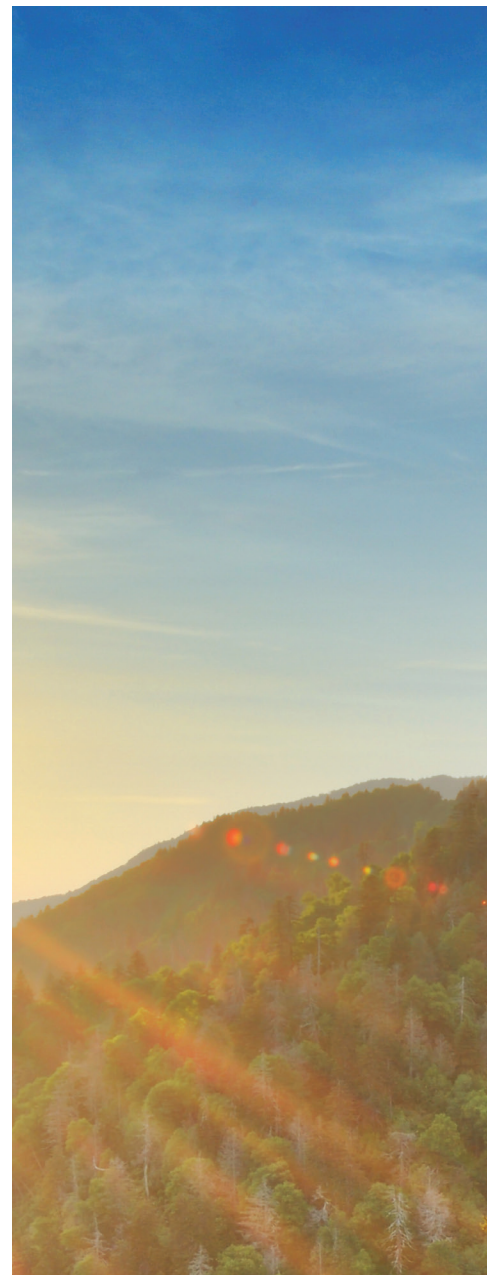


2021
Year in Review



**Our Story
Continues**

CITIZENS
FINANCIAL SERVICES

INCORPORATED

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Our Story Remains Unwritten...

Letter from: Randall E. Black • Chief Executive Officer and President

Lowell, my friend and mentor, our story is not finished!

Message to Our Fellow Shareholders, Customers, Coworkers & Friends,

I could not be more pleased and honored to report that our Company continued its remarkable upward trajectory through 2021.

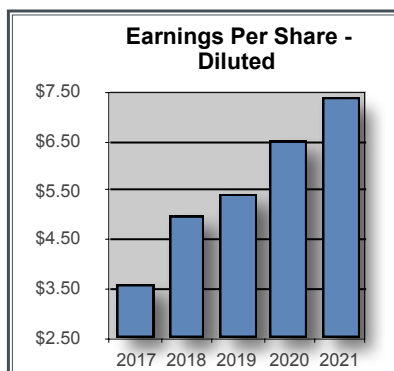
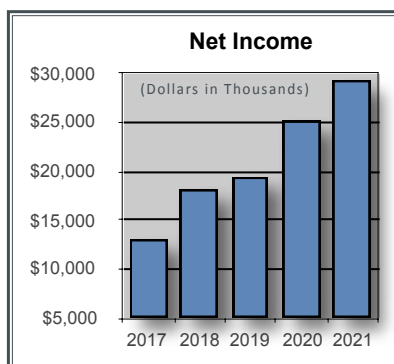


Before I recap and share our financial and nonfinancial accomplishments for 2021 and our outlook for the future, I need to recognize the imprint one man has made on me personally, and on this Company for the last 28 and 38 years, respectively, our late Chairman, R. Lowell Coolidge, Esq. His dedication, impact and love for this Company was second to none. He was passionate about the Company and the communities it serves. He was extremely proud of the Company's financial results and commitment to remaining independent. And, 19 years ago, he took a chance on a young man that some (including me) thought was too young to step in to take the wheel of this great, small community bank. He believed in me and made sure I had full access to him for guidance, as we shared the same vision – which was to continue to build upon the strong foundation we had and grow our franchise value, while never losing focus on our customers, employees, communities and shareholders! Our goal was to create a legacy institution that would survive for generations, as it had in the past, and position ourselves for long-term sustainability. His ability to listen and share his life experiences provided me the guidance I needed as we set out on this journey together, working hand in hand with one of the best board of directors, management team and team of employees a 37-year-old could ask for. I think our past performance and accomplishments can attest to the importance of the leadership Lowell Coolidge meant to this great Company of ours! And it's because of his leadership and vision that our foundation is stronger than ever and is positioned to carry on writing this great story of ours!

It is because of this strong foundation, that we have built over the last 150 years, that has provided us the knowledge and tools to continue to weather one of the greatest health threats of our generation. As we began 2021 with vaccine roll out efforts well under way and detailed plans in place to control the additional spread, we all held optimism that the pandemic was well under control and finally we

would have a sense of normalcy. As schools returned to face-to-face instruction, employees returned onsite and the consumer began to return to the market (albeit facing the impact of high inflation), it started to feel normal again. Then the Delta variant hit us in the fall season, soon to be followed by the highly contagious Omicron variant and all of a sudden, we found ourselves questioning, will this ever end? Due to the strong and resilient TEAM here at FCCB, not only did we fight through all the hurdles thrown at us during the last 20 months, but we came through it a much stronger unit, represented by our year-end financial results!

