

ANNUAL REPORT

A POSITIVE PERSPECTIVE



**Guaranty**  
Bancshares, Inc.

## A POSITIVE PERSPECTIVE

We can all agree that 2020 was a challenging year, but as we look back we're choosing to shift our perspective and focus on the good. As you go through this annual report we hope your perspective will be positive as well because at Guaranty Bank & Trust we're committed to helping our customers succeed.

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# SOME PERSPECTIVE

FROM OUR CEO

Dear Shareholders,

While our annual letter to shareholders typically focuses on our prior year results and alignment with strategic plans, these are not typical times. 2020 will be remembered as one of the more volatile and extraordinary years in recent history, and now that it has finished we'd like to look back at it with some perspective. At its beginning, the year offered a good economic environment overall and optimistic prospects for many.

In March, however, a global pandemic quickly spread across our country and almost immediately affected just about everyone and everything. Our lives and daily routines were suddenly disrupted in ways that none of us could have foreseen. For many companies, employees began working from home, while others suffered widespread layoffs. Meanwhile, government-mandated restrictions, slowed businesses or shut them down altogether.

In the following weeks, we began to see the devastating effects of COVID-19 and its immediate and continuing impact on people's health. While therapeutic options often improved outcomes, the world has experienced an unprecedented level of sickness and death. The virus has caused a devastating loss of life across the United States and in our communities. Our thoughts and prayers go out to every family impacted by this pandemic.

When our management team first met in early March to develop a strategy for dealing with the realities of the pandemic, our first priority was keeping our employees and our customers safe. Next, we developed a daily operating plan to serve our customers with the least amount of disruption. While we maintain several contingency plans for various operating scenarios, we did not have a playbook for dealing with a global pandemic. As a result, initial strategies and operating plans were generally unscripted and impromptu, as additional information became available about the spread and effects of the virus.

Executive officers of the Bank met daily to understand and address related issues. The Centers for Disease Control and Prevention (CDC) provided general guidance and identified hot-spots in the counties we serve. In response to that information, we acquired additional

computer equipment to allow our employees to work remotely. We supplied the necessary personal protective equipment (PPE) like facemasks to protect our staff working in the banks and followed social distancing guidelines.

In March, we decided to open our lobbies by appointment only, a policy that remained in place for more than three months. As a surge in positive virus cases increased late in 2020, we again implemented an appointment-only policy. We'll continue to rely on CDC guidance to keep our employees and communities as safe as possible.

When Congress rolled out the Paycheck Protection Program (PPP) to get much needed relief to impacted businesses, our staff mobilized from every department in the company to help process over 1,950 PPP loans. This effort represented \$210 million in funding for our customers, directly affecting over 25,500 jobs. It was a monumental task, accomplished over a 90-day period during a pandemic and a government-mandated shutdown. In all my years at Guaranty, I think the response of our staff during this stressful period is one of our greatest achievements. Everyone came together to do what was necessary to help each other and our customers in their time of need.

We also looked for ways that we could help fight the pandemic in our communities.

## WE CONTACTED NON-PROFIT ORGANIZATIONS IN ALL OF THE COMMUNITIES WE SERVE AND DONATED MORE THAN A QUARTER OF A MILLION DOLLARS TO HELP SUPPORT THEIR FRONT-LINE MISSIONS AGAINST THE PANDEMIC.

Additionally, our employees donated hundreds of hours during the year, lending a hand and helping wherever they could.

As we did during the financial crisis of 2008, we closely reviewed the strength of our balance sheet at a holistic level. We consider it our primary responsibility to maintain a strong bank that can withstand unexpected events. However, we had no historical baseline to help us evaluate the possible impact of this pandemic on our bank. We remained confident that our daily focus on a solid core balance sheet would allow us to fare better than most, yet we also were unsure about how the government-mandated shutdown of the economy and the effects of the global pandemic would affect our balance sheet.

Therefore, in late March and early April, we performed a deep analysis of our loan portfolio. To prepare for potential loss exposures, we placed very conservative potential loss reserves on every loan in the portfolio, setting aside \$13.2 million. Although banking analysts were modeling much larger possible credit losses for our industry as a whole, we remain confident that the amount set aside will appropriately address any credit exposures resulting from COVID-19. This reserve is the largest single-year loan loss reserve in our history, and is significantly larger than those we set aside during the 2008 - 2010 financial crisis.

However, given the unprecedented nature of the pandemic and the lack of clarity around future outcomes, we believed these reserves were prudent and further strengthened our balance sheet.

