PRESS RELEASE

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1ST SUMMIT BANCORP OF JOHNSTOWN ANNOUNCES SECOND QUARTER 2026 RESULTS

1st Summit Reports More Than 29% Growth in Core Earnings as Strategic Initiatives Continue to Drive Profitability

Johnstown, PA – July 14, 2026 – 1st Summit Bancorp of Johnstown, Inc. (OTCQX: FSMK) (the “Company”), parent company of 1st Summit Bank, today announced net income of $2.5 million for the second quarter ended June 30, 2026.

Reported net income increased 9.4% compared to the first quarter of 2026. Excluding a $350 thousand after tax gain on the sale of securities recognized during the first quarter, core net income increased by more than 29% quarter over quarter, reflecting continued improvement in the Company's underlying earnings profile. The quarter also marked continued expansion in net interest margin, strong loan growth, improved operating efficiency, excellent credit quality, and higher returns on both assets and equity.

"Our second quarter results represent another meaningful milestone in the transformation of 1st Summit," said Allison Johnson, Chief Executive Officer of 1st Summit Bancorp. "For more than a year we have remained focused on improving the fundamental earnings power of the Company by repositioning the balance sheet, growing high-quality loans, improving our funding mix, and operating with greater discipline. Those efforts are now translating into measurable financial results. Core earnings increased more than 29% from the prior quarter, net interest margin expanded for the fifth consecutive quarter, profitability continued to improve, and credit quality remained exceptionally strong. Perhaps most importantly, every dollar of earnings this quarter was generated through our core banking franchise rather than one-time gains or non-recurring items."

She continued, "While we are encouraged by the progress we have made, we believe there remains considerable opportunity ahead. The investments we are making today in our people, technology, customer experience, and communities are designed to create a stronger franchise that we believe will be capable of delivering sustainable long-term value for our shareholders while continuing to serve our customers and communities at the highest level."

Balance Sheet Growth

Gross loans increased to approximately $917 million at June 30, 2026, representing 8.38% annualized loan growth during the quarter. Loan production remained broad-based across the Company's lending portfolio and reflects continued demand throughout its market area.

Consistent with management's previously communicated strategy, principal cash flows from the securities portfolio continued to be redeployed into higher-yielding loans. As a result, the Company's loan-to-deposit ratio increased to 78% at June 30, 2026, compared to 75% at March 31, 2026, reflecting continued progress toward optimizing the balance sheet and increasing earning asset utilization.

Management believes strengthening the loan portfolio while improving the overall funding mix remains one of the most significant drivers of future earnings growth.

Net Interest Margin and Profitability

Net interest margin expanded to 2.57% during the second quarter from 2.45% in the first quarter of 2026. Margin expansion was driven by continued loan growth, balance sheet optimization, and disciplined funding management.

Operating efficiency also continued to improve as the Company's efficiency ratio declined to 73.6% for the quarter ended June 30, 2026, compared to 75.2% during the prior quarter.

The improvement in operating performance resulted in stronger profitability across every major performance metric.

- Net income totaled $2.5 million at June 30, 2026.
- Core net income increased more than 29% for the second quarter of 2026 compared to the first quarter after excluding the prior quarter's gain on the sale of securities.
- Return on average assets increased to 0.65% for the second quarter of 2026, compared to 0.61% during the first quarter.
- Return on average equity increased to 9.27% for the second quarter of 2026, compared to 8.39% in the prior quarter.

Management believes these results demonstrate continued progress toward restoring profitability levels more consistent with the Company's long-term strategic objectives.

Credit Quality Remains Strong

Credit quality remained a hallmark of the Company's performance during the quarter.

The allowance for credit losses increased to 0.79% of gross loans at June 30, 2026, primarily reflecting continued loan growth.

The Company recorded net recoveries during the quarter, while both nonaccrual loans and delinquent loans remained relatively stable. Management believes these results reflect the disciplined underwriting standards and proactive portfolio management that continue to characterize the Company's lending practices.

