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## **NEWS RELEASE**

### COMMERCIAL NATIONAL REPORTS MARCH 31, 2025 RESULTS

LATROBE, PA, April 18, 2025 - Commercial National Financial Corporation (OTC Markets:CNAF) (Company), parent Company of Commercial Bank & Trust of PA, has reported results for the quarter ended March 31, 2025. The Company earned \$431,000 (or \$0.15 per average share outstanding) in the first quarter 2025 compared to \$527,000 (or \$0.18 per average share outstanding) in the first quarter of 2024.

The Company's first quarter-end 2025 tax equivalent net interest margin was 3.53%. Effective overhead cost containment was primarily attributable to more efficient staffing for operational continuity. Fully insured well diversified core deposits comprised 87.42% of total deposits which very favorably compares to national banking industry metrics. Asset quality remained exceptionally strong across-the-board. Capital adequacy and strength greatly exceeded major banking industry benchmarks. Tier one risk-based, total risk-based, leverage and common equity tier one capital ratios at March 31, 2025 were 25.19%, 25.57%, 14.15% and 25.19% respectively. Tier one capital was \$56,933,000 and total risk-based capital was \$57,888,000 while book capital reflected a temporary after-tax accumulated other comprehensive loss stemming from net unrealized securities available-for-sale market value depreciation. As with many other insured depository institutions nationwide, the Company's securities portfolio has been adversely impacted by generationally elevated market interest rates and yields.

Direct and beneficial ownership by executive officers and directors of the Company's outstanding shares totaled 460,757 shares, or 16.11% on March 31, 2025.

As disclosed each year in the Annual Report to Shareholders, on March 31, 2025, the Company employed 78 people in full-time and part-time positions. Thirty three (33) employees are represented by the United Auto Workers, Local 1799. Of that bargaining unit total, thirty (30) employees are full-time and there are three (3) part-time employees. The Company has had unionized employees since 1972. In November 2023, the agreement between the Company and the bargaining unit was negotiated and subsequently ratified by the bargaining unit with an effective date of February 15, 2024. The labor agreement will expire in February 2029. The Commonwealth of Pennsylvania and the National Labor Relations Board both afford protection to the organized status of pre-existing collective bargaining units. The Company has been advised that bargaining unit status limits

the Company's strategic options relative to those of non-unionized insured depository institutions. The Company continues to consider this as a factor in its strategic and capital management decisions.

The Company operates seven community banking facilities in Hempfield Township, Latrobe, Ligonier, Unity Township and West Newton, Pennsylvania and also maintains a commercial business development sales force throughout its entire market area. The Company operates an asset management and trust division of Commercial Bank & Trust of PA headquartered in Greensburg, Pennsylvania. Commercial Bank & Trust of PA also serves its customer base from an Internet banking site ([www.cnbthebankonline.com](http://www.cnbthebankonline.com)) and an automated TouchTone Teller banking system.

#### *Safe Harbor Statement*

*Forward-looking statements (statements which are not historical facts) in this release are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. For this purpose, any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "may," "will," "to," "expect," "believe," "anticipate," "intend," "could," "would," "estimate," or "continue" or the negative or other variations thereof or comparable terminology are intended to identify forward-looking statements. These statements are based on information currently available to the Company, and the Company assumes no obligation to update these statements as circumstances change. Investors are cautioned that all forward-looking statements involve risk and uncertainties, including changes in general economic and financial market conditions, unforeseen credit problems, and the Company's ability to execute its business plans. The actual results of future events could differ materially from those stated in any forward-looking statements herein.*

COMMERCIAL NATIONAL FINANCIAL CORPORATION  
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(Unaudited)

(Dollars in thousands, except per share data)

