

20/
20
ANNUAL
REPORT



“A PILLAR OF STRENGTH”

FORBES.COM WORLD'S BEST BANKS 2020



my100bank.com

A Home BancShares Company



DEAR SHAREHOLDERS,

It was the best of times; it was the worst of times. The year 2020 brought about both ends of the spectrum. As the world rang in the year of 2020, many organizations grabbed on to the theme of this being the year of 'clear vision'. Ironically, within three months, the vision for the year was anything but clear.

On January 3, 2020, the Centers for Disease Control and Prevention was notified that a mysterious respiratory illness was spreading in Wuhan, China. This seemed a world away to the United States, an unknown and unforeseen threat. On January 20, 2020, the first reported case in the United States emerged in a citizen who had traveled from Wuhan, China. The United States moved forward into 2020 in much the way it has every year, which was no different for Home BancShares. By mid-March, management at HOMB had already attended four investor conferences. By March 2, what was then known as the Coronavirus had reached 100 cases in the United States, and we were on the cusp of a turning point.

As spring break rolled around, U.S. cases passed 1,500 and many schools and universities made the transition to virtual learning. Just as the virus name evolved (currently COVID-19), so did the way we work, learn and do business. A state of emergency was declared, and many states were shut down

partially or completely. Movie theaters, hotels, restaurants, churches and even schools were closed. Wearing masks in public became an unthinkable reality.

Home BancShares went to work to transition ourselves for the 'new normal.'

We increased our number of users for electronic document signature by more than 900%, which greatly facilitated our successful participation in the Paycheck Protection Program (PPP) for our business customers. Voice meetings as opposed to in-person meetings rose 237%. More than 100 webcams were deployed to personnel. WebEx participation rose 276% during the year. We deployed more than 100 Chromebooks and laptops to equip employees to work remotely. We closed lobbies, transitioned to drive-thru only and deployed more than 140 additional ID scanners to perform new account opening via the drive-thru so customers could still get the services they needed from the safety of their cars. Our Customer Care Center fielded 1.3 million calls, 260,000 more than the previous year. Departments were spread out to adhere to social distancing guidelines, and personal protection equipment in the form of gloves, masks and hand sanitizer were routine deliveries to all of our banking facilities. We reimagined how we interact with our customers, our staff and our shareholders.

Shareholder Engagement in a Virtual World:

Fireside Chats: Since in-person conferences were cancelled, we implemented a series of Fireside chats to discuss certain loan types and customer status during the pandemic. We knew that our investors would want to hear how these asset classes were performing during the pandemic, and HOMB is always known for telling it like it is. We were the first in the industry to implement these types of calls.

Virtual Investor Conferences: The management team attended numerous virtual conferences during 2020. While we regretted not being able to shake hands and talk face-to-face with our investors, thanks to technology, we were still able to have lots of one-on-one discussions, and the investment community was able to stay in tune with how things were going at HOMB.

Individual Investor Calls: During 2020, we engaged with many of our shareholders to ensure we were all on the same page and learn what their 'Care Abouts' were and ensure we were addressing those items. During the year, we reached out to investors representing more than 45 million shares of HOMB.

Customers & Individual Shareholders: Our management and regional leadership team regularly talk with customers in their market to keep their thumb on the pulse of business and even more so during the uncertainty of 2020. Whether it was just a general conversation to check on business or more in-depth discussions regarding PPP loans, future business plans and the value of the stock, our team enjoys one-on-one customer interaction, and 2020 was certainly no different.

Keeping Small Businesses Open in a Shut Down World: The government created the Paycheck Protection Program through the Small Business Association to help businesses keep their workforce employed during COVID-19.

We had never had a program like this before, so the process had to be built from the ground up and involved high-touch customer interaction. More than 400 of our employees were involved in this process, and we closed more than 8,500 loans totaling approximately \$850.0 million, which in turn likely helped to save tens of thousands of jobs.