Despite the challenges and uncertainty during 2020, Guaranty Bancshares had a good year and has prospects for an even better year in 2021. Our net earnings for the year were \$27.4 million, up from \$26.3 million in 2019. Our net core earnings (net earnings before provision for credit losses, income tax, and the effects of our PPP lending) were \$40.3 million in 2020 compared to \$33.3 million for 2019, an increase of \$7.0 million or 21%, a record year for core earnings. Total loans increased \$160.4 million, or 9.4%, to \$1.9 billion; total deposits increased \$330.0 million, or 16.8%, to \$2.3 billion; and total assets ended the year at a record high of \$2.7 billion.

We continue to make significant investments in technology so our customers have access to the same products and services as the large banks. Customers can now quickly open deposit accounts from any device at their convenience and conduct video calls with their banker should they choose not to come into the bank. These investments in technology proved critical throughout the year as we set out to serve our customers and interact internally with each other, while practicing social distancing.

To better serve our corporate customers, we made further enhancements to our treasury management solutions during the year. We implemented new software in our mortgage warehouse department that allows those customers to more seamlessly interact with our team and significantly improve process efficiencies within the department. To build further on opportunities across our footprint, we increased our commercial lender participation in loan programs offered through our Small Business Administration (SBA) Department. We will continue to build out the SBA Department and the tools available to serve small businesses in Texas.

## **WE MADE GREAT STRIDES IN THE EXPANSION OF OUR DIGITAL MARKET PRESENCE BANKWIDE AND IMPROVED BRAND AWARENESS IN OUR NEWER GROWTH MARKETS DURING 2020.**

Our mascot, Cash, now has nearly 4,100 fans on Facebook, and our bank has over 13,300 fans. Marketing campaigns in 2021 and beyond will include television commercials, website marketing, and an emphasis on digital marketing. Digital marketing includes targeted content with relevant products and services for potential customers based on their digital searches and website usage, as well as email, video, and social media channels.

We continue to deploy our capital in strategic ways that represent good long-term value for our stakeholders. These strategies include the following:

- Repurchase of common stock at attractive prices as bank valuations fell during the uncertainty of the pandemic. During 2020, we repurchased 658,600 shares, or 5.7% of the Company, at prices we believed to be lower than the Company's intrinsic value.

- We opened a new Deposit Operations Center in Pittsburg, Texas which added 15,000 square feet of operations center space, providing room for a 170% increase in staffing levels to accommodate future growth, and results in a self-contained and secure facility that has the capacity to service our banking network throughout the state.
- We remodeled our Technology Operations Center in Mount Pleasant, allowing us to increase staffing by more than 80% with future growth.
- In May 2020, we relocated our main Denton bank to a prominent new location on University Drive.
- We began planning for additional locations in the Austin market, which are expected to be fully operational in early 2021.

Our commitment to the Guaranty Culture and our communities remains as strong as ever, even as our face-to-face interactions are limited. Our locations and departments hold daily meetings with their teams to ensure that communication remains consistent and that we address any issues or questions posed by our customers and employees. Providing transparency and frequent updates to our staff about what is going on with the bank's response to COVID-19, what we know as things develop, and just as importantly what we do not know, is important during a period with so much uncertainty.

Guaranty's talented team remains the heart of our company. We recently learned that for the 12th consecutive year, Guaranty made Texas Monthly's list of the Best Companies to Work For. The culture of our company and the strong ownership mentality of our team continues to be part of the unique character that defines our success.

We look forward to 2021 and hope that vaccines will help the world return to a more normal environment. We are very optimistic about the growth opportunities that lie ahead for the overall economy, and particularly the Texas economy, on the other side of this pandemic. We believe Guaranty is well positioned to benefit greatly from future economic growth and opportunities in our state.