	<u>March 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>
<b>ASSETS</b>			
Cash and due from banks on demand	\$ 1,552	\$ 3,743	\$ 2,766
Interest bearing deposits with banks	4,254	1,322	1,830
Cash and Cash Equivalents	<u>5,806</u>	<u>5,065</u>	<u>4,596</u>
Securities available for sale	152,374	156,076	157,498
Restricted investments in bank stock	1,371	1,671	1,025
Loans	178,819	181,452	191,151
Allowance for credit losses	(865)	(865)	(1,120)
Net loans	<u>177,954</u>	<u>180,587</u>	<u>190,031</u>
Premises and equipment	2,997	2,790	2,906
Accrued Interest receivable	2,487	2,202	2,521
Investment in life insurance	19,216	19,083	18,672
Other Assets	<u>7,452</u>	<u>7,381</u>	<u>7,668</u>
Total assets	<u><u>\$ 369,657</u></u>	<u><u>\$ 374,855</u></u>	<u><u>\$ 384,917</u></u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Liabilities</b>			
Deposits			
Non-interest bearing	\$ 147,353	145,735	\$ 157,567
Interest bearing	157,061	155,826	169,758
Total deposits	<u>304,414</u>	<u>301,561</u>	<u>327,325</u>
Short-term borrowings	29,662	38,665	21,633
Other liabilities	1,789	1,854	1,783
Total liabilities	<u>335,865</u>	<u>342,080</u>	<u>350,741</u>
<b>Shareholders' equity</b>			
Common stock, par value \$2 per share; 10,000,000 shares authorized; 3,600,000 shares issued; 2,860,953 shares outstanding in 2025 and 2024			
	7,200	7,200	7,200
Retained earnings	62,556	62,440	62,928
Accumulated other comprehensive income	(23,420)	(24,321)	(23,408)
Treasury stock, at cost, 739,047 shares in 2025 and 2024	(12,544)	(12,544)	(12,544)
Total shareholders' equity	<u>33,792</u>	<u>32,775</u>	<u>34,176</u>
Total liabilities and shareholders' equity	<u><u>\$ 369,657</u></u>	<u><u>\$ 374,855</u></u>	<u><u>\$ 384,917</u></u>

COMMERCIAL NATIONAL FINANCIAL CORPORATION  
CONSOLIDATED STATEMENTS OF INCOME  
(Unaudited)  
(Dollars in thousands, except per share data)

	<u>Three Months Ended March 31, 2025</u>	<u>Three Months Ended March 31, 2024</u>
<b>INTEREST INCOME</b>		
Interest and fees on loans	\$ 2,027	\$ 2,058
Interest and dividends on securities:		
Taxable	1,086	1,105
Exempt from federal income taxes	442	449
Other	<u>53</u>	<u>42</u>
Total Interest income	<u>3,608</u>	<u>3,654</u>
<b>INTEREST EXPENSE</b>		
Interest on deposits	49	60
Interest on short-term borrowings	<u>408</u>	<u>369</u>
Total Interest expense	<u>457</u>	<u>429</u>
NET INTEREST INCOME	3,151	3,225
CREDIT FOR CREDIT LOSSES	<u>-</u>	<u>(39)</u>
NET INTEREST INCOME AFTER CREDIT FOR CREDIT LOSSES	<u>3,151</u>	<u>3,264</u>
<b>OTHER OPERATING INCOME</b>		
Asset management and trust income	379	352
Service charges on deposit accounts	147	152
Net Security gains	(14)	3
Income from investment in life insurance	133	130
Other income	43	54
Total other operating income	<u>688</u>	<u>691</u>
<b>OTHER OPERATING EXPENSES</b>		
Salaries and employee benefits	1,953	1,991
Net occupancy expense	234	231
Furniture and equipment	134	141
Pennsylvania shares tax	80	77
Legal and professional	133	131
FDIC Insurance	44	46
Other expenses	<u>850</u>	<u>809</u>
Total other operating expenses	<u>3,428</u>	<u>3,426</u>
INCOME BEFORE INCOME TAXES	411	529
Income tax (benefit) expense	<u>(20)</u>	<u>2</u>
Net income	<u>\$ 431</u>	<u>\$ 527</u>
Average Shares Outstanding	2,860,953	2,860,953
Earnings Per Share	\$ 0.15	\$ 0.18