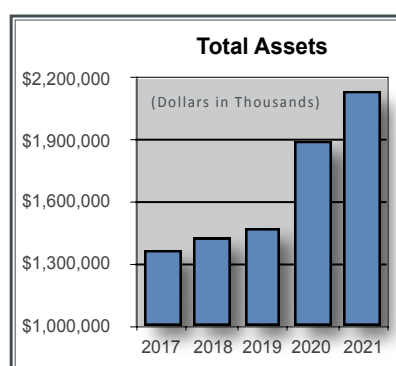
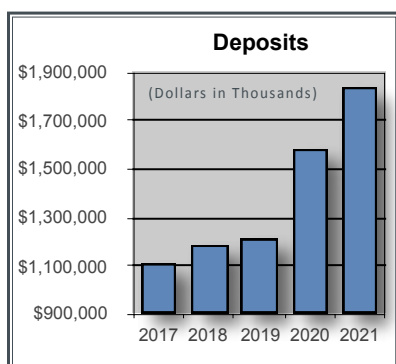
Your Company, Citizens Financial Services, Inc. (CZFS) posted one of the best years on record, as evidenced by our financial achievements for the twelve months ended December 31, 2021:



- Record Net Income of \$29.1 million compared to \$25.1 million at December 31, 2020, representing 16% earnings growth!
- Record Earnings Per Share of \$7.38 versus \$6.53 for the year ended December 31, 2020, representing 13% growth
- Return on Average Assets remained strong at 1.45% compared 1.46% for year ended December 31, 2020
- Return on Average Equity remained strong at 14.26% compared to 14.21% for the year ended December 31, 2021.

Our Story Remains Unwritten...

continued from previous



- Return on Average Tangible Common Equity remained relatively stable at 17.01% compared to 17.16% for the year ended December 31, 2020
- Dividends paid were \$1.86 compared to \$1.90 for year ended December 31, 2020, which included a \$.10 one-time special dividend in 2020
- Net Loans grew 2.5% to \$1.4 billion, which was significantly impacted by the forgiveness of the Payroll Protection Plan (PPP) loans issued as part of the 2020 Coronavirus Relief Law (CARES Act)
- Credit quality continued to improve, evidenced by a ratio of non-performing assets to total loans of .61%, which represents a decrease of 34% from .93% at December 31, 2020.
- Annualized net charge-offs to total loans was .00%, compared to .03% for the year ended December 31, 2020, continuing our historically low charge-offs compared to our peers
- Record Deposits of \$1.8 billion, representing 15% growth
- Record Assets of \$2.1 billion, representing 13% growth and crossing over the \$2 billion threshold for the first time in our history

As you can see, we surpassed significant milestones across a broad range of financial metrics. Looking back at the Company's arc, it's eye-opening that it took 143 years to reach the \$1 billion mark in total assets, but only six years to more than double that number.

At the risk of sounding repetitive—because this has been the case for many years—we continue to build off our momentum in all four of our core businesses: retail, commercial, agriculture and wealth advisory. Robust performance, combined with a surplus of market liquidity, fueled new highs in deposits, loans and capital, allowing us to achieve our record-setting level of assets.

Our vast geographic markets and our ability to offer customized products and services to our customer base, as only a true community bank can, provide us endless opportunities to continue to build upon our foundation and position us well into the horizon.

Positioning ourselves in the right markets, with the right products and services, and the right technology is only a small part of our success. Without the right TEAM of individuals to service and address our clients' needs, we are just another bank. Our most important asset is our FCCB family members, from the frontline to the individuals behind the scenes. Every day they all step up to the plate, putting their own personal issues aside to make sure we are delivering our brand promise to our clients. This is what differentiates us from the rest...our FCCB family! A wise man once told me 19 years ago that it's all about people, and how right he was!

We all know our success just doesn't happen; it is earned through hard work, dedication, loyalty, commitment, and most importantly a well-designed strategy that keeps us focused on our core values that provide the vision to support our current and future growth needs. Our philosophy is simple...treat our customers, our employees and our communities with respect, and we will earn their loyalty. Our strategy has never been about selling products but instead about finding ways to help

Our Story Remains Unwritten...



make life more rewarding for our customers. We have been and remain committed to helping our communities thrive by dedicating time, money, knowledge, and skills to organizations and activities that impact our economy and social vitality.

It's this simple philosophy that keeps us focused day in and day out, but it's our long-term strategy that provides the road map for continued success. Our strategy is a dynamic process that recognizes the changing needs and expectations of our society, neighbors, directors, employees, customers, and communities. Our five strategic goals reflect our desire to continue as a strong-performing community bank. We balance our long-term vision with a sharp focus on the mid-range or higher performance. It's these five goals that provide the guard rail for our success:

- Continued Growth and Expansion
- Integration for Maximum Customer Opportunities
- Consistent Customer Service Experience
- Organizational Alignment for Employee Engagement
- Continuation of a Legacy Investment

Our strategy is transformational, as we focus on our rapid growth and expansion, we cannot lose our emphasis on delivering consistent, exceptional customer service across a more complex organization. This carefully woven transformational strategy recognizes the evolution of our Company and the continuing need for initiating significant adaptations to our business model and culture. We look beyond the current operational needs to recognize the sustainability of our company, consistent with our commitment to a legacy investment.

Our strategy is not just written down on a piece a paper it's a living, breathing, tangible way of life for our Company, as evidenced by some of our actions and investments during 2021:

- We continued to build out all our markets, by adding new members to our already highly-talented commercial, agricultural and residential lending teams and our cash management team. Additionally, we continue to benefit from market share opportunities that allow us to expand within our existing markets.
- The announcement of our 32nd branch to be opened sometime this spring in Ephrata, PA, bringing our number of locations in Lancaster county to three. We are super excited about this opportunity to bring our brand promise to the Ephrata community.
- We continued to invest in technology and third-party partnerships to enhance the customer and employee experience and improve overall efficiency.
- In the fourth quarter we entered into a FinTech partnership focused on consumer lending opportunities, which will not only bring additional loans to our balance sheet, but also allow us to expand those relationships beyond their current needs, while providing FCCB first-hand experience into the technology-driven world of FinTech.
- As part of our overall focus on our number one asset...our TEAM, we rolled out an enhanced employee benefit package, focused on providing additional flexibility, while enhancing some of our additional benefits. As part of our ongoing process, we will continue to look for opportunities that focus on the overall well-being of our FCCB family.

Our Story Remains Unwritten...

continued from previous

- We redesigned our organizational structure to match our strategy and growth expectations to position ourselves for long-term sustainability, which will play a significant role in continuing our legacy.

These are just a sample of projects and initiatives addressed during 2021. As we proceed through 2022 and beyond, we will continue to build on our foundation to secure our legacy for generations to come.

As we look forward to 2022, we are humbled by the recognition and accomplishments we received during 2021, resulting from another year of record financial performance. Because of our financial strength, we continued to be recognized.

