PRESS RELEASE

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1ST SUMMIT BANCORP OF JOHNSTOWN REPORTS THIRD QUARTER 2025 RESULTS

Earnings rise 46% from prior quarter; margin expands, credit quality remains strong, and restructured balance sheet remains well-positioned

JOHNSTOWN, PA – October 14, 2025 – 1ST SUMMIT BANCORP OF JOHNSTOWN today announced financial results for the quarter ended September 30, 2025, marking another period of strong performance. Net income for the quarter was $1.7 million, up 46% from $1.2 million in the second quarter of 2025. Annualized return on average assets improved to 0.46% from 0.33% for the prior quarter, and return on average equity advanced proportionately over the same period. Net interest margin widened to 2.28% compared to 2.18% for the prior quarter, reflecting continued momentum in core earnings strength.

Financial Highlights for the Quarter Ended September 30, 2025:

- Net Income: $1.7 million, compared to $1.2 million in Q2 2025 and $294 thousand in Q3 2024 – a 45.7% sequential quarter increase over Q2 2025.
- Return on Average Assets: 0.46% annualized, up from 0.33% in Q2 2025.
- Return on Average Equity: 6.80%, up from 4.92% in Q2 2025.
- Loan Growth: 18.11% annualized growth rate for the quarter. Increase in loans includes a $22.3 million mortgage loan pool purchase. Excluding purchased loans, loan growth was 7.27% annualized for the quarter.
- Deposit Growth: 4.33% annualized, mostly due to $22 million in time deposit growth.
- Net Interest Margin: 2.28%, compared to 2.18% in Q2 2025 and 1.79% in Q3 2024.
- Noninterest Income: $2.0 million, compared to $2.2 million in Q2 2025.
- Operating Expenses: Well controlled at $8.0 million, compared to $8.3 million in Q2 2025.
- Provision for Loan Losses: $250 thousand due to loan growth, with no significant charge-offs during the quarter.
- Loan-to-Deposit Ratio: 71.1% as of September 30, 2025, up from 68.8% at June 30, 2025.
- Average Earning Assets: Increased 15.4% annualized over the quarter.

CEO Commentary

“Our last two quarters tell a clear story,” said Allison Johnson, President and Chief Executive Officer. “We’ve generated meaningful growth in profitability and expanded our margin without loosening our underwriting standards and while maintaining outstanding credit quality. We believe that the decisions we made to reshape our balance sheet, shorten durations, and control costs are paying off in real time. We now turn our attention to a higher probability of lower interest rates as we expect falling rates to provide a significant tailwind as deposit and borrowing costs reset downward over the next three to six months.

“Our strategy this year has been simple and our group of talented bankers have executed flawlessly. We intended to grow quality earning assets, fund them efficiently, and protect our margin. We weren’t chasing temporary volume or headline numbers, we simply remained alert to all potential opportunities for growth. It is now time to turn our attention to the expense side of the income statement. Over the next few quarters we will be looking for opportunities to improve our efficiency ratio while maintaining current asset levels and enjoying the benefit of lower funding costs.”

Third Quarter Review

Earnings Growth and Core Profitability

Net income expanded again during the quarter ended September 30, 2025, to $1.7 million, a 45.7% increase over net income of $1.2 million for the quarter ended June 30, 2025. Net income for the same quarter last year totaled $294 thousand. Current quarter net income represents core earnings with no nonrecurring revenue or expense items. Return on average assets increased to 0.46%, up from 0.33% in the second quarter, and return on average equity increased to 6.80% from 4.92%.

Net Interest Margin and Earning Assets

Management’s focus during the third quarter was to increase interest earning assets to a level that can be maintained long term, while also maintaining sufficient capacity for future growth in the coming quarters based on current capital levels and ratios. We accomplished this growth by purchasing approximately $17 million in high quality bonds and purchasing $22 million in mortgage loans. We anticipate these purchased interest earning assets will have durations ranging from two to seven years based on current rates and expected prepayments. These additional interest earning assets were funded with a successful certificates of deposit campaign designed to attract funding with maturities in the three to six month range that will reset at lower rates in the coming quarters.