Investing in the Future

In May, the Company announced **ASCEND 250**, a first-of-its-kind apprenticeship program that will launch in 2027. The initiative is designed to identify, educate, and develop the next generation of community bankers while creating meaningful career opportunities for local students.

The program reflects 1st Summit's long-standing commitment to investing not only in its institution, but also in the long-term economic vitality of the communities it serves. By developing future banking professionals locally, the Company believes it can help address workforce challenges while creating opportunities that encourage talented young people to build their careers within the region.

The Company also continues to make significant investments in technology. During the second half of 2026, 1st Summit expects to launch a best-in-class digital banking platform that will provide customers with the modern online and mobile banking capabilities they increasingly expect while enhancing convenience, security, and overall customer experience.

Management expects these strategic investments, together with continued emphasis on growing relationship deposits and expanding market share throughout the Company's footprint, to further strengthen the funding mix, support continued loan growth, and enhance long-term shareholder value.

Looking Forward

"Our strategy has never been focused on producing one exceptional quarter," Allison Johnson concluded. "It has been about methodically building a stronger bank with a more resilient earnings stream. Over the last five quarters we have steadily improved our balance sheet, expanded our net interest margin, increased profitability, and demonstrated that we can grow while maintaining excellent credit quality. We believe the momentum we are seeing today is the result of deliberate strategic decisions, and that continuing to execute those strategies will allow us to deliver increasing value for our shareholders, customers, employees, and the communities we proudly serve."

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 Home | 1st Summit Bank for more information.

Cautionary Statement Regarding Forward Looking Statements

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties and are made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended. Any statements about our expectations, beliefs, plans, predictions, protections, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. Forward-looking statements are typically, but not exclusively, identified by the use of forward-looking terminology such as "believes," "expects," "could," "may," "will," "should," "seeks," "likely," "intends" "plans," "pro forma," "projects," "estimates" or "anticipates" or the negative of these words and phrases or similar words or phrases that are predictions of or indicate future events or trends and that do not relate solely to historical matters. Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. Factors that could cause our actual results to differ materially from those described in the forward-looking statements include, among others: (i) changes in general business and our ability to successfully implement our strategic plan, including the success of our 2025 balance sheet repositioning strategy and our future investments in technology (ii) changes in interest rates or in the quality or composition of our loan and investment portfolios; (iii) adequacy of loan loss reserves; (iv) increased competition; (v) loss of certain key officers; (vi) continued relationships with major customers; (vii) deposit attrition; (viii) rapidly changing technology; (ix) unanticipated regulatory or judicial proceedings and liabilities and other costs; (x) changes in the cost of funds, demand for loan products, or demand for financial services; (xi) other economic, competitive, governmental, or technological factors affecting our operations, markets, products, services, and prices; and (xii) our success at managing the foregoing items. For a discussion of additional factors that could cause our actual results to differ materially from those described in the forward-looking statements, please see the risk factors discussed in our most recent Annual Report on our website at Investor Information | 1st Summit Bank.

