

**DO RIGHT.  
GROW.  
BUILD VALUE.  
BE BOULDER.**



**STONE**  
— BANCSHARES, INC —



# STONE BANK SENIOR LEADERSHIP



**Marnie Oldner**  
Chief Executive Officer



**Nick Roach**  
President and Chief Lending Officer



**Stephen Ragland**  
Executive Vice President, Chief Financial Officer



**Janet Moore**  
Executive Vice President, Chief Operations Officer



**Bruce Upton**  
Chief Technology & Risk Management Officer



**Kirby Williams**  
Executive Vice President, Chief Marketing & Retail Banking Officer

- Latrechia Branch**, Deposit Operations Manager
- Tim Cooper**, Harrison Market President
- Kyle Cowles**, Controller
- Jeremy Davis**, FSA Division President
- Blake Fletcher**, Little Rock Market Senior Lender
- Ben Hargrave**, Senior Internal Audit Officer
- Jason Hornsby**, Mortgage Division Manager
- David Jessup**, Senior Trust Officer and Arkansas County Market President
- Kayla Jones**, Loan Operations Manager
- Cara Lank**, Chief Credit Officer
- Debbie Moyers**, SBA Division Chief Operations Officer
- Vinny Muratore**, SBA Division President
- Sara Ort**, Chief Legal Officer
- Ashley Roach**, Senior Compliance Officer
- Vince Stone**, White Hall Market President
- Sandy Straessle**, Senior Retail Banking Officer

# MESSAGE FROM STONE BANK’S CEO

Those of us who’ve enjoyed extended careers in banking have seen a lot of change, but never at the pace and with the intensity we’ve experienced during the past couple of years. As you see on the facing page, there’s been a whole new vocabulary to learn, which we’ve had to learn in a hurry. We’ve kept up with the pace of change as dictated by the Federal government and our regulators; but most importantly we’ve also learned how to meet the evolving needs of our customers and employees during the Coronavirus Pandemic. As the pandemic becomes endemic, a new normal will likely emerge; but at this writing, uncertainty and change still looms ahead as the world stage continues its struggles with inflation, supply chain problems, workforce challenges, and now, the tragic Ukraine crisis.

Because of our very professional and resolute team, we’ve managed to not just survive but flourish through all the challenging times in our Bank’s brief history—including the past two years—and we intend to continue that success. I believe the main reason we’ve been able to achieve financial success in an ever-changing environment has been our steadfast dedication to the three goals we’ve lived by since 2015 and that underpin every strategic choice:

**Grow. Do it profitably. Do it right.**

Our management and Directors translated this mantra into three distinct periods. The first challenge was getting the right people in place and setting up the internal management structures to make sure the bank “did right” both technically and by the people affected by our decisions—our customers, regulators, employees, shareholders, and by our communities. The next phase focused on growth – growth in capital and physical facilities; growth in delivery systems, product lines and customer service; growth in staff; and ultimately, growth in assets, loans, and deposits. The third phase, where we are now, is the time to focus on earnings growth and create sustainable value for our shareholders. I believe our growth in assets and earnings in the past five years proves that we’re staying on track and we’re *doing it right*.

What we show you in each of these shareholder mailings is a combination of financial data and the pride and spirit of our people. I hope you enjoy the photos in this report that illustrate our personality and commitment to our communities.

Over the past four years, our growth has continued to be excellent. Assets are up 143% during that time. Earnings have strengthened significantly, particularly this past year. Earnings grew from \$3.5 million in 2020 to \$8.8 million in 2021. As you can see from the bar charts and tables, earnings have grown steadily in each of the past four years. Because of the strength of earnings in 2021, dividends paid last month were doubled from the expected payout of \$0.35 per share to \$0.70 per share. We are thankful to all our investors who have trusted us over the years.

Our directors have supported us every step of the way—with their expertise, advice, time, and whenever we needed it, their financial support. Our employees embrace what we mean when we say, “Do it right.” The dedication they bring to their jobs and communities is the key to our success. People serving people. It can’t get better than that. Thank you all for a fantastic year.