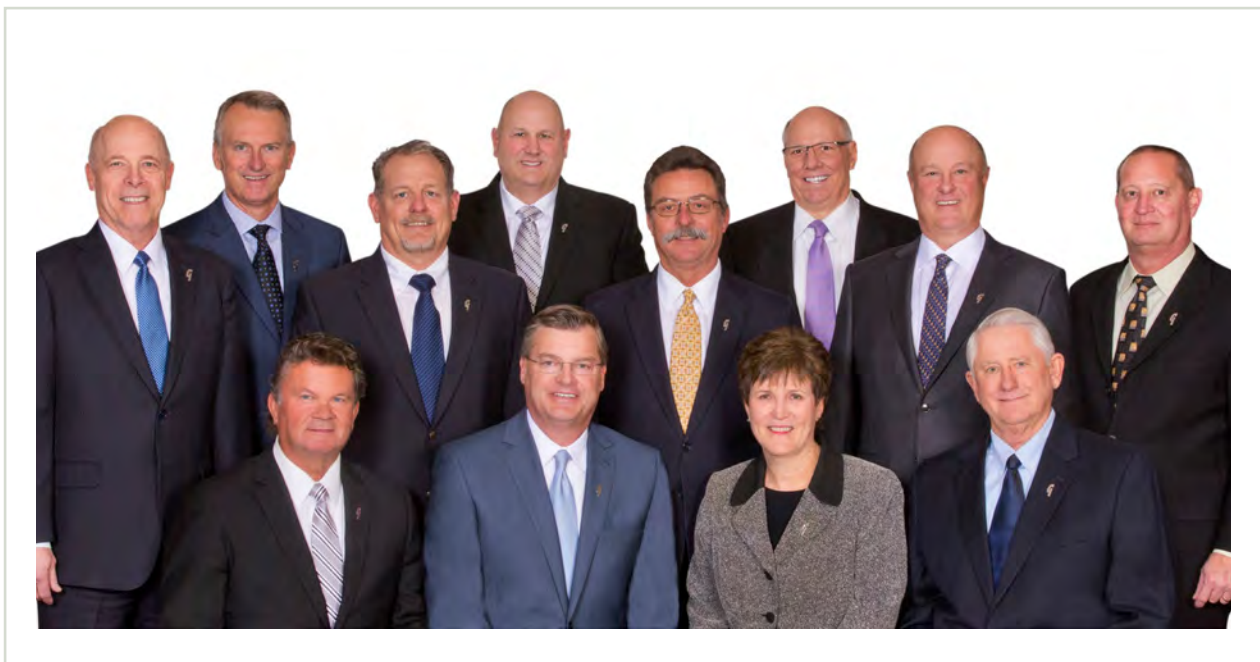
Thank you, fellow shareholders, for your continued investment, support, and confidence in Guaranty Bancshares and Guaranty Bank & Trust.



**TY ABSTON**

Chairman of the Board & CEO

A handwritten signature in dark ink, appearing to read 'Ty Abston', written in a cursive style.



**ROW 1 - LEFT TO RIGHT**

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|--|--|---|--|
| <b>RICKY BAKER</b><br>KRB Investments, LLC | <b>TY ABSTON</b><br>Chairman of the Board & CEO<br>Guaranty Bancshares, Inc. | <b>MOLLY CURL</b><br>Retired Partner<br>Grant Thornton, LLC | <b>BILL PRIEFERT</b><br>Chairman & CEO<br>Priefert Manufacturing, Inc. |
|--|--|---|--|

**ROW 2 - LEFT TO RIGHT**

- |   |   |   |   |
|---|---|---|---|
| <b>CAPPY PAYNE</b><br>Senior Executive Vice<br>President & CFO<br>Guaranty Bancshares, Inc. | <b>JEFF BROWN</b><br>Managing Partner<br>RoseRock Capital Group | <b>BRAD DRAKE</b><br>President<br>Lamar Fabrication         | <b>JIM BUNCH</b><br>President & CEO<br>BWI, Inc.        |
| <b>KIRK LEE</b><br>President<br>Guaranty Bancshares, Inc.                                   | <b>CARL JOHNSON JR.</b><br>Principal<br>Baker & Johnson, CPA    | <b>MIKE NOLAN</b><br>Principal<br>Proterra Properties, Inc. | <b>CHRIS ELLIOTT</b><br>President<br>Elliott Auto Group |



**LOOKING BACK ON 2020**

-  We weathered a global pandemic. Despite the many challenges of COVID-19, net earnings were \$27.4 million, up from \$26.3 million in 2019.

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-  Successfully navigated a true-life business continuity event with COVID-19, allowing employees to safely and effectively work from their homes and to communicate with customers through non-traditional methods.

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-  Assisted our small-business customers and our communities through origination of nearly \$210 million of Paycheck Protection Program loans to nearly 1,950 borrowers and impacting more than 25,500 jobs.

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-  Gave back to our communities through monetary and volunteer donations to non-profits that support those impacted by COVID-19. Total contributions, including those made to support COVID-19 related causes during 2020 totaled \$465,000 and employees volunteered nearly 1,500 hours.

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-  Our net interest margin held steady and even improved slightly from 3.69% in 2019 to 3.73% (net of PPP effects) in 2020.

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-  Continued to pay solid cash dividends on GNTY stock. Shareholders received \$0.78/share in 2020, up from \$0.70/share in 2019.

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-  GNTY stock outperformed the annual SNL Bank NASDAQ Index on stock returns.

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-  We've increased tangible book value per share 107% in the past 10 years from \$10.50 in 2010 to \$21.72 in 2020.

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-  We were named one of Texas Monthly's Best Companies to Work for in Texas for the 12th year in-a-row.



