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## NEWS RELEASE

### COMMERCIAL NATIONAL REPORTS MARCH 31, 2024 RESULTS

LATROBE, PA, April 29, 2024 - 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, 2024. The Company earned \$527,000 (or \$0.18 per average share outstanding) in the first quarter 2024 compared to \$845,000 (or \$0.30 per average share outstanding) in the first quarter of 2023.

Year-end 2023 market expectation for timely and extensive Federal Reserve Bank monetary policy easing, which would materially benefit the Company's overall financial condition and performance, has diminished thus far in 2024. Undistributed earnings at first quarter-end 2024 were \$786,000 which, subject to regional Federal Reserve Bank non-objection, provides as needed carryover capacity to augment 2024 dividend declarations. Tier one risk-based, total risk-based, leverage and common equity tier one capital ratios at March 31, 2024 were 24.32%, 24.80%, 13.78% and 24.32% respectively. Tier one capital was \$57,363,000 and total risk-based capital was \$58,482,000 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 nation-wide, the Company's securities portfolio has been adversely impacted by generationally elevated interest rates. The Company's first quarter-end 2024 asset quality remained exceptionally strong as evidenced by no loan delinquencies, no non-accrual loans and no other real estate owned. Fully insured well diversified core deposits comprised 84.5% of total deposits at first quarter-end 2024 which favorably compares to national banking industry metrics. Overhead costs in 2024 reflect optimum staffing to sustain operational continuity in the community branch banking office network along with area specific sales team focus.

Direct and beneficial ownership by executive officers and directors of the Company's outstanding shares totaled 467,957 shares, or 16.36% on March 31, 2024.

As disclosed each year in the Annual Report to Shareholders, on March 31, 2024, the Company employed 82 people in full-time and part-time positions. Thirty four (34) employees are represented by the United Auto Workers, Local 1799. Of that bargaining unit total, thirty one (31) 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>2024</u>	<u>December 31,</u> <u>2023</u>	<u>March 31,</u> <u>2023</u>
<b>ASSETS</b>			
Cash and due from banks on demand	\$ 2,766	\$ 4,274	\$ 4,306
Interest bearing deposits with banks	1,830	1,172	1,068
Cash and Cash Equivalents	<u>4,596</u>	<u>5,446</u>	<u>5,374</u>
Securities available for sale	157,498	161,832	174,661
Restricted investments in bank stock	1,025	1,244	1,018
Loans	191,151	192,812	198,466
Allowance for credit losses	<u>(1,120)</u>	<u>(1,162)</u>	<u>(1,535)</u>
Net loans	190,031	191,650	196,931
Premises and equipment	2,906	2,866	2,535
Accrued Interest receivable	2,521	2,199	2,672
Investment in life insurance	18,672	18,534	18,121
Other Assets	<u>7,668</u>	<u>6,848</u>	<u>7,390</u>
Total assets	<u>\$ 384,917</u>	<u>\$ 390,619</u>	<u>\$ 408,702</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Liabilities			
Deposits			
Non-interest bearing	\$ 157,567	156,767	\$ 163,477
Interest bearing	169,758	170,508	187,481
Total deposits	<u>327,325</u>	<u>327,275</u>	<u>350,958</u>
Short-term borrowings	21,633	25,317	20,076
Other liabilities	1,783	1,891	1,561
Total liabilities	<u>350,741</u>	<u>354,483</u>	<u>372,595</u>
Shareholders' equity			
Common stock, par value \$2 per share; 10,000,000 shares authorized; 3,600,000 shares issued; 2,860,953 shares outstanding in 2024 and 2023	7,200	7,200	7,200
Retained earnings	62,928	63,145	63,174
Accumulated other comprehensive income	(23,408)	(21,665)	(21,723)
Treasury stock, at cost, 739,047 shares in 2024 and 2023	<u>(12,544)</u>	<u>(12,544)</u>	<u>(12,544)</u>
Total shareholders' equity	<u>34,176</u>	<u>36,136</u>	<u>36,107</u>
Total liabilities and shareholders' equity	<u>\$ 384,917</u>	<u>\$ 390,619</u>	<u>\$ 408,702</u>

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

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
<b>INTEREST INCOME</b>		
Interest and fees on loans	\$ 2,058	\$ 2,054
Interest and dividends on securities:		
Taxable	1,137	1,175
Exempt from federal income taxes	417	518
Other	42	30
Total Interest income	3,654	3,777
<b>INTEREST EXPENSE</b>		
Interest on deposits	60	38
Interest on short-term borrowings	369	215
Total Interest expense	429	253
NET INTEREST INCOME	3,225	3,524
CREDIT FOR CREDIT LOSSES	(39)	-
NET INTEREST INCOME AFTER CREDIT FOR CREDIT LOSSES	3,264	3,524
<b>OTHER OPERATING INCOME</b>		
Asset management and trust income	352	337
Service charges on deposit accounts	152	156
Net Security gains	3	-
Income from investment in life insurance	130	126
Other income	54	50
Total other operating income	691	669
<b>OTHER OPERATING EXPENSES</b>		
Salaries and employee benefits	1,991	1,896
Net occupancy expense	231	214
Furniture and equipment	141	126
Pennsylvania shares tax	77	73
Legal and professional	131	126
FDIC Insurance	46	31
Other expenses	809	822
Total other operating expenses	3,426	3,288
INCOME BEFORE INCOME TAXES	529	905
Income tax expense	2	60
Net income	\$ 527	\$ 845
Average Shares Outstanding	2,860,953	2,860,953
Earnings Per Share	\$ 0.18	\$ 0.30