, TX 76067

POSSUM KINDGOM BRANCH
1404 Park Road 36
Graford, TX 76449

RED OAK BRANCH
102 Ranch Rd.
Red Oak, TX 75154

WAXAHACHIE BRANCH
1905 US Hwy 77
Waxahachie, TX 75165

WEATHERFORD BRANCH
1901 Wall Street
Weatherford, TX 76086

WHITE SETTLEMENT BRANCH
9636 White Settlement Rd.
Fort Worth, TX 76108

Upcoming Locations

- Downtown Fort Worth
- Melissa
- Trenton
- Leonard
- Bonham

Year in Review of
Community National Bank & Trust of Texas

The bank partnered with Haberfeld, a consulting company for Financial Institutions, to restructure products and services, utilize data-driven marketing, and train employees to maximize the bank's growth. The bank experienced great success with a 146% increase in new account openings during the first campaign cycle alone.

The bank expanded its Financial Literacy efforts in each community, earning a **Silver Eagle Award** in the Financial Literacy Category for IBAT's Best of Community Banking Awards. The bank was recognized for:

- Continuing our Banzai! school partnerships
- Building a comprehensive digital resource library with Banzai!
- Offering a Youth Savings promotion for those with completed
- Financial Literacy courses
- Hosting an annual Youth Bank Board for our Southern region's seniors
- Establishing a Community Outreach Program to teach Fraud Awareness to community organizations

The bank donated over **$400,000** and **1,000 volunteer hours** to local schools and organizations, with employees holding multiple leadership positions and hosting frequent community events at their branches.

Bank employees also donated over **$18,000** to local charities through the bank's **Casual for Charity** program.

COMMUNITY NATIONAL
BANK & TRUST OF TEXAS

Balance Sheet

Community National Bank and Trust of Texas

December 31, 2024 and 2023

(in thousands)

unaudited

ASSETS	2024	2023
Cash and due from banks	$ 20,405	$ 19,221
Interest bearing demand deposits in other banks	149,745	70,291
Total cash and cash equivalents	170,150	89,512
Investment securities available-for-sale	163,393	177,065
Loans, net	871,190	876,885
Bank premises and equipment, net	32,324	32,295
Bank owned life insurance	29,724	28,822
Goodwill & Intangible Assets	10,940	11,180
Investment in Subsidiary, Community Title Holdings, Inc	-	-
Other assets	13,410	13,551
Total assets	$ 1,291,131	$ 1,229,309
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits:		
Noninterest bearing	$ 390,648	$ 398,748
Interest bearing	687,295	631,140
Total deposits	1,077,943	1,029,889
Accrued interest payable		
Federal Home Loan Bank advances	50,000	50,000
Dividends payable		
Other liabilities	8,038	9,079
Total liabilities	1,135,981	1,088,968
Stockholders' equity:		
Common stock	846	846
Additional paid-in capital	58,891	58,891
Retained earnings	114,361	99,553
Accumulated other comprehensive income	(18,948)	(18,948)
Total stockholders' equity	155,150	140,342
Total liabilities and stockholders' equity	$ 1,291,131	$ 1,229,309