- For the fourteenth consecutive year, the *American Banker Magazine* has ranked us as one of the 200 top-performing community banks in the nation, with assets under \$2 billion, for our financial performance based upon the three-year average return of equity.
- In addition, FCCB was ranked as the 29th best performing bank in the \$1 billion to \$5 billion category nationwide by The Bank Director Performance Scorecard. What a tremendous honor!
- We were again awarded a maximum 5-star rating from Bauer Financial, Inc., which analyzes and reports on the financial condition of the nation's banks.
- We continue to demonstrate our knowledge and strength in agriculture by finishing the year as the third largest agricultural lender headquartered in Pennsylvania and 66th in the nation as of December 31, 2021.
- And probably the truest testament to the quality of our Company, FCCB was recognized by our customers as one of the top five banks in Pennsylvania for how we handled the pandemic crisis resulting from Covid-19.

In true Lowell fashion, we continued our mission critical commitment to the communities we served in 2021. In fact, FCCB was recognized as runner up in 2021 for The Corporate Philanthropy Award, which recognizes a corporation or corporate foundation that demonstrates outstanding commitment through financial support and volunteerism, and one who encourages and motivates others to take philanthropic leadership roles in the community. We were honored to be recognized on National Philanthropy Day! In addition, FCCB made donations across our entire market as evidenced by the following:

- Donated \$350,000 to 47 educational enrichment programs across multiple counties, as part of the Education Improvement Tax Credit (EITC) program. This brings our total donations to \$2,200,000 over the last 11 years.
- Continued to host our annual Cancer Classic golf tournament for the 22nd year, raising another \$17,500 for the American Cancer Society's Relay for Life program. With 2021's donation, we have raised over \$260,000 to help fight this deadly disease.
- Partnered with Blaise Alexander and the First Community Foundation to bring Raise the Region to Tioga County, PA. Raise the Region is a seven-county, 30-hour fundraising initiative specifically focused on qualified 501(c)(3) organizations. The event provides community members an opportunity to support local nonprofits who will then receive matching funds as part of the program. Our \$25,000 donation is in honor of Lowell & Lynne Coolidge for their lifelong commitment to the communities and nonprofits in Tioga County, PA.
- Donated over \$360,000 toward various organizations and events related to youth, community, health and agricultural education activities.

Our Story Remains Unwritten...



As we enter 2022, our economic engine continues to face uncertainties as record inflation, supply chain disruptions, labor issues, ongoing Covid-19 variants, excess liquidity resulting from the numerous governmental acts, coupled with the expectation of short-term rates increasing sometime in 2022 have us all guessing, what's next? We plan to do what we do best, which is to continue to focus on the needs of our customers, communities and employees, while delivering increased franchise value for you, our shareholders, in fulfilling our legacy responsibility.

I'm proud to be a small part of this great legacy and to be able to partake in our 150th year celebration in 2022. We have a rich history, dating all the way back to our founding year of 1872, as the Ross and Williams Bank, founded by Andrew Ross and Phillip Williams. What started as a single branch bank located in Mansfield, PA, has been transformed into 31 branches (soon to be 32), covering three states, Pennsylvania, New York and Delaware. I welcome you to read more about our rich history on the subsequent pages and please feel free to join us in this milestone celebration throughout 2022.

As we put a cap on 2021, it's my pleasure to welcome long-time standing board member and most recently Interim Chairman and Vice Chairman, R. Joseph Landy, Esq. to the role of Chairman of the Board, effective December 21, 2021. Joe has been a member of the board of directors for over 20 years and brings with him a legacy of knowledge of the Company. In fact, his late father, Robert J. Landy, Esq retired as a board member of the Company. We look forward to Joe's leadership as we continue to write our story.

It is also my pleasure to welcome Janie Hilfiger, President & CEO of UPMC Susquehanna Soldiers & Sailors Memorial Hospital in Wellsboro, PA and Cole Memorial Hospital, now UPMC Cole, in Coudersport, PA, to the board of directors of the Company effective February 15, 2022. With the overall concern regarding health and personal well-being, we sought out expertise to help guide and educate us. Janie's background, experience and understanding of our northern tier markets are a welcome addition to an already great board of directors.

We have experienced so many accomplishments in 2021 worth celebrating. But as I alluded to at the beginning of my letter, we have also experienced great sadness in the loss of not only my friend and mentor Lowell Coolidge, but also our retired Vice Chair, Carol Tama, who recently passed away. Carol was a legacy member of the board of directors from 1984 to 2009. Her father, Robert M. Jones, served as Chairman of the Board from 1970 – 1986. Carol's footprint and impact on our Company has been, and will continue to be, embedded within us, specifically in the form of volunteerism, community support and involvement.