The result of these efforts was net interest margin (NIM) expansion of 10 basis points to 2.28% in the third quarter, compared to 2.18% in the second quarter and 1.79% in the third quarter of 2024. Our expectation is that opportunities to add significant levels of interest earning assets, while maintaining our current net interest margin, will be challenging going forward given increased competition for higher yields and quality deposits. As a result, we expect to focus on the funding side of the NIM equation in future periods in an effort to further enhance margin and profitability as rates fall.

Loan and Deposit Trends

Total loans grew at an annualized rate of 18.1% during the quarter, including the purchase of a $22.3 million pool of residential mortgage loans. Excluding that purchase, organic loan growth was 7.3% annualized, supported by healthy demand in both the commercial and industrial and commercial real estate segments. We intend to stay vigilant in coming quarters as competition for loans increases and the economy shows signs of slowing down. While production volumes may decrease in the coming quarters, we continue to expect that the loans originated will be high quality, consistent with our expectations of superior credit quality and low historical charge-offs.

Deposits increased 4.33% annualized over the prior quarter, primarily due to a $21.9 million increase in certificates of deposits resulting from the targeted campaign described above. We anticipate being able to roll a sufficient level of these certificates of deposit at lower rates as benchmark rates decline. This deliberate strategy supports our goal of continued net interest margin expansion while positioning the Bank to benefit quickly from declining liability costs.

Credit quality remained excellent. The $250 thousand loan-loss provision recorded in the quarter was entirely attributable to loan growth; there were no specific credit-related concerns or charge-offs of significance.

Strategic Focus

We have enjoyed two exceptional quarters with net income growth near or above 50% each quarter achieved through calculated increases in interest earning assets funded at spreads that we can either maintain or improve as rate shifts occur in the coming quarters. Looking ahead, our goal is to drive both balance sheet and net income growth that is at or above peer levels. The next leg of our transition will involve a focus on expense discipline. As some of our vendor contracts expire over the next three to six quarters, we are looking at ways to preserve or enhance functionality while reducing costs. To this end, we believe that a new generation of tools built and powered by artificial intelligence presents exciting opportunities to improve internal efficiency and enhance the customer experience. We will stay selective on new production to protect margin and credit quality and in an effort to convert efficiency gains into durable earnings. Our strategic focus going forward is to continue in our efforts to drive meaningful results for our shareholders that are balanced, repeatable, and resilient.

About 1st Summit Bancorp of Johnstown, Inc.

1st Summit, through its wholly owned subsidiary, 1st Summit Bank (the "Bank"), is a community oriented financial institution that primarily focuses on relationship banking for both consumers and businesses. From 17 full-service community offices and one loan production office, the Bank provides a full-array of personal and business banking solutions, investment management and trust services. The Bank serves communities throughout the counties of Cambria, Westmoreland, Blair, Somerset, and Indiana in southwestern PA. Please visit https://www.1stsummit.bank for more information.

Cautionary Statement Regarding Forward Looking Statements

While forward-looking statements reflect our good-faith beliefs, they are not guarantees of future performance. All forward-looking statements are necessarily only estimates of future results. Accordingly, actual results may differ materially from those contemplated, expressed in or implied by the particular forward-looking statement due to additional risks and uncertainties of which the Company is not currently aware or which it does not currently view as, but in the future may become, material to its business or operating results. Due to these and other possible uncertainties and risks, we can give no assurance that the results contemplated in the forward-looking statements will be realized and, therefore, you are cautioned not to place undue reliance on such statements. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake 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. All forward-looking statements, express or implied, included in this press release are qualified in their entirety by this cautionary statement.