Statement of Income

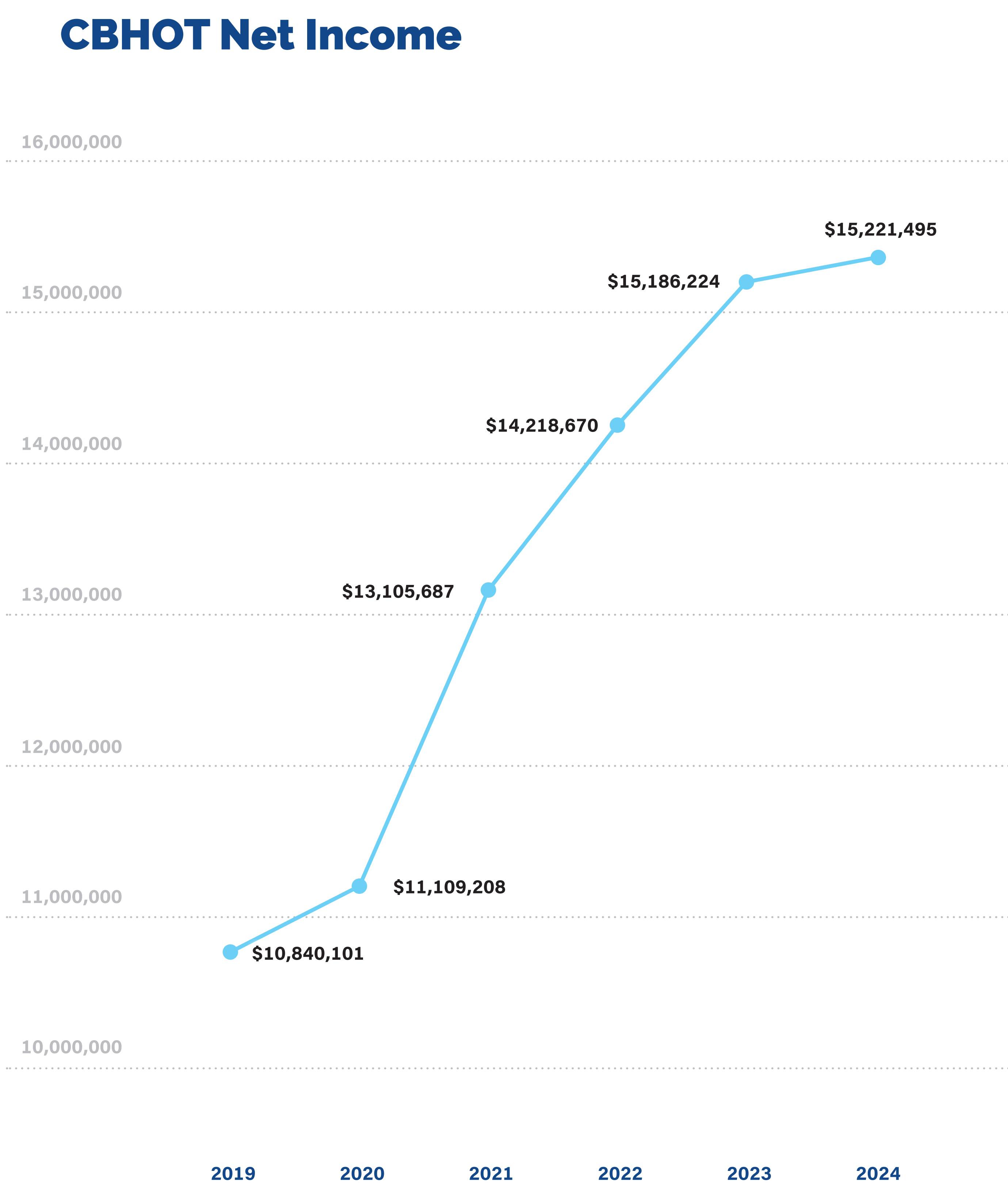
Community National Bank and Trust of Texas