Every Cloud Has a Silver Lining: In the midst of a global pandemic and a changing political climate in this country, Home BancShares managed to close out 2020 with record-setting results.

Our mortgage department saw their highest net income at more than \$29.0 million and fell short of \$1.00 billion in loans by only \$4.0 million.

HOMB moved forward and implemented the Current Expected Credit Loss methodology (CECL), a new accounting standard issued by FASB, in the first quarter, even before we fully understood the impacts that COVID-19 would bring to America.

The company then followed the CECL implementation with three quarters of record-setting metrics.

The second quarter brought about a record for the company's net interest income at \$148.7 million. In the third quarter, the company hit another record mark in total revenue (net) at \$176.1 million. Finally, in the fourth quarter, we delivered two quarterly records with net income at \$81.8 million and earnings per share reaching \$0.50 per share.

So, while 2020 certainly had its share of disappointments and difficult times, Home BancShares emerged on the other side as a pillar of strength, delivering solid results to our shareholders while taking care of our customers and our employees.

2020 was a far, far more challenging year than any we had known. Yet we go into the future with increased strength and wisdom ready for new opportunities.

“ **\$87.7 million of cash dividends paid to our shareholders during this year.** ”



John W. Allison
Chairman, President and CEO

^[1] Reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the Company's Form 10-K for the year ended December 31, 2020.

HOME BANCSHARES, INC. BOARD OF DIRECTORS & EXECUTIVE OFFICERS AND CENTENNIAL BANK EXECUTIVE STAFF



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• Executive Officer



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• Executive Officer



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Centennial Bank &
Director of Investor Relations
• HOMB Director
• Executive Officer



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David Druey
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Kevin W. Bartholomew
Chief Information Officer
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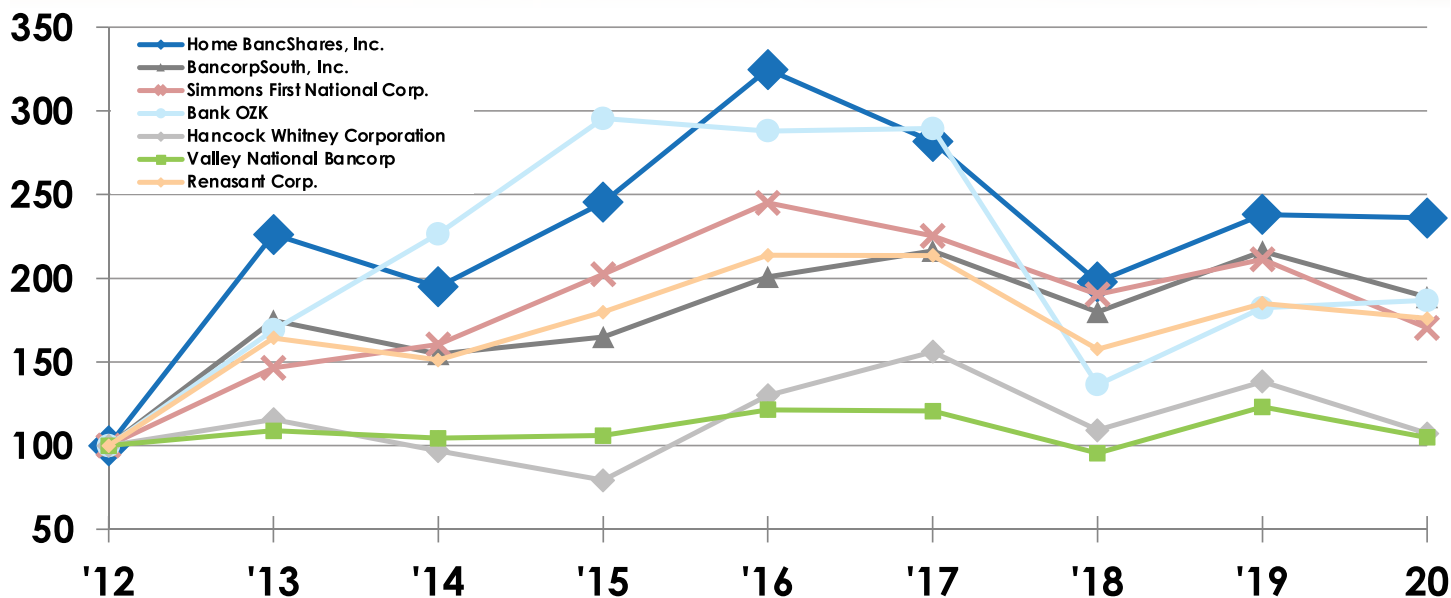
Shareholder's Return