1ST SUMMIT BANCORP OF JOHNSTOWN, INC.
Consolidated Statements of Income
(Unaudited)

	For the Three Months Ended				
	September 30,2025	June 30,2025	March 31,2025	December 31, 2024	September 30, 2024
	(Dollars in thousands, except per share data)				
Interest income:					
Interest and fees on loans	$ 11,360	$ 10,643	$ 10,104	$ 10,117	$ 10,316
Interest and dividends on investment securities	4,542	4,026	4,186	3,594	3,439
Other interest income	189	161	86	232	79
Total interest income	16,091	14,830	14,376	13,943	13,834
Interest expense:					
Interest on deposits	6,251	5,973	6,402	7,139	7,550
Interest on FHLB advances and other borrowings	1,827	1,570	1,346	828	737
Total interest expense	8,078	7,543	7,748	7,967	8,287
Net interest income	8,013	7,287	6,628	5,976	5,547
Provision for loan losses	250	125	125	86	(362)
Net interest income after provision for loan losses	7,763	7,162	6,503	5,890	5,909
Noninterest income:					
Service charges and fees	628	657	642	621	637
Interchange income	604	583	577	566	640
Earnings on bank-owned life insurance	194	192	175	253	30
Merchant services income	524	712	482	489	545
Gain (loss) on sales of investment securities	-	142	-	(24)	173
Change in fair value of equity securities	22	4	6	(19)	(202)
Gain on sale leaseback	-	-	-	3,269	-
Other noninterest income	26	30	31	584	457
Total noninterest income	1,998	2,320	1,913	5,739	2,280
Noninterest expense:					
Salaries and employee benefits	4,333	4,357	4,333	4,423	4,488
Occupancy and equipment expenses	999	1,071	1,040	966	960
Professional services	344	334	447	324	266
Data processing and network	867	1,078	739	861	874
Regulatory assessments and insurance	171	165	165	171	171
Shares tax expense	219	219	219	229	227
Conversion expense	-	-	-	-	-
Other operating expenses	1,030	1,090	826	1,003	1,102
Total noninterest expense	7,963	8,314	7,769	7,977	8,088
Income before income tax expense	1,798	1,168	647	3,652	101
Income tax expense	95	(1)	(128)	464	(193)
Net income	$ 1,703	$ 1,169	$ 775	$ 3,188	$ 294
Earnings per Common Share					
Basic	$ 0.80	$ 0.55	$ 0.36	$ 1.48	$ 0.13
Diluted	0.80	0.55	0.36	1.48	0.13

1ST SUMMIT BANCORP OF JOHNSTOWN, INC.
Consolidated Balance Sheets
(Unaudited)