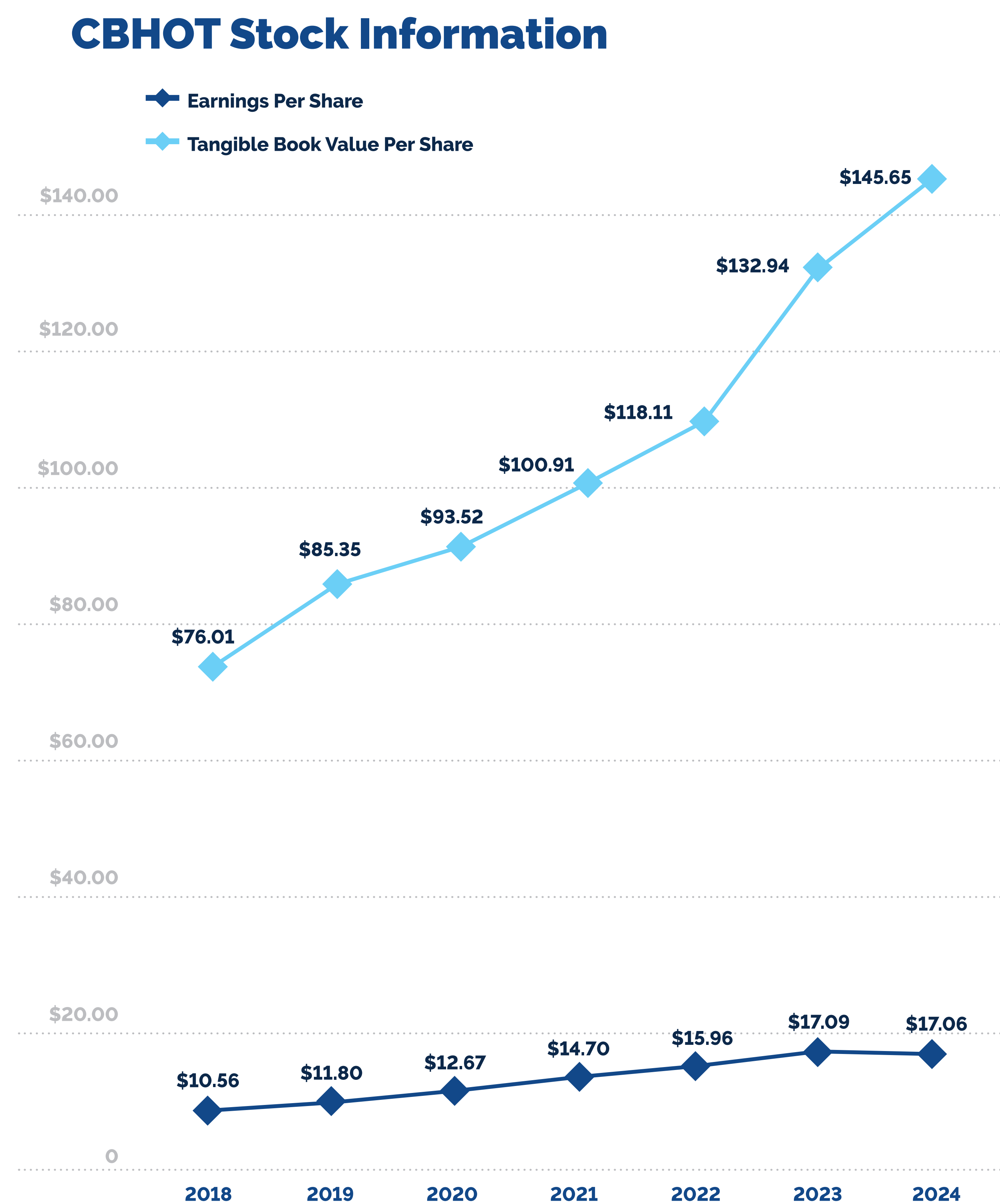
For the Years Ended December 31, 2024 and 2023

(in thousands)