An initial investment of \$1,000 is now worth:
(Day 1 of HOMB)

\$15,006

Note: Current Value = 12/31/2020 closing market value and includes the reinvestment of dividends since the Company went public in 2006.

Total Return Performance



INDEX	PERIOD ENDING								
	12/31/12	12/31/13	12/31/14	12/31/15	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20
Home BancShares, Inc.	100.00	226.23	194.79	245.43	324.77	281.65	197.94	238.16	235.98
BancorpSouth, Inc.	100.00	174.83	154.81	164.99	200.83	216.30	179.78	216.02	188.72
Simmons First National Corp.	100.00	146.49	160.29	202.52	245.07	225.16	190.30	211.28	170.27
Bank OZK	100.00	169.06	226.52	295.46	288.05	289.43	136.38	182.26	186.80
Hancock Whitney Corporation	100.00	115.60	96.75	79.33	130.00	156.00	109.20	138.29	107.22
Valley National Bancorp	100.00	108.82	104.41	105.91	121.40	120.65	95.48	123.12	104.84
Renasant Corporation	100.00	164.37	151.15	179.78	213.74	213.64	157.68	185.06	175.97

Financial Highlights

12/31/20

Total Assets

\$16,398,804

Total Loans

\$11,220,721

Total Deposits

\$12,725,790

Net Income, as adjusted
(non-GAAP)^{[1][2]}

\$305,915

Total Revenue (net)

\$694,341

Diluted Earnings Per Share,
as adjusted (non-GAAP)^{[1][3]}

\$1.85

Dividends Per Share

\$0.53

Tangible Book Value Per
Share (non-GAAP)^[1]

\$9.70

Return on Average Assets,
as adjusted (non-GAAP)^{[1][4]}

1.90%

Efficiency Ratio, as adjusted
(non-GAAP)^{[1][5]}

40.36%

Tangible Common Equity to
Tangible Assets (non-GAAP)^[1]

10.41%

Net Interest Margin

4.02%

^[1] Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are included in the Company's Form 10-K for the year ended December 31, 2020.

^[2] GAAP Net Income was \$214,448.

^[3] GAAP Diluted Earnings Per Share was \$1.30.

^[4] GAAP Return on Average Assets was 1.33%.

^[5] GAAP Efficiency Ratio was 42.63%.

Dollars in thousands, except per share data.

PANDEMIC

SUPPORTING OUR CLIENTS, COMMUNITIES AND EMPLOYEES DURING COVID-19

In early 2020, Centennial Bank took a variety of steps to support individuals and businesses impacted by the economic shock of COVID-19. This included policy and procedural changes for our employees; hardship support and Paycheck Protection Program assistance for our clients; and monetary and volunteer help for our community partners.

Supporting our clients

- Branches remained open with appointment only and drive-thru service.
- Offering many contactless options for banking, such as Online Banking with features including internal transfers, bill pay, viewing transactions and e-Statements.
- Mobile Banking allows consumer and business customers to manage their accounts anywhere, at any time.
- The government created the Paycheck Protection Program through the Small Business Association to help businesses keep their workforce employed during COVID-19. Since this was a newly created program, the process had to be built from the ground up and involved high touch customer interaction. Over 400 of Centennial Bank's employees were involved in this process and we closed over 8,500 loans totaling approximately \$850.0 million, which in turn likely helped to save tens of thousands of jobs.
- Deferred Payments - Original deferred program was 4,200 loans and over \$3.1 billion total program.