Sincerely,  
  
Marnie B. Oldner  
Chief Executive Officer

# A GUIDE TO THE NEW WORLD OF BANKING

**MASK MANDATE**

**ANTI-VAXXERS**

**GREEN INITIATIVES**

**DEI**

**PPP**

**EIDL**

**WFH**

**LOCKDOWN**

**ZOOM MEETINGS**

**CARES ACT**

**E-SIGN**



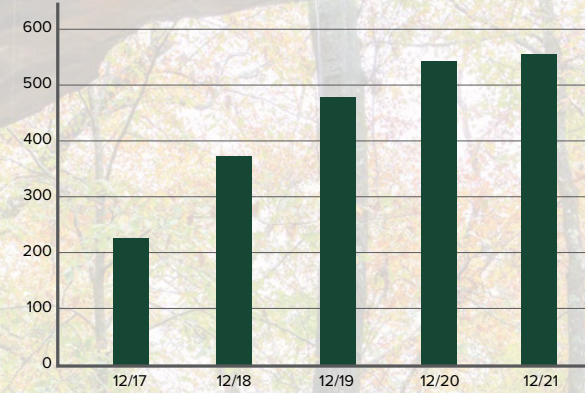
# FINANCIAL HIGHLIGHTS

## STATEMENTS OF CONDITION

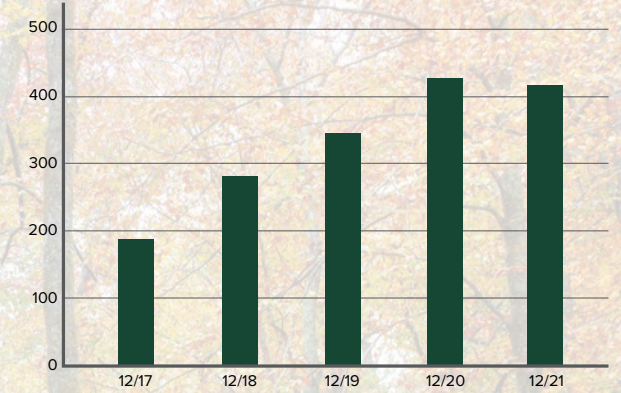
YEARS ENDED DEC. 31 – IN THOUSANDS EXCEPT FOR SHARE AMOUNTS

ASSETS		2017	2018	2019	2020	2021
Loans, net of allowance		\$185,826	\$275,651	\$339,137	\$424,280	\$415,404
Investments & FFS		11,533	43,968	80,731	62,511	90,150
Other Assets		30,423	52,399	57,298	53,476	48,586
Total Assets		<b>\$227,782</b>	<b>\$372,018</b>	<b>\$477,166</b>	<b>\$540,267</b>	<b>\$554,140</b>
LIABILITIES & CAPITAL						
Total Deposits		\$185,626	\$304,354	\$394,540	\$399,888	\$472,780
Other Borrowings & Liabilities		22,137	32,153	35,959	89,767	24,127
Total Liabilities		207,763	336,508	430,499	489,655	496,907
Stockholders' Equity		20,019	35,511	46,667	50,612	57,233
Total Liabilities & Equity		<b>\$227,782</b>	<b>\$372,018</b>	<b>\$477,166</b>	<b>\$540,267</b>	<b>\$554,140</b>
INCOME						
Net Interest Income		\$7,247	\$9,420	\$12,946	\$15,348	\$18,501
Noninterest Income		5,361	8,647	10,004	12,291	14,309
Noninterest Expense		8,840	12,285	17,533	17,749	17,790
Provision for Loan Losses		1,458	3,419	2,397	5,391	3,461
Net Income Before Income Tax		2,310	2,363	3,020	4,499	11,559
Provision for Income Tax		922	518	639	990	2,801
Net Income		<b>\$1,388</b>	<b>\$1,845</b>	<b>\$2,381</b>	<b>\$3,508</b>	<b>\$8,759</b>
Earnings per common share, fully diluted		<b>\$0.96</b>	<b>\$0.80</b>	<b>\$0.87</b>	<b>\$1.17</b>	<b>\$2.88</b>
Book value per share outstanding		<b>\$13.92</b>	<b>\$14.37</b>	<b>\$16.49</b>	<b>\$17.89</b>	<b>\$20.24</b>