## COMMUNITY CHARITIES

As the economic effects of COVID-19 became clearer, we knew that we had to do our part to help our communities get through this difficult time. Leaders at each of our Bank locations identified a charity in their community that was going above and beyond to help those in need as a result of COVID related hardships. Together, the bank donated more than \$250,000 to the following charities:

**Denton Community Food Distribution Center**

**Lovepacs**

**Hallsville Outreach Center**

**Katy Christian Ministries**

**New Boston First Baptist Church for Community Kitchen**

**Sulphur Springs Feeding Our Own**

**Twin City Mission**

**United Way for Greater Austin**

**Austin Community Foundation**

**All Together ATX**

**United Way of Greater Texarkana**

**Titus County Cares Food Pantry**

**Neighbor's House Grocery**

**Bogata Food Pantry**

**Camp County Cares dba God's Closet**

**Community Food Bank of Franklin County**

**Community Assistance Center**

**Commerce Food Pantry**

**Cypress Assistance Ministries**

**Shelters to Shutters**

**Downtown Food Pantry**

**Rockwall Helping Hands**

**Luna Burke and Associates Paw Packs Program**

Denton

Addison

Hallsville

Katy

New Boston

Sulphur Springs

Bryan

Austin

Austin

Austin

Texarkana

Titus County

Fort Worth

Bogata

Pittsburg

Mount Vernon

Conroe

Commerce

Houston

Houston

Paris

Rockwall

Royse City

## CHARITY SPOTLIGHT

### LOVEPACS, ADDISON

Lovepacs helps make sure no child goes hungry, by providing children on the free and reduced lunch program food during extended school breaks, including COVID-related closures, when what they receive from the local backpack programs is not enough.



### TITUS COUNTY CARES FOOD PANTRY

TCC Food Pantry helped families struggling with food insecurity by providing them with pre-boxed non-perishable foods through a safe and socially distanced drive through model. Their Food4kids program also supplies nutritious and hearty snacks to school age children during their weekends away from school.

### SHELTERS TO SHUTTERS, HOUSTON

When COVID-19 hit, Shelters to Shutters ramped up preventative case management to those in the program ensuring they remained in good health, in stable housing and kept good standing with their S2S employer. Ultimately this ensured that no one served by S2S lost their home or employment during 2020. Moving forward, S2S is adding staff resources and increasing its capacity to assist more at-risk individuals with their transition from homelessness to economic self-sufficiency.



### ALL TOGETHER ATX, AUSTIN

In an effort to support the community during the COVID-19 pandemic, Austin Community Foundation and United Way for Greater Austin partnered to create All Together ATX. This community-led philanthropic fund provided flexible resources to nonprofit organizations working with communities who were disproportionately impacted by COVID-19 and the economic consequences of the outbreak. All Together ATX was supported by 3,149 donors, raised more than \$7.7 million, and supported 210 local nonprofits.

MOVING  
SMALL BUSINESSES

# FORWARD

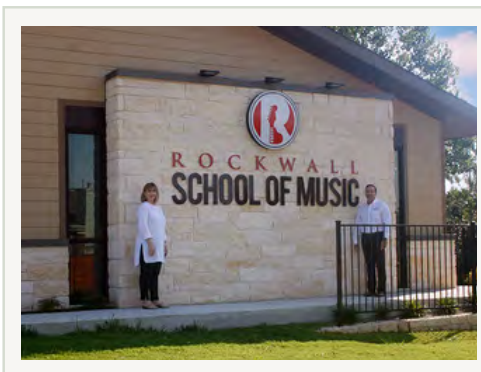
At Guaranty Bank & Trust, we've always prided ourselves on helping small businesses not only survive but thrive. Our dedication to this group of passionate, hardworking Americans has never been more important than in 2020. It's been our privilege to serve our small business community through the many challenges of 2020, and we look forward to seeing them succeed for years to come.



**BATES AIR CONDITIONING & SERVICE CO, INC.**  
Houston, TX



**TECH QUALLED LLC**  
Lewisville, TX



**ROCKWALL SCHOOL OF MUSIC**  
Rockwall, TX



**CARING FOR WOMEN**  
Denton, TX

# \$210 MILLION

LOANED TO SMALL BUSINESSES

under the Paycheck Protection Program (PPP)