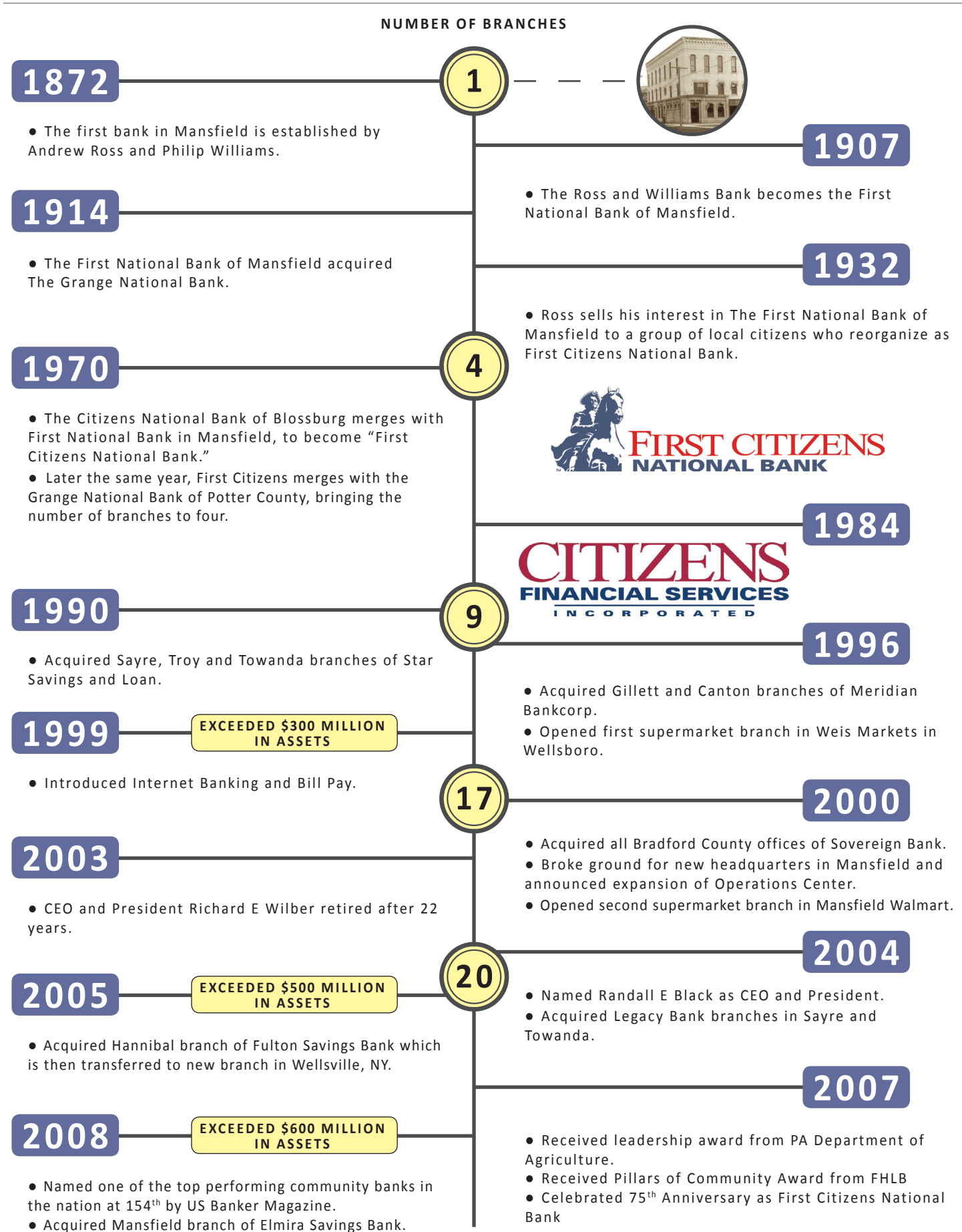
I want to thank our shareholders, clients and communities for believing in our Company throughout this pandemic. I also want to thank our shareholders for your ownership, trust and support of our vision and strategy. And finally, a big thank you to the whole FCCB TEAM, for your leadership and commitment to deliver our brand promise.

Lowell, rest assured, we will do our best to continue to carry out our vision and strategy, keeping all those talks and life lessons you taught me, and all of us, at the forefront, as we continue to navigate our future to create enhanced franchise value for our shareholders, customers, employees and communities! Lowell, my friend and mentor, our story is not yet finished!

May our legacy continue,

Randall E. Black
Chief Executive Officer and President
Vice Chairman of the Board of Directors

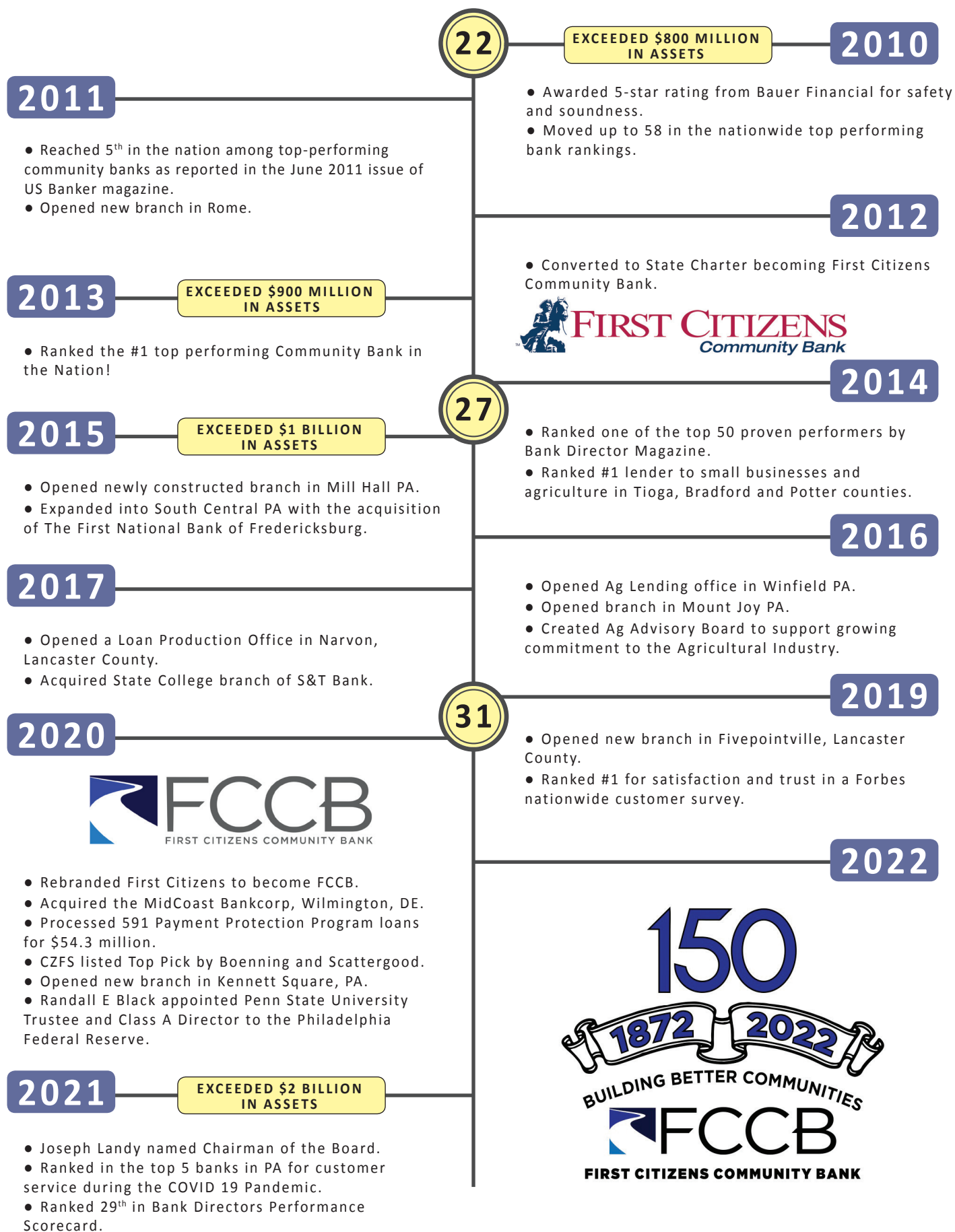
Our Story...