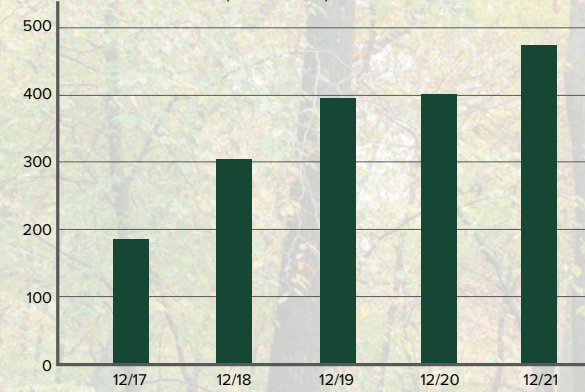
ASSETS (in millions)



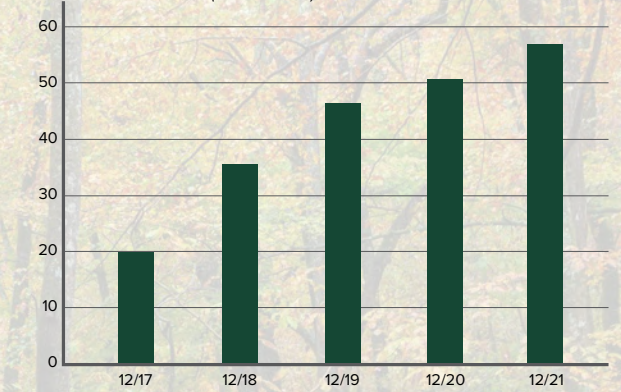
LOANS (in millions)



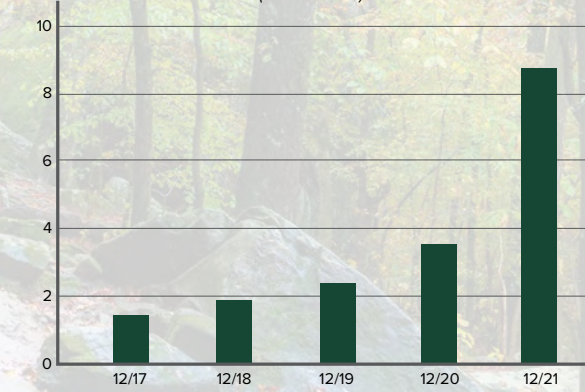
DEPOSITS (in millions)



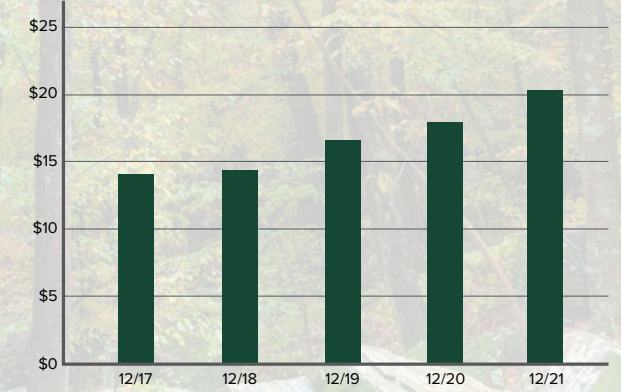
CAPITAL (in millions)



NET INCOME (in millions)