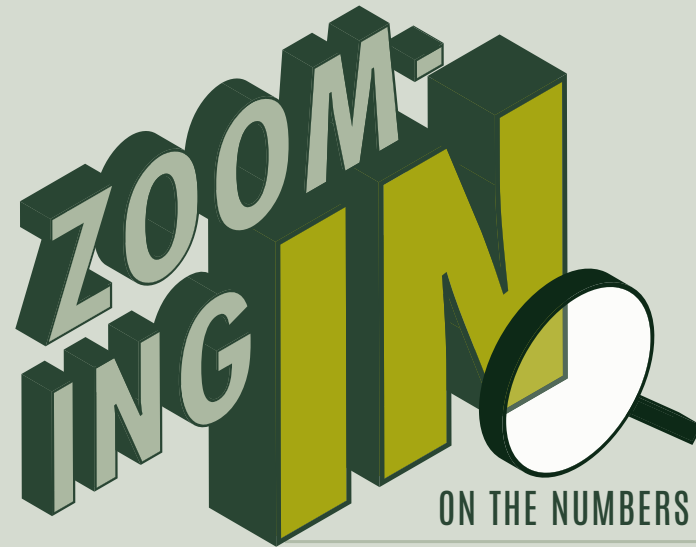
# 1,950

 SMALL BUSINESSES HELPED

Impacting over

# 25,500

 JOBS



### GNTY STOCK PRICE, EARNINGS PER SHARE AND DIVIDENDS



\*Note: 2014 dividends paid excludes a \$1.00 special dividend paid to shareholders in connection with the termination of subchapter S election.

\*\* Pre-IPO stock prices are based on third-party valuations as of December 31 of each respective year.

### FINANCIAL HIGHLIGHTS

(in thousands, except per share data)

	2016	2017	2018	2019	2020
<b>OPERATING RESULTS</b>					
Net interest income	\$53,840	\$59,630	\$68,916	\$78,870	<b>\$89,982</b>
Provision for loan losses	3,640	2,850	2,250	1,250	<b>13,200</b>
Non-interest income	13,016	14,279	15,303	16,973	<b>23,037</b>
Net realized gain (loss) on securities	82	167	(50)	(22)	-
Non-interest expense	46,380	48,832	56,774	62,536	<b>66,522</b>
Earnings before provision for income taxes	16,836	22,677	25,195	32,057	<b>33,297</b>
Income tax provision	4,715	8,238	4,599	5,778	<b>5,895</b>
Net earnings	12,121	14,439	20,596	26,279	<b>27,402</b>
Net core earnings <sup>(1)</sup>	20,394	25,360	27,495	33,307	<b>40,261</b>

<b>AT YEAR END</b>					
Total assets	\$1,828,336	\$1,962,624	\$2,266,970	\$2,318,970	<b>\$2,740,832</b>
Loans and loans held for sale, net of allowance	1,236,214	1,349,675	1,647,239	1,693,162	<b>1,837,279</b>
Investments in securities	346,296	407,056	396,139	368,174	<b>380,795</b>
Total deposits	1,576,791	1,676,320	1,871,480	1,956,804	<b>2,286,390</b>
Stockholders' equity	141,914	207,345	244,583	261,551	<b>272,643</b>
Common shares outstanding	8,752	11,059	11,830	11,534	<b>10,935</b>

<b>OTHER FINANCIAL DATA</b>					
Return on average total assets	0.68%	0.76%	0.97%	1.13%	<b>1.07%</b>
Return on average stockholders' equity	8.34%	7.78%	9.03%	10.37%	<b>10.39%</b>
Loans to deposits	78.97%	81.10%	88.68%	87.2%	<b>81.65%</b>
Loan loss reserves to loans	0.92%	0.95%	0.88%	0.95%	<b>1.80%</b>
Net yield on interest earning assets	3.27%	3.38%	3.49%	3.69%	<b>3.74%</b>
Tier 1 capital to average assets	7.71%	10.53%	10.16%	10.24%	<b>9.13%</b>
Efficiency ratio <sup>(2)</sup>	69.46%	65.61%	67.37%	65.23%	<b>58.86%</b>
Charge-offs, net of recoveries	\$1,419	\$1,475	\$458	\$(301)	<b>\$331</b>

<b>PER SHARE DATA</b>					
Net income	\$1.35	\$1.41	\$1.78	\$2.26	<b>\$2.47</b>
Market price (based on year end numbers)	26.00	30.65	29.82	32.88	<b>29.95</b>
Tangible book value per common share <sup>(1)</sup>	13.70	16.81	17.56	19.53	<b>21.72</b>
Cash dividends	0.52	0.53	0.60	0.70	<b>0.78</b>

(1) Net core earnings is pre-tax, pre-provision, pre-PPP effects and pre-securities gain (loss). Net core earnings and tangible book value per common share are financial measures that are not recognized by, or calculated in accordance with, U.S. generally accepted accounting principles, of GAAP. The most directly comparable GAAP financial measures for these two calculations are net earnings and total shareholders' equity per common share. See our reconciliation...

(2) The efficiency ratio was calculated by dividing total noninterest expenses by net interest income plus noninterest income, excluding securities losses or gains. Taxes are not part of this calculation.



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In 2018, we developed a new five-year strategic plan that began in 2019 and continues through 2023. While 2020 and the global pandemic caused us to pause some of the strategies and to accelerate others, significant investments were made in technology that allows safe and secure remote work.