Our Story...



NUMBER OF BRANCHES



Director and Employee News



Meet Our New Chairman

We are proud to announce the appointment of R. Joseph Landy as the new Corporate Board Chairman. Joe is an Attorney with the firm Landy & Rossettie, PLLC, located in Sayre, PA. He has been a member of our Board of Directors since 2001 and he understands and fully supports our mission, our culture, and our strategic direction.

Janie Hilfiger Joins Our Corporate Board

Janie Hilfiger, President & CEO of UPMC Susquehanna Soldiers & Sailors Memorial Hospital in Wellsboro, PA and UPMC Cole, in Coudersport, PA, has been appointed to the Corporate Board of Directors. Our employees are our greatest asset and we are confident that Janie's background and experience in health care will help guide our future decisions.



Honoring Our Latest Employees of the Year

Diane Wilson, VP, Mortgage Lending Sales Manager, was recognized for her leadership and dedication to our customers and her coworkers. During the height of the pandemic, she spearheaded our Team's efforts in processing 460 mortgages totaling \$88 million – an all-time high for FCCB. Diane joined FCCB in 2012 as Wellsboro Office Manager and was promoted to VP, Mortgage Lending Sales Manager in 2015.

Alison Broughton, AVP, Loan Central Manager was also recognized for her leadership skills during a year when the number of commercial and consumer loans we processed was higher than ever. Alison joined the bank in 2013, and was promoted to AVP in 2014.



Keith Sampsell, VP, Technology Infrastructure Manager joined the Bank in 2018. He led our technical efforts in response to the pandemic, ensuring all employees had the equipment required to work remotely. Additionally, he automated various aspects of processing, and greatly improved our virtual server infrastructure.

In Memoriam - Jeffrey Bollinger

It is with great sadness that we share the loss of Jeff Bollinger who passed away in January. Jeff, a key member of our Ag Banking Team, was not only an exceptional lender, but a genuinely kind man who built valuable friendships along the way. He will be greatly missed by his customers and by his FCCB family.





Years of Service Awards

Congratulations to the following employees for their years of service to FCCB! In 2021, all of the individuals below hit new career milestones. For their loyalty and dedication, these employees will be granted additional vacation days and awarded shares of Citizens Financial Services, Inc. stock.

5

YEARS OF SERVICE

- Blaine Fessler – Ag Lender & Team Leader
- Sean McKinney – Southcentral Region Senior Lender
- Luke Vastine – Senior Credit Analyst/Team Leader
- Jennifer Greenawalt – Senior Credit Analyst
- Carla Styers – Sr. Universal Associate II – Mill Hall
- Rachel Wesneski – CSO Administrative Assistant
- Jeff Rae – Business Development Officer II
- Jason Landis – Southcentral Ag Lender
- Alisha Burns – Mortgage Loan Processor
- Heather Farrell – Marketing Analyst

10

YEARS OF SERVICE

- Patrick Prough – Business Development Officer II
- Valerie Clark – Universal Associate II - Gillett
- Meghan Graham – Deposit Services Representative II
- Shelly Bird – Sr. Universal Associate I – Sayre Lockhart

15

YEARS OF SERVICE

- Laurie Evans – Sr. Universal Associate I – Troy
- Jenelle Roupp – Loan Central Administrative Assistant
- Chad Elwell – Electronic Banking Representative I
- Kristen Farrer – Commercial Loan Document Leader

20

YEARS OF SERVICE

- Kathleen Campbell – Marketing Director
- Jeff Carr – Chief Retail Banking Officer
- Marie Ackley – Sr. Universal Associate - Genesee
- Lauri Nelson – Compensation & Benefits Administrator
- Kristie Saunders – Universal Associate II - Walmart

25

YEARS OF SERVICE

- Chris Landis, Senior Lending Officer

30

YEARS OF SERVICE

- Gina Boor – Executive Administrator & Shareholder Services
- Wendy Southard – Information Security Officer

35

YEARS OF SERVICE

- Pam King - Senior Universal Associate I - Ulysses



Welcome LeeAnn Gephart

LeeAnn Gephart has joined FCCB as SVP, Chief Consumer Banking Officer. LeeAnn has over 15 years of experience in banking and will provide leadership in corporate development execution, our Customer Contact Center, our Mortgage Division, and will work with retail leadership to develop consumer deposit and loan efficiencies. LeeAnn is a graduate of Bloomsburg University, the ABA Bank Marketing and Management School and the PA Bankers Executive Leadership Institute.

Selected Financial Data

Common Stock

The Company's stock is not listed on any stock exchange, but it is quoted on the OTC Pink Market under the trading symbol CZFS. Prices presented in the table below are bid prices between broker-dealers published by the OTC Pink Market. The prices do not include retail markups or markdowns or any commission to the broker-dealer. The bid prices do not necessarily reflect prices in actual transactions. Cash dividends are declared on a quarterly basis.

A copy of the Company's Annual Report on Form 10-K for the year ended December 31, 2021, as required to be filed with the Securities and Exchange Commission, will be furnished without charge upon written request to the Company's Treasurer at the principal office at 15 South Main Street, Mansfield, PA 16933. The information is also available through the Company's website at www.firstcitizensbank.com and at the website of the Securities and Exchange Commission at www.sec.gov.