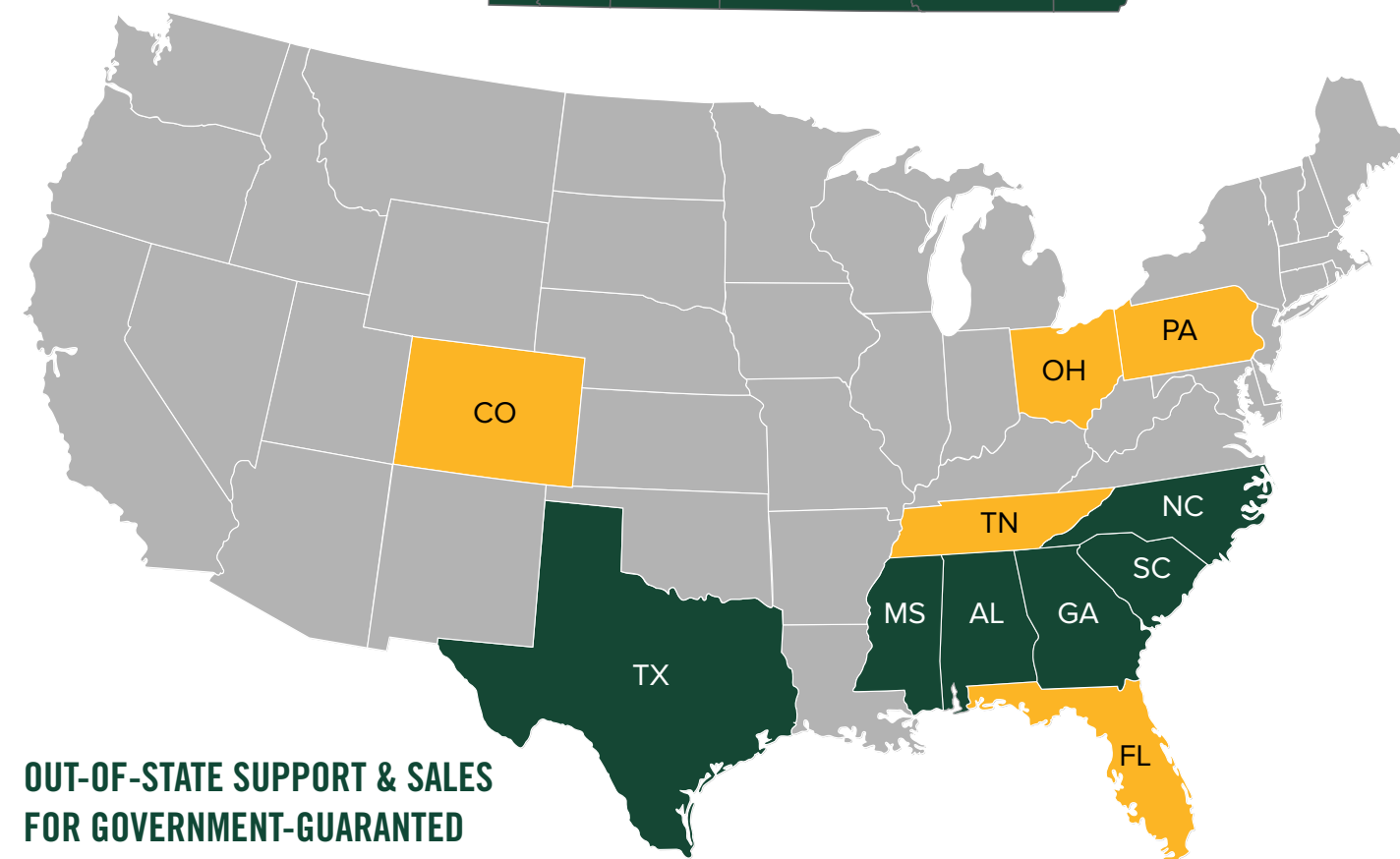


BOOK VALUE PER SHARE





## A GROWING FOOTPRINT FOR A GROWING FINANCIAL INSTITUTION



## OUT-OF-STATE SUPPORT & SALES FOR GOVERNMENT-GUARANTEED LENDING PROGRAMS

**FSA** **SBA**

## COMMUNITY INVOLVEMENT BUILDS BANK VALUE

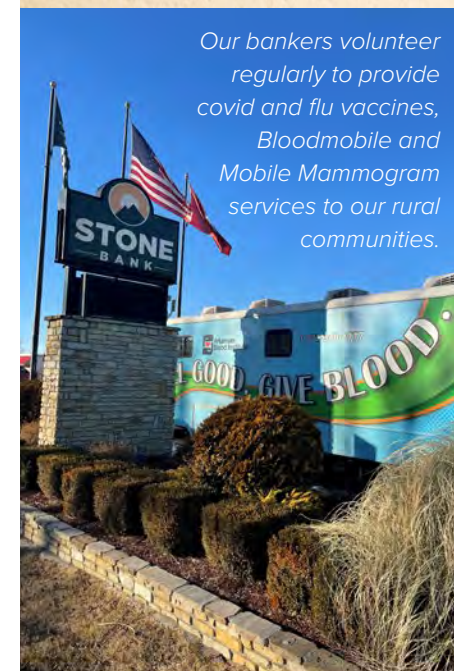


Above: The Bank was the primary sponsor of the Women's Foundation of Arkansas' Tijuana Byrd Internship Program for minority females seeking degrees in STEM fields of study.

Right: Grady Spann and Stacy Hurst of the Department of Arkansas Heritage accept Stone Bank's donation as a major sponsor of the Ozark Folk Center State Park and the Ozark Highlands Radio Nationwide broadcasts.



Left: Our White Hall leaders, Vince Stone, Jeremy Lambert and Sheila Cannon, seen here at the groundbreaking for a new hotel, are helping change the landscape of this growing community.



Left: Each time a new Stone Bank location has opened, we've greeted that community with "10 Days of Giving" to local food banks, animal shelters and other local charities.



Above: Stone Bankers in Central Arkansas sponsor the Junior Achievement organization financially, on their Board of Directors and as volunteer teachers for their business and finance classes in public schools.

Right: Stone Bank continues to honor our men and women who served in the US Military with annual ceremonies and contributions to organizations providing services to our local Veterans. The 2021 honorees at our annual Veterans Day celebration were the Stone County Honor Guard, who have participated in our festivities since 2011.