	September 30, 2025	June 30, 2025	As of March 31, 2025	December 31, 2024	September 30, 2024
			(Dollars in thousands)		
Assets:					
Cash and due from banks	$ 10,191	$ 13,637	$ 16,526	$ 10,666	$ 11,921
Interest-bearing deposits in other banks	6,299	10,736	8,006	7,310	31,228
Total cash and cash equivalents	16,490	24,373	24,532	17,976	43,149
Investment securities:					
Equity securities	687	665	661	655	669
Available for sale securities, at fair value	343,411	327,167	332,319	329,949	268,342
Held to maturity securities, at amortized cost	200,559	207,257	212,111	216,894	222,077
Total investment securities	544,657	535,089	545,091	547,498	491,088
Loans:					
Loans held for investment	851,114	813,960	790,642	782,768	767,887
Less: allowance for loan and lease losses	(6,536)	(6,250)	(6,146)	(7,160)	(7,268)
Loans, net	844,578	807,710	784,496	775,608	760,619
Operating lease right-of-use assets	8,553	8,767	8,968	9,202	2,744
Premises and equipment, net	11,411	11,569	11,940	11,919	14,006
Accrued interest receivable	5,305	5,161	5,058	5,126	4,614
Goodwill	339	339	339	339	339
Deferred tax asset, net	7,988	9,742	10,030	10,888	8,117
Bank-owned life insurance	27,555	27,360	27,168	24,678	24,734
Federal Home Loan Bank and other bank stock, at cost	6,915	6,220	6,079	4,665	2,153
Other assets	7,385	7,811	7,749	7,264	5,000
Total assets	$ 1,481,176	$ 1,444,141	$ 1,431,450	$ 1,415,163	$ 1,356,563
Liabilities and Stockholders' Equity					
Liabilities:					
Deposits:					
Transaction accounts:					
Noninterest-bearing	$ 118,126	$ 120,075	$ 122,764	$ 114,898	$ 112,937
Interest-bearing	635,855	642,834	643,719	649,837	648,074
Total transaction accounts	753,981	762,909	766,483	764,735	761,011
Time deposits	442,849	420,990	420,496	439,378	443,992
Total deposits	1,196,830	1,183,899	1,186,979	1,204,113	1,205,003
Accrued interest payable	4,328	4,059	4,188	4,528	4,284
Short-term borrowings	6,326	-	30,000	30,000	-
Long-term borrowings	151,186	141,186	96,186	66,186	36,186
Operating lease liability	8,832	9,028	9,211	9,428	2,814
Other liabilities	7,934	7,649	7,493	6,947	6,028
Total liabilities	1,375,436	1,345,821	1,334,057	1,321,202	1,254,315
Stockholders' Equity:					
Common stock	11,008	11,015	11,015	11,015	11,015
Capital surplus	5,781	5,825	5,825	5,825	5,825
Retained earnings	114,130	113,338	113,080	113,223	110,963
Accumulated other comprehensive income (loss)	(21,338)	(27,970)	(29,250)	(32,825)	(23,626)
Treasury stock	(3,841)	(3,888)	(3,277)	(3,277)	(1,929)
Total stockholders' equity	105,740	98,320	97,393	93,961	102,248
Total liabilities and stockholders' equity	$ 1,481,176	$ 1,444,141	$ 1,431,450	$ 1,415,163	$ 1,356,563

1ST SUMMIT BANCORP OF JOHNSTOWN, INC.
Loan Composition
(Unaudited)

	As of				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
	(Dollars in thousands)				
Loans:					
Commercial and industrial loans	$ 140,272	$ 137,474	$ 138,038	$ 138,555	$ 135,290
Real estate:					
1-4 single family residential loans	427,072	400,722	401,588	401,246	398,383
Construction, land and development loans	27,805	24,013	17,043	16,878	15,388
Commercial real estate loans (including multifamily)	240,283	235,884	217,163	207,393	192,816
Consumer loans and leases	15,682	15,867	16,810	18,696	26,010
Total loans held in portfolio	$ 851,114	$ 813,960	$ 790,642	$ 782,768	$ 767,887

1ST SUMMIT BANCORP OF JOHNSTOWN, INC.
Deposit Composition
(Unaudited)

	As of				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
	(Dollars in thousands)				
Deposits:					
Noninterest-bearing demand deposits	$ 118,126	$ 120,075	$ 122,764	$ 114,898	$ 112,937
Interest-bearing demand deposits	259,182	260,554	260,874	303,631	301,924
Savings and money market accounts	376,673	382,280	382,845	346,206	346,150
Time deposits	442,849	420,990	420,496	439,378	443,992
Total deposits	$ 1,196,830	$ 1,183,899	$ 1,186,979	$ 1,204,113	$ 1,205,003

1ST SUMMIT BANCORP OF JOHNSTOWN, INC.
Average Balances and Yields
(Unaudited)