Stock Performance

	High	Low	Dividends Declared per share
2021			
First quarter	\$58.42	\$53.96	\$0.465
Second quarter	\$62.50	\$58.42	\$0.465
Third quarter	\$64.00	\$61.10	\$0.470
Fourth quarter	\$61.50	\$59.00	\$0.470
2020			
First quarter	\$64.85	\$37.62	\$0.555
Second quarter	\$56.47	\$48.66	\$0.455
Third quarter	\$49.56	\$43.25	\$0.460
Fourth quarter	\$55.00	\$43.00	\$0.460

Selected Financial Data



Consolidated Balance Sheet

(in thousands except share data)

Consolidated Balance Sheet					
	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
ASSETS:					
Cash and cash equivalents:					
Noninterest-bearing	\$ 14,051	\$ 16,374	\$ 17,727	\$ 15,327	\$ 16,347
Interest-bearing	158,782	52,333	793	1,470	2,170
Total cash and cash equivalents:	172,833	68,707	18,520	16,797	18,517
Interest bearing time deposits with other banks	11,026	13,758	14,256	15,498	10,283
Equity securities	2,270	1,931	701	516	-
Available-for-sale securities	412,402	295,189	240,706	241,010	254,782
Loans held for sale	4,554	14,640	815	1,127	1,439
Net Loans	1,424,229	1,389,466	1,101,724	1,068,999	989,335
Premises and equipment	17,016	16,948	15,933	16,273	16,523
Accrued interest receivable	5,235	5,998	4,555	4,452	4,196
Goodwill	31,376	31,376	23,296	23,296	23,296
Bank owned life insurance	38,503	32,589	28,128	27,505	26,883
Other assets	24,419	21,072	17,705	15,239	16,632
TOTAL ASSETS	\$ 2,143,863	\$ 1,891,674	\$ 1,466,339	\$ 1,430,712	\$ 1,361,886
LIABILITIES:					
Deposits:					
Noninterest-bearing	\$ 358,073	\$ 303,762	\$ 203,793	\$ 179,971	\$ 171,840
Interest-bearing	1,478,078	1,285,096	1,007,325	1,005,185	933,103
Total deposits	1,836,151	1,588,858	1,211,118	1,185,156	1,104,943
Borrowed funds	73,977	88,838	85,117	91,194	114,664
Accrued interest payable	711	1,017	1,088	1,076	897
Other liabilities	20,532	18,702	14,242	14,057	12,371
TOTAL LIABILITIES	1,931,371	1,697,415	1,311,565	1,291,483	1,232,875
STOCKHOLDERS' EQUITY:					
Common stock	4,389	4,350	3,939	3,904	3,870
Additional paid-in capital	78,395	75,908	55,089	53,099	51,108
Retained earnings	146,010	126,627	110,800	99,727	89,982
Accumulated other comprehensive (loss) gain	(155)	2,587	(629)	(3,921)	(3,398)
Treasury stock, at cost	(16,147)	(15,213)	(14,425)	(13,580)	(12,551)
TOTAL STOCKHOLDERS' EQUITY	212,492	194,259	154,774	139,229	129,011
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 2,143,863	\$ 1,891,674	\$ 1,466,339	\$ 1,430,712	\$ 1,361,886

Selected Financial Data

Five Year Summary of Operations

(in thousands except share data)

	2021	2020	2019	2018	2017
Interest income	\$ 73,217	\$ 70,296	\$ 61,980	\$ 56,758	\$ 48,093
Interest expense	7,105	8,105	12,040	9,574	5,839
Net interest income	66,112	62,191	49,940	47,184	42,254
Provision for loan losses	1,550	2,400	1,675	1,925	2,540
Net interest income after provision for loan losses	64,562	59,791	48,265	45,259	39,714
Non-interest income	11,754	11,158	8,242	7,754	7,621
Investment securities gains (losses), net	551	264	144	(19)	1,035
Non-interest expenses	41,550	40,847	33,341	31,557	29,314
Income before provision for income taxes and extraordinary item	35,317	30,366	23,310	21,437	19,056
Provision for income taxes	6,199	5,263	3,820	3,403	6,031
Net income	\$ 29,118	\$ 25,103	\$ 19,490	\$ 18,034	\$ 13,025
Per share data:					
Net income - Basic (1)	\$ 7.38	\$ 6.60	\$ 5.48	\$ 5.04	\$ 3.63
Net income - Diluted (1)	7.38	6.59	5.47	5.04	3.63
Cash dividends declared (1)	1.86	1.92	1.76	1.71	1.55
Stock dividend	1%	1%	1%	1%	5%
Book value (1) (2)	53.91	48.87	43.61	40.02	36.84
Financial Ratios and Data:					
Return on average stockholders' equity, excluding accumulated other comprehensive income	14.26%	14.21%	13.00%	13.00%	10.04%
Return on average assets	1.45%	1.46%	1.34%	1.29%	1.03%
Dividends as a percent of net income	25.36%	29.32%	32.40%	34.08%	44.97%
Equity to asset ratio (average equity to average total assets, excluding other comprehensive income)	10.20%	10.27%	10.31%	9.90%	10.31%
Loan Quality (dollars in thousands):					
Non-performing assets	\$ 8,842	\$ 13,093	\$ 15,427	\$ 14,393	\$ 11,845
Non-performing loans	\$ 7,662	\$ 11,257	\$ 12,023	\$ 13,792	\$ 10,726
Non-performing assets as a percent of loans, net of unearned income	0.61%	0.93%	1.38%	1.33%	1.18%
Non-performing loans as a percent of loans, net of unearned income	0.53%	0.80%	1.08%	1.27%	1.07%
Year-end allowance for loan losses	\$ 17,304	\$ 15,815	\$ 13,845	\$ 12,884	\$ 11,190
Year-end allowance to total loans	1.20%	1.13%	1.24%	1.19%	1.12%
Year-end allowance to total non-performing loans	225.84%	140.49%	115.15%	93.42%	104.33%

(1) Amounts were adjusted to reflect stock dividends. (2) Calculation excludes accumulated other comprehensive income.

Selected Financial Data



Consolidated Quarterly Data

(in thousands except share data)

2021	Three Months Ended,			
	Mar 31	June 30	Sep 30	Dec 31
Interest income	\$ 18,295	\$ 18,075	\$ 18,342	\$ 18,505
Interest expense	1,854	1,863	1,752	1,636
Net interest income	16,441	16,212	16,590	16,869
Provision for loan losses	650	500	400	-
Non-interest income	3,998	2,677	2,618	2,461
Investment securities gains, net	237	29	234	51
Non-interest expenses	9,947	10,320	10,400	10,883
Income before provision for income taxes	10,079	8,098	8,642	8,498
Provision for income taxes	1,616	1,451	1,578	1,554
Net income	\$ 8,463	\$ 6,647	\$ 7,064	\$ 6,944
Earnings Per Share Basic (1)	\$ 2.14	\$ 1.69	\$ 1.79	\$ 1.76
Earnings Per Share Diluted (1)	\$ 2.14	\$ 1.69	\$ 1.79	\$ 1.76

2020	Three Months Ended,			
	Mar 31	June 30	Sep 30	Dec 31
Interest income	\$ 15,339	\$ 18,160	\$ 18,386	\$ 18,411
Interest expense	2,449	1,874	1,916	1,866
Net interest income	12,890	16,286	16,470	16,545
Provision for loan losses	400	550	550	900
Non-interest income	2,105	1,941	3,386	3,726
Investment securities (losses) gains, net	(254)	128	152	238
Non-interest expenses	8,921	11,413	9,692	10,821
Income before provision for income taxes	5,420	6,392	9,766	8,788
Provision for income taxes	889	1,054	1,759	1,561
Net income	\$ 4,531	\$ 5,338	\$ 8,007	\$ 7,227
Earnings Per Share Basic (1)	\$ 1.26	\$ 1.37	\$ 2.02	\$ 1.83
Earnings Per Share Diluted (1)	\$ 1.26	\$ 1.37	\$ 2.02	\$ 1.83

(1) Amounts were adjusted to reflect stock dividends.