Customers have increased their use of mobile and online banking. We've developed robust treasury management services and products, as well as new technology and software that provides efficient deposit account opening for new and existing customers. We plan to continue to expand this new technology to loans and business customers.

We implemented new software in our mortgage warehouse department that allows customers to seamlessly interact with our team and significantly improve process efficiencies. This created notable mortgage warehouse volume growth that can be serviced with existing personnel—an impossible feat with our previous systems.

Government benefits and stimulus packages, particularly from the Small Business Administration, have caused us to place greater focus on our SBA department, which we plan to further develop to best serve small businesses in Texas.

During 2020, we expanded the professional education offerings provided to our employees via Guaranty University. Additionally, the second class of our Leadership Development Program graduated in November. In 2021, we plan to launch the Emerging Leaders Program, an in-depth year long leadership and team building course, for our Vice Presidents in all departments.

Our commitment to the Guaranty Culture and our communities remains strong, even as we are limited with our face-to-face interactions. We hold frequent meetings to ensure that we are offering our employees and customers the fullest level of support throughout the pandemic.

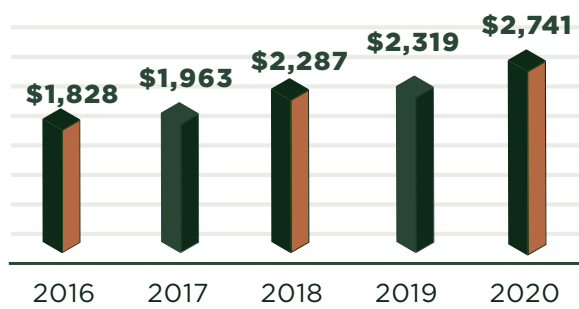
We consistently evaluate and reevaluate new and existing products to ensure they meet the ever-changing needs of our customers. We strive to enhance sources of non-interest income through new products that help provide our customers with value.

TEN YEAR ASSET GROWTH CHART

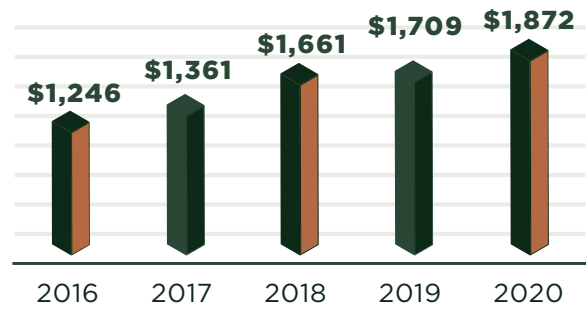


## FIVE YEAR GROWTH TRENDS

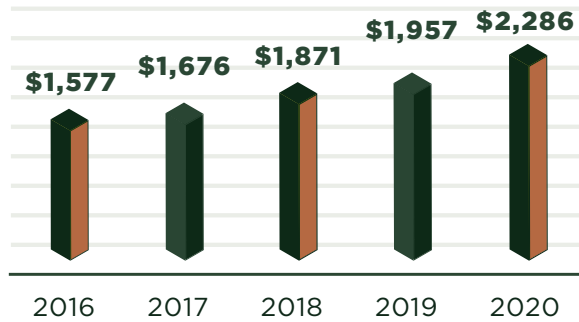
**TOTAL ASSETS** (Dollars in millions)



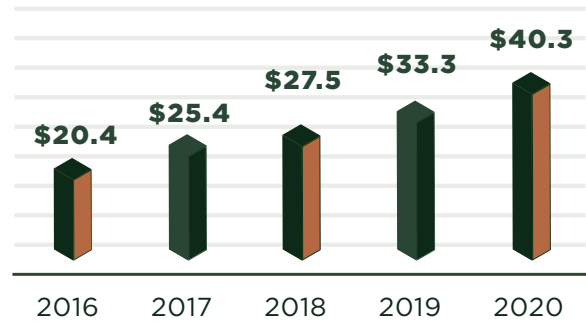
**TOTAL LOANS<sup>1</sup>** (Dollars in millions)