Supporting our communities

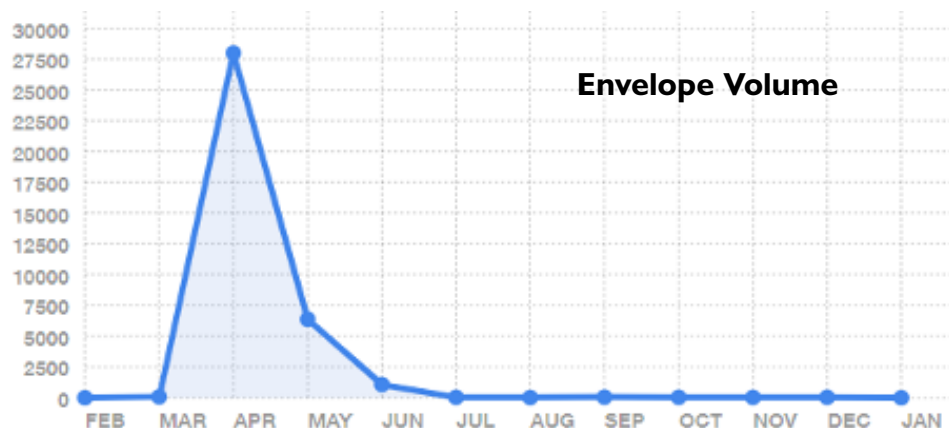
- Due to COVID-19, Pulaski County Judge Barry Hyde closed all county buildings early in 2020. This materially impacted the Pulaski County Treasurer as it closed all of their usual property tax collection sites throughout the County. At the request of County Treasurer Debra Buckner, and with only about 45 days to plan and execute, the Little Rock Region of Centennial Bank partnered with Pulaski County to collect taxes via one drive-thru lane at each of three Centennial Bank branches – Highway 10, University and Camp Robinson. With Arkansas State Bank Department approval, we retrofitted our branches, making safe spaces for county employees to work and maintain separate workspace from bank employees. Signage was installed and security guards were hired to direct traffic at the branches to the appropriate payment lanes. More than \$11 million in taxes was collected in our three branches from September 1 – December 18. Treasurer Buckner was so pleased with this that we have already begun planning for 2021. We were pleased to offer this as a service to the Treasurer and to the citizens of Pulaski County.

Supporting our employees

- PPE ordered for branches/employees and precautions/safety \$604,454.03 spent.
- Webex and Microsoft Teams encouraged collaboration across all departments.
- Emergency Paid Time Off Awarded in 2020: 195,360 hours.

RESPONSE

DOCUSIGN



DocuSign is an application which allows the bank to provide documents to customers that can be signed electronically for execution. The implementation of this application allowed for customers to execute documents for loan closings and enroll with retail products electronically without coming into the bank. DocuSign was a huge factor in being able to facilitate so many PPP loans to our customers. Prior to March 23, 2020, Centennial Bank had a total of 42 users set up in DocuSign. We are now at 448 users, of which 375 were set up in the last week of March through the end of April.

FIRESIDE CHATS

In a unique effort to keep investors up to speed on our loan portfolio, Centennial Bank held a series of Fireside Chats and did a deep dive into the asset classes that were most impacted by the pandemic and the shutdown. The series of live conference calls covered the following sectors: Hotel, Centennial Commercial Finance Group, Office and Retail.