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				
	June 30, 2026	March 31,2026	December 31, 2025	September 30,2025	June 30,2025
	(Dollars in thousands, except per share data)				
Interest income:					
Interest and fees on loans	$ 12,499	$ 11,761	$ 11,725	$ 11,360	$ 10,643
Interest and dividends on investment securities	4,256	4,256	4,340	4,542	4,026
Other interest income	86	69	96	189	161
Total interest income	16,841	16,086	16,161	16,091	14,830
Interest expense:					
Interest on deposits	5,326	5,476	5,982	6,251	5,973
Interest on FHLB advances and other borrowings	2,289	1,997	1,937	1,827	1,570
Total interest expense	7,615	7,473	7,919	8,078	7,543
Net interest income	9,226	8,613	8,242	8,013	7,287
Provision for credit losses	200	200	251	250	125
Net interest income after provision for credit losses	9,026	8,413	7,991	7,763	7,162
Noninterest income:					
Service charges and fees	674	621	702	628	657
Wealth management income	683	602	649	604	583
Earnings on bank-owned life insurance	194	192	196	194	192
Interchange income	709	522	561	524	712
Gain (loss) on sales of investment securities	-	446	-	-	142
Change in fair value of equity securities	6	4	4	22	4
Other noninterest income	41	13	52	26	30
Total noninterest income	2,307	2,400	2,164	1,998	2,320
Noninterest expense:					
Salaries and employee benefits	4,277	4,297	4,225	4,333	4,357
Occupancy and equipment expenses	1,122	1,092	1,066	999	1,071
Professional services	540	350	374	344	334
Data processing and network	1,085	1,072	997	867	1,078
Regulatory assessments and insurance	165	165	171	171	165
Shares tax expense	221	219	219	219	219
Other operating expenses	1,080	1,082	1,165	1,030	1,090
Total noninterest expense	8,490	8,277	8,217	7,963	8,314
Income before income tax expense	2,843	2,536	1,938	1,798	1,168
Income tax expense	352	259	247	95	(1)
Net income	$ 2,491	$ 2,277	$ 1,691	$ 1,703	$ 1,169
Earnings per Common Share					
Basic	$ 1.18	$ 1.07	$ 0.80	$ 0.80	$ 0.55
Diluted	1.18	1.07	0.80	0.80	0.55

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

	June 30, 2026	March 31, 2026	As of December 31, 2025	September 30, 2025	June 30, 2025
			(Dollars in thousands)		
Assets:					
Cash and due from banks	$ 10,629	$ 10,160	$ 9,196	$ 10,191	$ 13,637
Interest-bearing deposits in other banks	9,000	5,234	5,420	6,299	10,736
Total cash and cash equivalents	19,629	15,394	14,616	16,490	24,373
Investment securities:					
Equity securities	700	695	690	687	665
Available for sale securities, at fair value	322,686	332,944	348,406	343,411	327,167
Held to maturity securities, at amortized cost	186,428	191,815	196,188	200,559	207,257
Total investment securities	509,814	525,454	545,284	544,657	535,089
Loans:					
Loans held for investment	917,309	898,547	881,272	851,114	813,960
Less: allowance for credit losses	(7,242)	(6,965)	(6,793)	(6,536)	(6,250)
Loans, net	910,067	891,582	874,479	844,578	807,710
Operating lease right-of-use assets	8,144	8,324	8,537	8,553	8,767
Premises and equipment, net	17,698	17,884	17,911	11,411	11,569
Accrued interest receivable	5,392	5,297	5,322	5,305	5,161
Goodwill	339	339	339	339	339
Deferred tax asset, net	7,759	8,454	7,391	7,988	9,742
Bank-owned life insurance	28,137	27,942	27,750	27,555	27,360
Federal Home Loan Bank and other bank stock, at cost	11,116	8,577	8,162	6,915	6,220
Other assets	7,577	8,070	7,409	7,385	7,811
Total assets	$ 1,525,672	$ 1,517,317	$ 1,517,200	$ 1,481,176	$ 1,444,141
Liabilities and Stockholders' Equity					
Liabilities:					
Deposits:					
Transaction accounts:					
Noninterest-bearing	$ 127,323	$ 127,886	$ 120,899	$ 118,126	$ 120,075
Interest-bearing	643,336	649,821	652,290	635,855	642,834
Total transaction accounts	770,659	777,707	773,189	753,981	762,909
Time deposits	405,561	412,959	430,462	442,849	420,990
Total deposits	1,176,220	1,190,666	1,203,651	1,196,830	1,183,899
Accrued interest payable	4,043	4,056	4,378	4,328	4,059
Short-term borrowings	139,300	79,573	37,056	26,326	20,000
Long-term borrowings	81,186	121,186	146,186	131,186	121,186
Operating lease liability	8,491	8,662	8,861	8,832	9,028
Other liabilities	6,535	7,328	8,383	7,934	7,649
Total liabilities	1,415,775	1,411,471	1,408,515	1,375,436	1,345,821
Stockholders' Equity:					
Common stock	11,008	11,008	11,008	11,008	11,015
Capital surplus	5,781	5,781	5,781	5,781	5,825
Retained earnings	117,857	116,277	114,911	114,130	113,338
Accumulated other comprehensive income (loss)	(20,908)	(23,379)	(19,174)	(21,338)	(27,970)
Treasury stock	(3,841)	(3,841)	(3,841)	(3,841)	(3,888)
Total stockholders' equity	109,897	105,846	108,685	105,740	98,320
Total liabilities and stockholders' equity	$ 1,525,672	$ 1,517,317	$ 1,517,200	$ 1,481,176	$ 1,444,141