**TOTAL DEPOSITS** (Dollars in millions)

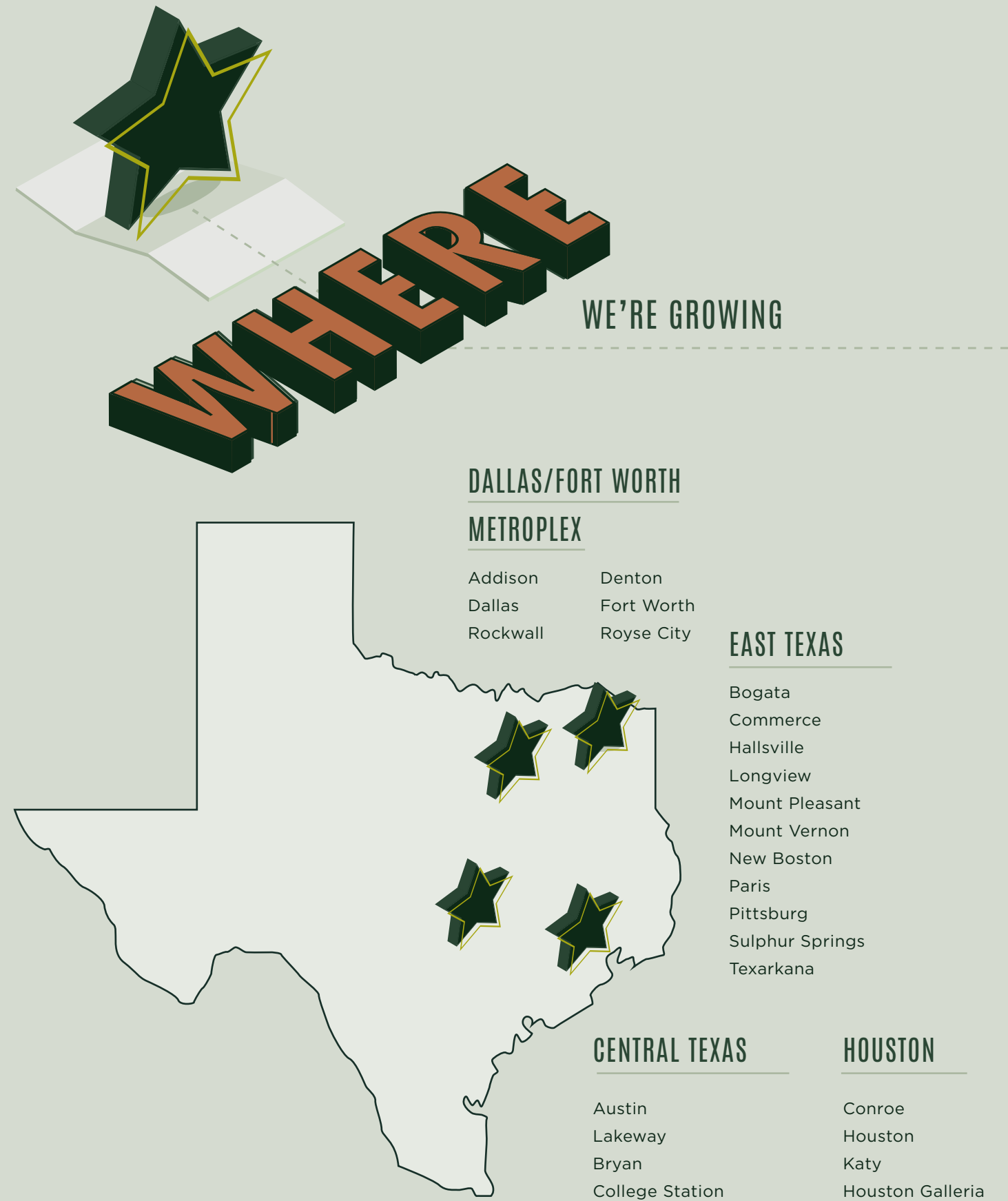


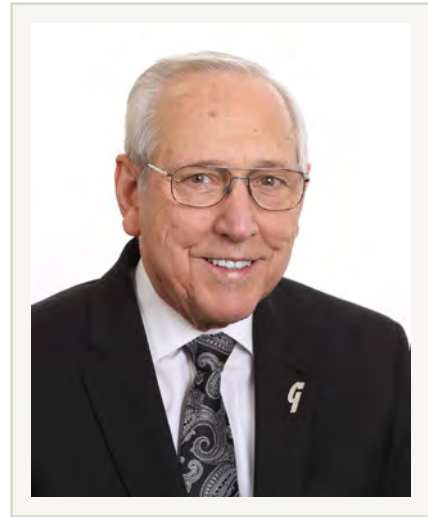
**CORE EARNINGS<sup>2</sup>** (Dollars in millions)



<sup>1</sup> Total loans, including loans held for sale

<sup>2</sup> Core earnings defined as pre-tax, pre-provision, pre-PPP effects and pre-securities gain (loss)





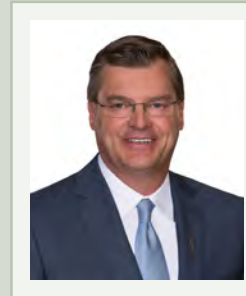
IN MEMORY OF  
**WELDON MILLER**  
1935 - 2021

Weldon Miller was on the Board of Directors and part of the Guaranty Bank & Trust family for over 50 years, serving many of those years as our Lead Independent Director.