PPE by the Numbers:

• 1,195 Gallons of Hand Sanitizer • 378,900 Face Masks • 414,900 Disposable Gloves

ADDITIONAL CHALLENGES IN 2020

- March 2020: Jonesboro Tornado – The Jonesboro branch took a direct hit, busting out windows and spreading debris all over the parking lot. Due to COVID-19, very few employees were inside the building and no injuries occurred.
- June 2020: Civil Unrest Protest – Centennial Bank worked with local law enforcement and closed branches early due to groups beginning to form. We secured vendors for potential building damage.
- September 2020 – Last year's hurricane season was extremely active. Hurricane Sally affected us the most, causing power losses and damage to our branches.

Recognition

Forbes Best Bank in America list for seventh time since 2015!

Forbes2020

WORLD'S BEST BANKS

Powered by STATISTA

Tech Support

- Purchased, prepared and deployed 100 Chromebooks and laptops to facilitate rapid work from home transition. In many cases, these computers were delivered to employees same-day or within one business day.
- Facilitated the deployment of approximately 100 monitors from existing inventory to assist work from home employees and improve productivity.
- Deployed 140+ ID scanners to retail locations to allow for enhanced new account opening via drive-thru windows.
- Equipped formerly closed Greystone location to accommodate social distancing guidelines for employees in Cabot.
- Facilitated approximately 20 workstation and full departmental equipment moves across Conway to allow for social distancing measures.
- Rapidly provisioned 260+ users with Citrix ShareFile licenses to assist with remote file sharing and collaboration.

CENTENNIAL BANK REGIONAL BOARDS

CENTENNIAL BANK BOARD OF DIRECTORS

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Dave Seleski
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Mark Lowman
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Sonny Campbell
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Stacy Greene
Ryan Heringer
Ted Herget
Mike Langford
Bobby McDaniel
Terry Mohajir
Deana Osment
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D. Scott Hancock
Chip Miller
Jake Newell
Susan Peacock
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Scott G. Oropeza*
Joseph H. Roth, III
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Ed Wotitzky

TALLAHASSEE

Michael "Darrh" Bryant, DMD
Joseph L. Camps Jr., MD*
Chase McNeill
Cynthia Phipps

* *Regional Board Chairman*

** *Board Chairman*

^o *Advisory Director*

CORPORATE INFORMATION

CORPORATE HEADQUARTERS

Home BancShares, Inc.
719 Harkrider St., Suite 100 • P.O. Box 966
Conway, Arkansas 72033

STOCK LISTING

Home BancShares, Inc. is listed and trades on the NASDAQ Global Select Market under the symbol HOMB.

SHAREHOLDERS' MEETING

Thursday, April 15, 2021 10:00 a.m.
719 Harkrider Street
Conway, AR 72032

The Company asks that any shareholders who plan to attend the meeting please contact our Director of Investor Relations, Donna Townsell, at (501) 328-4625 at least 24 hours prior to the meeting to register your attendance. Attendees will be required to wear face coverings at all times and may be subject to health screening procedures upon entering the building. Seating may be limited to comply with applicable directives and guidelines from the Arkansas Department of Health and the Centers for Disease Control and Prevention.

WEBSITE

www.homebancshares.com

FINANCIAL INFORMATION

Analysts and investors seeking financial information about Home BancShares, Inc. should contact:

Donna Townsell, Director of Investor Relations
(501) 328-4625
DTownsell@my100bank.com

PUBLIC ACCOUNTING FIRM

BKD, LLP
Little Rock, Arkansas

LEGAL COUNSEL

Mitchell, Williams, Selig, Gates & Woodyard, PLLC
Little Rock, Arkansas

TRANSFER AGENT & REGISTRAR

Shareholder correspondence should be mailed to:

Computershare
P.O. BOX 505000
Louisville, KY 40233

Overnight correspondence should be sent to:

Computershare
462 South 4th Street, Suite 1600
Louisville, KY 40202

Shareholder Website:

www.computershare.com/investor

Shareholder Online Inquiries:

<https://www-us.computershare.com/investor/Contact>