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

	As of				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(Dollars in thousands)				
Loans:					
Commercial and industrial loans	$ 132,512	$ 130,279	$ 129,389	$ 140,272	$ 137,474
Real estate:					
1-4 single family residential loans	434,645	424,968	430,427	427,072	400,722
Construction, land and development loans	37,334	48,403	31,543	27,805	24,013
Commercial real estate loans (including multifamily)	299,440	281,027	274,906	240,283	235,884
Consumer loans and leases	13,378	13,870	15,007	15,682	15,867
Total loans held in portfolio	$ 917,309	$ 898,547	$ 881,272	$ 851,114	$ 813,960

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

	As of				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(Dollars in thousands)				
Deposits:					
Noninterest-bearing demand deposits	$ 127,323	$ 127,886	$ 120,899	$ 118,126	$ 120,075
Interest-bearing demand deposits	263,670	269,239	274,116	259,182	260,554
Savings and money market accounts	379,666	380,582	378,174	376,673	382,280
Time deposits	405,561	412,959	430,462	442,849	420,990
Total deposits	$ 1,176,220	$ 1,190,666	$ 1,203,651	$ 1,196,830	$ 1,183,899

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

	Three Months Ended					
	June 30, 2026			June 30, 2025		
	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	$ 8,543	$ 86	4.04%	$ 14,503	$ 161	4.45%
Loans(2)	909,972	12,499	5.51%	804,978	10,643	5.30%
Investment securities and other	519,165	4,256	3.29%	522,985	4,026	3.09%
Total interest-earning assets	1,437,680	16,841	4.70%	1,342,466	14,830	4.43%
Noninterest-earning assets	88,105			81,514		
Total assets	$ 1,525,785			$ 1,423,980		
Interest-bearing liabilities:						
Interest-bearing demand deposits	$ 265,227	$ 289	0.44%	$ 258,256	$ 407	0.63%
Savings and money market accounts	378,521	1,813	1.92%	382,050	1,918	2.01%
Time deposits	408,438	3,224	3.17%	415,073	3,648	3.53%
FHLB advances and other borrowings	217,344	2,289	4.22%	133,366	1,570	4.72%
Total interest-bearing liabilities	1,269,530	7,615	2.41%	1,188,745	7,543	2.55%
Noninterest-bearing liabilities and shareholders' equity:						
Noninterest-bearing demand deposits	130,154			120,936		
Other liabilities	18,356			19,078		
Stockholders' equity	107,745			95,221		
Total liabilities and stockholders' equity	$ 1,525,785			$ 1,423,980		
Net interest rate spread			2.29%			1.89%
Net interest income and margin		$ 9,226	2.57%		$ 7,287	2.18%
Net interest income and margin (tax equivalent)(3)		$ 9,453	2.64%		$ 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 June 30, 2026 and June 30, 2025, respectively.