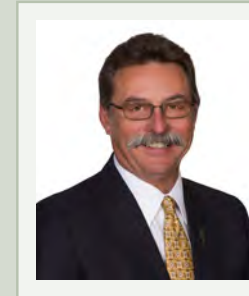
Weldon was a person of strong principles and character who always believed in doing what was right regardless of how difficult the circumstances. His support and expertise over the last five decades was crucial in providing management the confidence to make decisions that were always in the best interest of our Company, customers, and stakeholders.

Weldon's influence on the culture at Guaranty cannot be overstated and he played a big part of making us the Company we are today. His 50 years of service leaves shoes that are hard to fill and while he will be missed, his impact on our Company and the people he influenced will be felt for many years to come.

## GUARANTY BANK & TRUST BOARD OF DIRECTORS



**TY ABSTON**  
Chairman of  
the Board & CEO



**KIRK LEE**  
Vice Chairman & Chief  
Credit Officer



**CHUCK COWELL**  
Vice Chairman



**RICKY BAKER**  
KRB Investments LLC



**JOSH BRAY**  
District Manager  
Sanitation Solutions



**JEFF BROWN**  
Managing Partner  
RoseRock Capital Group



**JIM BUNCH**  
President & CEO  
BWI, Inc.



**BRAD DRAKE**  
President  
Lamar Fabrication



**CHRIS ELLIOTT**  
President  
Elliott Auto Group



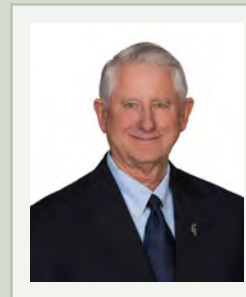
**CARL JOHNSON JR.**  
Principal  
Baker & Johnson, CPA



**BRIAN MASON**  
Investments



**MIKE NOLAN**  
Principal  
Proterra Properties



**BILL PRIEFERT**  
Chairman & CEO  
Priefert Manufacturing Inc.



**CARL SMITH**  
President  
Heritage Constructors

## DELIVERY OF ANNUAL REPORT

This Annual Report is being delivered to shareholders of Guaranty Bancshares, Inc. (the “Company”) in connection with the 2021 Annual Meeting of Shareholders and should be read with the Company’s proxy statement for the meeting and Annual Report on Form 10-K, copies of which accompany this Annual Report and have been filed with the Securities and Exchange Commission (“SEC”). This Annual Report is also available on our website [www.gnty.com](http://www.gnty.com) under the heading “Investors – Financial Information.” The Company will mail additional copies of this Annual Report to its shareholders upon request.

## FORWARD-LOOKING STATEMENTS

This Annual Report may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current views with respect to, among other things, future events and our results of operations, financial condition and financial performance. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “projection,” “would” and “outlook,” or the negative version of those words or other comparable words of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Such factors include, without limitation, the “Risk Factors” referenced in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q, other risks and uncertainties listed from time to time in our reports and documents filed with the SEC, and the following factors: business and economic conditions generally and in the financial services industry, nationally and within our current and future geographic market areas; economic, market, operational, liquidity, credit and interest rate risks associated with our business; natural disasters and adverse weather, acts of terrorism,

cyber-attacks, an outbreak of hostilities, a public health outbreak (such as COVID-19) or other international or domestic calamities, and other matters beyond our control; the composition of our loan portfolio, including deteriorating asset quality and higher loan charge-offs; the laws and regulations applicable to our business; our ability to achieve organic loan and deposit growth and the composition of such growth; increased competition in the financial services industry, nationally, regionally or locally; our ability to maintain our historical earnings trends; our ability to raise additional capital to execute our business plan; acquisitions and integrations of acquired businesses; systems failures or interruptions involving our information technology and telecommunications systems or third-party services; the composition of our management team and our ability to attract and retain key personnel; the fiscal position of the U.S. federal government and the soundness of other financial institutions; and the amount of nonperforming and classified assets we hold. We can give no assurance that any goal or plan or expectation set forth in forward-looking statements can be achieved and readers are cautioned not to place undue reliance on such statements. The forward-looking statements are made as of the date of this Annual Report, and we do not intend, and assume no obligation, to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events or circumstances, except as required by applicable law.

## DIVIDENDS CALENDAR

Dividends on Guaranty Bancshares, Inc. common stock are payable, if paid, quarterly.

## INDEPENDENT AUDITORS

Whitley Penn  
8343 Douglas Avenue  
Suite 400  
Dallas, Texas 75225

## TRANSFER AGENT

Computer Investor Services  
P. O. Box 50500  
Louisville, KY 40233  
Shareholder Services  
800-962-4284



***Guaranty***  
Bancshares, Inc.