Selected Financial Data

Trust and Investment Services Funds Under Management

(market values in thousands)

	2021	2020	2019	2018	2017
INVESTMENTS:					
Bonds	\$ 8,640	\$ 11,777	\$ 17,349	\$ 17,559	\$ 18,672
Stocks	22,099	30,867	18,632	16,372	18,957
Savings and Money Market Funds	11,587	13,427	16,085	16,100	13,076
Mutual Funds	105,233	86,141	75,158	60,847	67,027
Mineral interests	2,959	2,738	4,982	4,500	3,885
Mortgages	856	956	1,045	1,082	343
Real Estate	2,099	1,560	696	839	513
Cash and Miscellaneous	1,367	2,882	351	288	247
TOTAL	\$154,840	\$ 150,348	\$ 134,298	\$ 117,587	\$ 122,720
ACCOUNTS:					
Trusts	\$ 46,953	\$ 40,234	\$ 34,975	\$ 30,736	\$ 28,714
Guardianships	443	2,817	5,929	2,347	748
Employee Benefits	62,149	58,751	51,870	51,907	57,035
Investment Management	45,293	48,462	41,520	32,595	36,221
Custodial	2	84	4	2	2
TOTAL	\$154,840	\$ 150,348	\$ 134,298	\$ 117,587	\$ 122,720

Company and Shareholder Information



FIRST CITIZENS COMMUNITY BANK BOARD OF DIRECTORS

- Alletta M. Schadler
- R. Joseph Landy, Esquire, Chairman of the Board
- Randall E. Black, CEO & President, Vice Chairman of the Board
- Rinaldo A. DePaola, Esquire
- Mickey L. Jones, EVP, CPA
- Robert W. Chappell, Esquire
- David Z. Richards, Jr., EVP
- Roger C. Graham, Jr.
- E. Gene Kosa
- Christopher W. Kunes
- Thomas E. Freeman
- Terry B. Osborne

CFSI OFFICERS

- Randall E. Black, CEO & President
- Gina M. Boor, Secretary
- Mickey L. Jones, Treasurer & Asst. Secretary, CPA

RETIRED DIRECTORS - CFSI

- Robert E. Dalton
- Mark L. Dalton
- John E. Novak

FORM 10-K

The Annual Report on Form 10-K will be made available upon request or is available through the company's website, www.myFCCB.com.

CONTACT

Mickey L. Jones, Treasurer, CPA - Citizens Financial Services, Inc. - 15 South Main Street - Mansfield, PA 16933

INVESTOR INFORMATION

Stock Listing:

Citizens Financial Services, Inc. common stock is listed on the OTC Pink Market and is traded under the symbol CZFS. For assistance regarding a change in registration of stock certificates, replacing lost certificates/dividend checks, or address changes, please contact Shareholder Services or the Transfer Agent listed below.

Shareholder Services:

First Citizens Community Bank
Attn: Gina Marie Boor, AVP
15 South Main Street
Mansfield, PA 16933

Toll free: 800-326-9486
Telephone: 570-662-2121
Website: www.myFCCB.com
E-mail: fccb@myFCCB.com

Transfer Agent:

Broadridge Corporate Issuer Solutions, Inc.
P.O. Box 1342 - Brentwood, NY 11717-0718
Phone: 800-733-1121
Fax: 215-553-5402
E-mail: shareholder@broadridge.com

COMPANY INFORMATION

EXECUTIVE OFFICE

Randall E. Black, CEO & President
Gina M. Boor, AVP, Shareholder Services

FINANCE

Stephen J. Guillaume, SVP, CFO
Pamela R. Munford, VP
Matthew M. Lundgren, AVP

OPERATIONS

Mickey L. Jones, EVP, COO
Zerick D. Cook, EVP
Gregory J. Anna, SVP

Robert G. DeWater, VP
Keith E. Sampsell, VP
Melissa A. Cowles, VP
Renée P. Davis, AVP
Bonney J. Welch, AVP
Lisa A. Banik, AVP
Michele E. Litzelman, AVP
Douglas N. Smith, AVP
Alison S. Broughton, AVP
Kathy S. Webster, AVP
Wendy L. Southard, AVP

HUMAN RESOURCES & TRAINING

Amy C. Wood, SVP

Adam S. White, VP
Laura L. Nelson, AVP

MARKETING

Kathleen M. Campbell, SVP

INVESTMENTS & TRUST

Robert B. Mosso, SVP
John A. DiGiacomo, VP
Matthew A. Stroup, VP
Kristen D. D'Angelo, AVP
Florence L. Prough, AVP
Sylvia R. Thompson, AVP
Joseph Garrity, AVP
Jake Wiles

Company Information

NORTHERN REGION

RETAIL BANKING SERVICES

Jeffrey B. Carr, SVP
LeeAnn Gephart, SVP
Janet E. Holmes, VP
Diane K. Wilson, VP
Beth A. Weiskopff, VP
Cathy C. Pientka, AVP
Kristina M. Bogaczyk, AVP

COMMERCIAL BANKING SERVICES

Jeffrey L. Wilson, EVP
Christopher S. Landis, SVP
Erin M. Cole, VP
Robert P. Fitzgerald, VP
Patrick E. Prough, VP
James M. Knapp, VP
Ryan Manotti, VP
Margaret J. Shaffer, AVP
T.J. Howe, AVP