## EXCEPTIONAL PEOPLE BUILDING AN EXCEPTIONAL BANK



**Cara Lank, Chief Credit Officer,** was appointed as Chairman of the National Rural Lenders Association's USDA's important Government Relations Committee this year. The committee lobbies on behalf of the USDA Government Guaranteed Lending programs.



**DeWitt Market President and Trust Officer, David Jessup,** has served Arkansas County as Chairman of the DeWitt Hospital and Nursing Home for the past five years.



**Kayla Jones, VP & Manager of the Loan Processing Department in Harrison,** was chosen by her peers as the first winner of the "Beyond The Be's Award" for exceeding the goals set out in Stone Bank's "10 Be's Of Customer Service."



**Sandy Straessle, Senior Vice President, Retail Banking, Little Rock,** is a graduate of LeadAR, the State Chamber of Commerce's statewide program for emerging leaders. She also represents the Bank on the Junior Achievement of Arkansas Board and was recently designated the bank's Diversity, Equity & Inclusion Officer.



## Stone Bancshares Board of Directors



Sonya Daniels, Chairperson

J.T. Compton  
Kevin Compton  
Ken Compton  
Charles Daniels  
Marnie Oldner

## Stone Bank Board of Directors



Kevin Compton, Chairman

Buddy Bolin	Eddie Lumsden
J.T. Compton	Raymond Merrill
Charles Daniels	Marnie Oldner
Sonya Daniels	Nick Roach
Ray Dillon	Gladys Webb
Roger Helms	



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Mountain View, Arkansas

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307 Sylamore Avenue,  
Mountain View, Arkansas

Loan Production Office  
416 N. Main Street  
Cave City, Arkansas

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White Hall, Arkansas

1302 US Highway 62/65,  
Harrison, Arkansas

215 S. Jefferson,  
DeWitt, Arkansas

210 W. Main Street,  
Gillett, Arkansas

[www.stonebank.com](http://www.stonebank.com)