unaudited

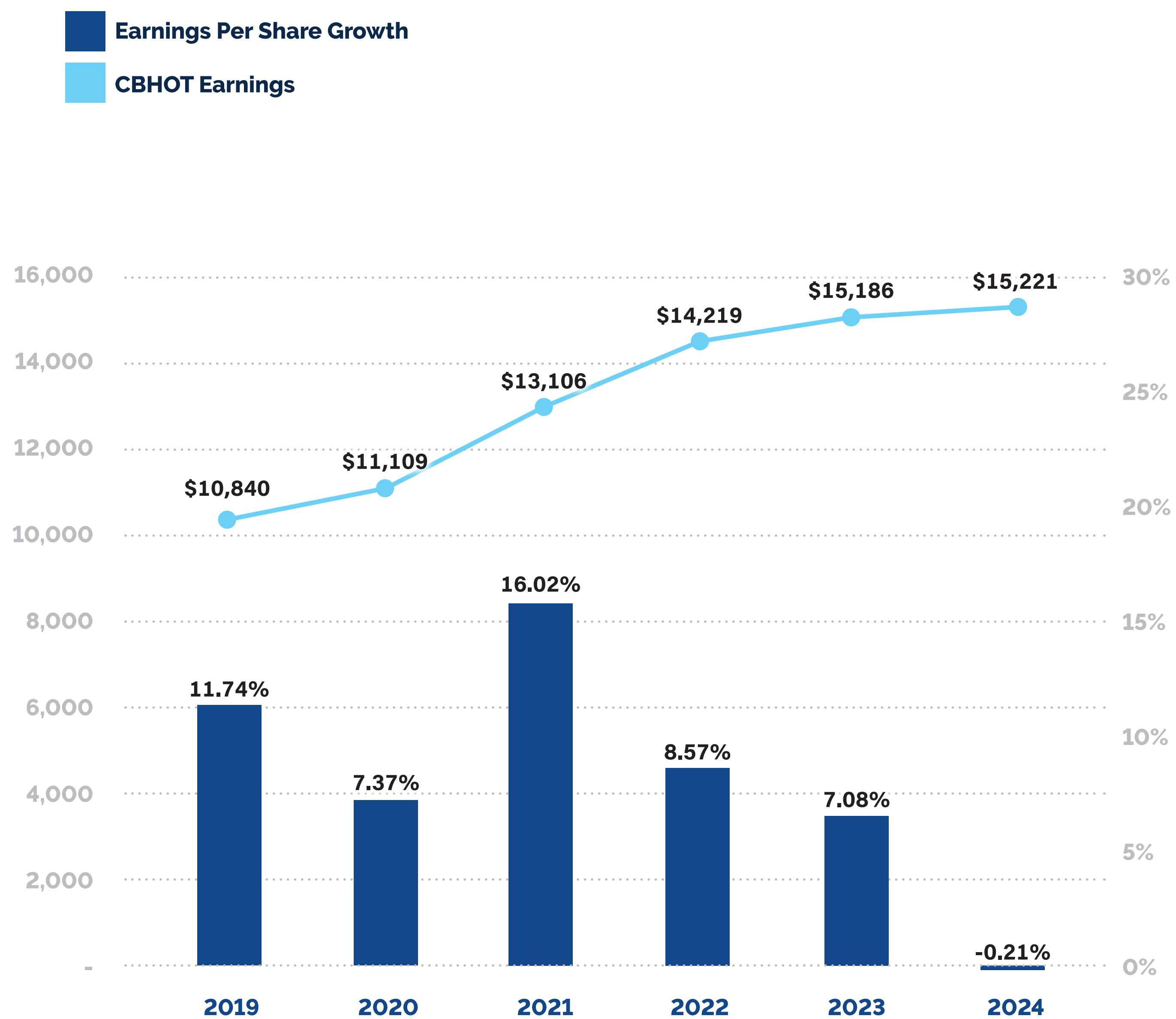
	2023	2023
Interest income:		
Interest and fees on loans	$ 59,994	$ 52,904
Investments	9,843	7,505
Other	-	-
Total interest income	69,837	60,409
Interest expense:		
Deposit accounts	20,144	13,773
Federal funds purchased and other borrowings	2,314	2,104
Total Interest Expense	22,458	15,877
Net interest income	47,379	44,532
Provision for loan losses	1,075	825
Net interest income after provision for loan losses	46,304	43,707
Noninterest income:		
Customer service fees and charges	1,685	1,584
Trust income	2,407	1,618
Earnings on life insurance contracts	903	665
Undistributed Net Income of Subsidiary, CTH, Inc	-	-
Other	3,782	5,606
Total noninterest income	8,777	9,473
Noninterest expense:		
Salary and employee benefits	19,435	17,998
Occupancy and bank premises	3,408	3,309
Other	11,363	11,049
Total noninterest expense	34,206	32,356
Income before tax expense	20,875	20,824
Income tax expense	4,120	4,203
Net income	16,755	16,621


CBHOT Net Income
16,000,000
15,000,000
14,000,000
13,000,000
12,000,000
11,000,000
10,000,000
$10,840,101
$11,109,208
$13,105,687
$14,218,670
$15,186,224
$15,221,495
2019
2020
2021
2022
2023
2024


CBHOT Stock Information
Earnings Per Share
Tangible Book Value Per Share
$140.00
$120.00
$100.00
$80.00
$60.00
$40.00
$20.00
0
$76.01
$85.35
$93.52
$100.91
$118.11
$132.94
$145.65
$10.56
$11.80
$12.67
$14.70
$15.96
$17.09
$17.06
2018
2019
2020
2021
2022
2023
2024

CBHOT Earnings Growth

unaudited



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