	Three Months Ended					
	September 30, 2025			September 30, 2024		
	Average Balance (1)	Interest/ Expense	Annualized Yield/Rate	Average Balance (1)	Interest/ Expense	Annualized Yield/Rate
	(Dollars in thousands)					
Interest-earning assets:						
Interest-earning deposits in other banks	$ 16,847	$ 189	4.45%	$ 22,764	$ 366	6.38%
Loans(2)	837,288	11,360	5.38%	768,493	10,277	5.31%
Investment securities and other	540,412	4,542	3.33%	505,255	3,439	2.70%
Total interest-earning assets	1,394,547	16,091	4.58%	1,296,512	14,082	4.31%
Noninterest-earning assets	83,711			60,946		
Total assets	$1,478,258			$ 1,357,458		
Interest-bearing liabilities:						
Interest-bearing demand deposits	$ 254,822	$ 376	0.59%	$ 276,093	$ 465	0.67%
Savings and money market accounts	373,930	2,057	2.18%	369,756	2,683	2.88%
Time deposits	445,011	3,818	3.40%	441,873	4,402	3.95%
FHLB advances and other borrowings	154,632	1,827	4.69%	48,132	738	6.08%
Total interest-bearing liabilities	1,228,395	8,078	2.61%	1,135,854	8,288	2.89%
Noninterest-bearing liabilities and shareholders' equity:						
Noninterest-bearing demand deposits	122,871			116,662		
Other liabilities	27,685			10,222		
Stockholders' equity	99,307			94,720		
Total liabilities and stockholders' equity	$1,478,258			$ 1,357,458		
Net interest rate spread			1.97%			1.41%
Net interest income and margin		$ 8,013	2.28%		$ 5,794	1.79%
Net interest income and margin (tax equivalent)(3)		$ 8,215	2.34%		$ 6,123	1.89%

(1) Average balances presented are derived from daily average balances.

(2) Includes loans on nonaccrual status.

(3) In order to make pretax income and resultant yields on tax-exempt loans comparable to those on taxable loans, a tax-equivalent adjustment has been computed using a federal tax rate of 21% for the three months ended September 30, 2025 and September 30, 2024, respectively.

1ST SUMMIT BANCORP OF JOHNSTOWN, INC.
Average Balances and Yields
(Unaudited)

	Three Months Ended					
	September 30, 2025			June 30, 2025		
	Average Balance (1)	Interest/ Expense	Annualized Yield/Rate	Average Balance (1)	Interest/ Expense	Annualized Yield/Rate
	(Dollars in thousands)			(Dollars in thousands)		
Interest-earning assets:						
Interest-earning deposits in other banks	16,847	$ 189	4.45%	$ 14,503	$ 161	4.45%
Loans(2)	837,288	11,360	5.38%	804,978	10,643	5.30%
Investment securities and other	540,412	4,542	3.33%	522,985	4,026	3.09%
Total interest-earning assets	1,394,547	16,091	4.58%	1,342,466	14,830	4.43%
Noninterest-earning assets	83,711			81,514		
Total assets	$1,478,258			$ 1,423,980		
Interest-bearing liabilities:						
Interest-bearing demand deposits	$ 254,822	$ 376	0.59%	$ 258,256	$ 407	0.63%
Savings and money market accounts	373,930	2,057	2.18%	382,050	1,918	2.01%
Time deposits	445,011	3,818	3.40%	415,073	3,648	3.53%
FHLB advances and other borrowings	154,632	1,827	4.69%	133,366	1,570	4.72%
Total interest-bearing liabilities	1,228,395	8,078	2.61%	1,188,745	7,543	2.55%
Noninterest-bearing liabilities and shareholders' equity:						
Noninterest-bearing demand deposits	122,871			120,936		
Other liabilities	27,685			19,078		
Stockholders' equity	99,307			95,221		
Total liabilities and stockholders' equity	$1,478,258			$ 1,423,980		
Net interest rate spread			1.97%			1.89%
Net interest income and margin		$ 8,013	2.28%		$ 7,287	2.18%
Net interest income and margin (tax equivalent)(3)		$ 8,215	2.34%		$ 7,573	2.26%

(1) Average balances presented are derived from daily average balances.

(2) Includes loans on nonaccrual status.