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

	Three Months Ended					
	June 30, 2026			March 31, 2026		
	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	8,543	$ 86	4.04%	$ 8,430	$ 69	3.32%
Loans(2)	909,972	12,499	5.51%	886,003	11,761	5.38%
Investment securities and other	519,165	4,256	3.29%	531,771	4,256	3.25%
Total interest-earning assets	1,437,680	16,841	4.70%	1,426,204	16,086	4.57%
Noninterest-earning assets	88,105			85,466		
Total assets	$ 1,525,785			$ 1,511,670		
Interest-bearing liabilities:						
Interest-bearing demand deposits	$ 265,227	$ 289	0.44%	$ 267,617	$ 311	0.47%
Savings and money market accounts	378,521	1,813	1.92%	377,541	1,777	1.91%
Time deposits	408,438	3,224	3.17%	420,376	3,388	3.27%
FHLB advances and other borrowings	217,344	2,289	4.22%	189,641	1,997	4.27%
Total interest-bearing liabilities	1,269,530	7,615	2.41%	1,255,175	7,473	2.41%
Noninterest-bearing liabilities and shareholders' equity:						
Noninterest-bearing demand deposits	130,154			126,452		
Other liabilities	18,356			19,994		
Stockholders' equity	107,745			110,049		
Total liabilities and stockholders' equity	$ 1,525,785			$ 1,511,670		
Net interest rate spread			2.29%			2.16%
Net interest income and margin		$ 9,226	2.57%		$ 8,613	2.45%
Net interest income and margin (tax equivalent)(3)		$ 9,453	2.64%		$ 8,866	2.52%

(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 June 30, 2026 and March 31, 2026, 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				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(Dollars in thousands, except per share data)				
Net interest margin - GAAP basis:					
Net interest income	$ 9,226	$ 8,613	$ 8,242	$ 8,013	$ 7,287
Average interest-earning assets	1,437,680	1,426,204	1,410,585	1,394,547	1,342,466
Net interest margin	2.57%	2.45%	2.32%	2.28%	2.18%
Net interest margin - Non-GAAP basis:					
Net interest income	$ 9,226	$ 8,613	$ 8,242	$ 8,013	$ 7,287
Plus:					
Impact of fully taxable equivalent adjustment	227	253	207	202	286
Net interest income on a fully taxable equivalent basis	$ 9,453	$ 8,866	$ 8,449	$ 8,215	$ 7,573
Average interest-earning assets	1,437,680	1,426,204	1,410,585	1,394,547	1,342,466
Net interest margin on a fully taxable equivalent basis - Non-GAAP basis	2.64%	2.52%	2.38%	2.34%	2.26%

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

	As of				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(Dollars in thousands, except per share data)				
Total stockholders' equity	$ 109,897	$ 105,846	$ 108,685	$ 105,740	$ 98,320
Less:					
Goodwill and other intangible assets	339	339	339	339	339
Tangible stockholders' equity	$ 109,558	$ 105,507	$ 108,346	$ 105,401	$ 97,981
Shares outstanding	2,118,389	2,118,389	2,118,389	2,118,389	2,117,035
Book value per share	$ 51.88	$ 49.97	$ 51.31	$ 49.92	$ 46.44
Less:					
Goodwill and other intangible assets per share	$ 0.16	$ 0.16	$ 0.16	$ 0.16	$ 0.16
Tangible book value per share	$ 51.72	$ 49.81	$ 51.15	$ 49.76	$ 46.28

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

	As of				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(Dollars in thousands)				
Total stockholders' equity to total assets - GAAP basis:					
Total stockholders' equity (numerator)	$ 109,897	$ 105,846	$ 108,685	$ 105,740	$ 98,320
Total assets (denominator)	1,525,672	1,517,317	1,517,200	1,481,176	1,444,141
Total stockholders' equity to total assets	7.20%	6.98%	7.16%	7.14%	6.81%
Tangible equity to tangible assets - Non-GAAP basis:					
Tangible equity:					
Total stockholders' equity	$ 109,897	$ 105,846	$ 108,685	$ 105,740	$ 98,320
Less:					
Goodwill and other intangible assets	339	339	339	339	339
Total tangible common equity (numerator)	$ 109,558	$ 105,507	$ 108,346	$ 105,401	$ 97,981
Tangible assets:					
Total assets	1,525,672	1,517,317	1,517,200	1,481,176	1,444,141
Less:					
Goodwill and other intangible assets	339	339	339	339	339
Total tangible assets (denominator)	$ 1,525,333	$ 1,516,978	$ 1,516,861	$ 1,480,837	$ 1,443,802
Tangible equity to tangible assets	7.18%	6.96%	7.14%	7.12%	6.79%