OFFICE LOCATIONS

MANSFIELD – 15 S. Main St
570-662-2121

BLOSSBURG – 300 Main St
570-638-2115
Heather Deitrick

WELLSBORO – 1 Pearl St
570-724-2600
Sabrina Bubeck, AVP

WAL-MART – 1169 S. Main St Mansfield
570-662-8520

TROY – 1133 W. Main St
570-297-2131
Veronica R. Seymour, AVP

MILLERTON – 7352 Route 328
570-537-2203
J. Kelsey Jones, AVP

GILLETT – 33178 Route 14
570-596-2679
Veronica R. Seymour, AVP

CANTON – 53 W. Main St
570-673-3103
Misti L. Machmer, AVP

TOWANDA – 111 Main St
570-265-6137
Lorraine F. Brown, AVP

SAYRE – 306 W. Lockhart St
570-888-6602
David DeKay

SAYRE – 1778 Elmira St
570-888-4900
David DeKay

LERAYSVILLE – 960 Main St
570-744-2431
Debra S. Donnelly, AVP

ROME – 847 Main St
570-247-5100
Debra S. Donnelly, AVP

ULYSSES – 502 Main St
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John Sadowski

GENESEE – 391 Main St
814-228-3201
Alaina F. Knisely, AVP

WELLSVILLE, NY – 10 Main St
585-593-7290
John Sadowski

EAST REGIONAL BOARD

Rick Hoover
Gregory S. Jones
Amanda Miller
Richmond Havens
Frank Watson
Philip C. Rockwell
Thomas J. McDonald, Jr., MD
Mark Gannon
Anthony J. Ventello
Richard R. Jones
Martha D. Young

John Huntington - emeritus

WEST REGIONAL BOARD

Christopher D. Jones
Jody Thomas
Thomas J. D'Angelo
Samuel H. Knipe
Shane Nickerson
Benjamin Largey
Christopher Lantz
James K. Stager
Edward Osgood
Mary Kate Cole
Michael Finn
Arlen Calcote
Douglas Kibbe
John Painter

Victor O. Brown - emeritus

CENTRAL REGION

MARKET EXECUTIVE

David Z. Richards, Jr., EVP

WINFIELD LOAN PRODUCTION OFFICE

1157 West Branch Parkway, Suite 2
570-768-4203
Blaine T. Fessler, VP
A. Luke Vastine, AVP
Ian R. Weaver, AVP

OFFICE LOCATIONS

MILL HALL – 39 King Arthur Dr
570-748-6469
Christopher M. Daher

STATE COLLEGE – 141 W. Beaver Ave
814-231-8010
Christopher M. Daher
Jessica L. Chobody, VP
Colton Hoffman

CENTRAL REGIONAL BOARD

Steven J. Bason
James Harbach
Michael Talone

SOUTHCENTRAL REGION

RETAIL BANKING SERVICES

Lauren E. Mariani, VP
James A. Rovito, VP
Kathleen Tokonitz, AVP

COMMERCIAL BANKING SERVICES

Sean P. McKinney, SVP
Jason R. Landis, VP
Jeffrey J. Rae, VP
Kelly E. Wetzel, VP
Andrew Raub, AVP
Jennifer Greenawalt, AVP
Joseph Santacroce, AVP
Oscar Orozco, AVP
James Muir

REGIONAL BOARD

Paul Kilgore, Esquire
Eugene Kreitzer, Sr.
Wilmer Stoner
Chris Pierce
Robert Walborn
Alletta M. Schadler



OFFICE LOCATIONS

FREDERICKSBURG – 3016 S. Pine Grove St
717-202-2255
Alecia C. Kelsey, AVP

LEBANON – 1690 N. 7th St
717-202-2252
Dawn M. Miele, AVP

LEBANON – 450 Isabel Dr
717-202-3978
David S. Leggat

MT. AETNA – 7635 Lancaster Ave
717-202-2239
Alecia C. Kelsey, AVP

MOUNT JOY – 720 E Main St
717-928-9050
Carl Hackman

FIVEPOINTVILLE – 1015 Dry Tavern Rd
Denver, PA 17517
717-335-8022
Carl Hackman

SCHUYLKILL HAVEN – 45 W. Main St
866-779-4102
Lori A. Faller, AVP

FRIEDENSBURG – 1549 Long Run Rd
866-779-4113
Beth A. Reed

DELAWARE REGION

RETAIL BANKING SERVICES
Brian Novacich, VP

COMMERCIAL BANKING SERVICES
Anthony Manerchia, SVP
Jeremy Abelson, VP
Jose Colon, VP
Kevin Esslinger, VP
Christine Menser, VP
Jonathan Reese, VP
Amy Saul, VP
Edward Sweeney, VP

Jami Tomczuk, VP
Rod Ward, VP
Christina Summa, VP
Matthew Walker, AVP
Lisa Hutchinson, AVP
Tatiana Lugo

REGIONAL BOARD

Robert Aerenson
Joy Barrist
Geoffrey R. Bosley
Joseph A. DePaulo, Jr.
L. Peter Temple
Ronald E. Schafer
Robert Dayton II
William Lattanzio

OFFICE LOCATIONS

KENNETT SQUARE, PA – 741 W. Cypress St
800-326-9486
Jennifer Morales

DELAWARE

DOVER – 584 N. DuPont Highway
302-724-4833
Myra Garcia

WILMINGTON: CONCORD PIKE

2901 Concord Pike
302-482-4250
Denyse Corbett, AVP

WILMINGTON: KIRKWOOD HIGHWAY

4900 Kirkwood Highway
302-250-4344
Lura Taub, AVP

AG BANKING DIVISION

Randall E. Black, CEO and President
Christopher S. Landis, SVP
Sean P. McKinney, SVP

Blaine T. Fessler, VP
Erin M. Cole, VP
Jason R. Landis, VP
Benjamin D. Landis
Ian R. Weaver, AVP

AGRICULTURAL ADVISORY BOARD - North

Dale Hoffman
Gene Kosa
Phil Rockwell
Tim Webster
Martha Young
Dean Jackson
John Painter
Jeff Barnes

AGRICULTURAL ADVISORY BOARD - South

Brent Copenhaver
Chris Hoffman
Chris Pierce
Delvin Martin
Peter Hughes
Robert Brubaker, Jr.
Elvin Stoltzfus
Michael Peachey

CITIZENS

FINANCIAL SERVICES

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