(3) In order to make pretax income and resultant yields on tax-exempt loans comparable to those on taxable loans, a tax-equivalent adjustment has been computed using a federal tax rate of 21% for the three months ended September 30, 2025 and June 30, 2025, respectively.

1ST SUMMIT BANCORP OF JOHNSTOWN, INC.
Reconciliation of Non-GAAP Financial Measures - Net Interest Margin on a Fully Taxable Equivalent Basis
(Unaudited)

	As of or for the Three Months Ended				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
	(Dollars in thousands, except per share data)				
Net interest margin - GAAP basis:					
Net interest income	$ 8,013	$ 7,287	$ 6,628	$ 5,976	$ 5,547
Average interst-earning assets	1,394,547	1,342,466	1,333,932	1,300,110	1,288,454
Net interest margin	2.28%	2.18%	2.02%	1.82%	1.71%
Net interest margin - Non-GAAP basis:					
Net interest income	$ 8,013	$ 7,287	$ 6,628	$ 5,976	$ 5,547
Plus:					
Impact of fully taxable equivalent adjustment	202	286	246	288	306
Net interest income on a fully taxable equivalent basis	$ 8,215	$ 7,573	$ 6,874	$ 6,264	$ 5,853
Average interst-earning assets	1,394,547	1,342,466	1,333,932	1,300,110	1,288,454
Net interest margin on a fully taxable equivalent basis - Non-GAAP basis	2.34%	2.26%	2.09%	1.91%	1.80%

1ST SUMMIT BANCORP OF JOHNSTOWN, INC.
Reconciliation of Non-GAAP Financial Measures - Tangible Book Value Per Share
(Unaudited)

	As of				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
	(Dollars in thousands, except per share data)				
Total stockholders' equity	$ 105,740	$ 98,320	$ 97,393	$ 93,961	$ 102,248
Less:					
Goodwill and other intangible assets	339	339	339	339	339
Tangible stockholders' equity	$ 105,401	$ 97,981	$ 97,054	$ 93,622	$ 101,909
Shares outstanding	2,118,389	2,117,035	2,135,540	2,135,540	2,165,510
Book value per share	$ 49.92	$ 46.44	$ 45.61	$ 44.00	$ 47.22
Less:					
Goodwill and other intangible assets per share	$ 0.16	$ 0.16	$ 0.16	$ 0.16	$ 0.16
Tangible book value per share	$ 49.76	$ 46.28	$ 45.45	$ 43.84	$ 47.06

1ST SUMMIT BANCORP OF JOHNSTOWN, INC.
Reconciliation of Non-GAAP Financial Measures - Tangible Equity to Tangible Assets
(Unaudited)

	As of				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
	(Dollars in thousands)				
Total stockholders' equity to total assets - GAAP basis:					
Total stockholders' equity (numerator)	$ 105,740	$ 98,320	$ 97,393	$ 93,961	$ 102,248
Total assets (denominator)	1,481,176	1,444,141	1,431,450	1,415,163	1,356,563
Total stockholders' equity to total assets	7.14%	6.81%	6.80%	6.64%	7.54%
Tangible equity to tangible assets - Non-GAAP basis:					
Tangible equity:					
Total stockholders' equity	$ 105,740	$ 98,320	$ 97,393	$ 93,961	$ 102,248
Less:					
Goodwill and other intangible assets	339	339	339	339	339
Total tangible common equity (numerator)	$ 105,401	$ 97,981	$ 97,054	$ 93,622	$ 101,909
Tangible assets:					
Total assets	1,481,176	1,444,141	1,431,450	1,415,163	1,356,563
Less:					
Goodwill and other intangible assets	339	339	339	339	339
Total tangible assets (denominator)	$ 1,480,837	$ 1,443,802	$ 1,431,111	$ 1,414,824	$ 1,356,224
Tangible equity to tangible assets	7.12%	6.79%	6.78%	6.62%	7.51%