Consolidated Balance Sheets
(Unaudited)

	June 30, 2026	December 31, 2025
Assets	(in thousands, except per share data)	
Cash and due from banks	$ 18,419	$ 15,844
Interest-bearing deposits in banks	46,830	11,254
Federal funds sold	1,288	775
Total cash and cash equivalents	66,537	27,873
Debt Securities:		
Available-for-sale (AFS)	459,322	428,688
Held-to-maturity (HTM)	2,378	2,378
Marketable equity securities and other investments	4,436	4,427
Loans held for sale	441	1,549
Loans, net of allowance for credit losses	1,103,191	1,127,617
Premises and equipment, net	17,604	17,855
Bank owned life insurance	25,323	24,979
Other assets	33,265	33,281
Total assets	$ 1,712,497	$ 1,668,647
Liabilities and Stockholders' Equity		
Deposits		
Noninterest-bearing	$ 233,195	$ 219,275
Interest-bearing	1,251,414	1,209,276
Total deposits	1,484,609	1,428,551
Federal funds purchased	-	-
Securities sold under agreements to repurchase	-	-
Federal Home Loan Bank (FHLB) and other borrowings	33,477	53,429
Accrued interest payable and other liabilities	19,064	16,405
Total liabilities	1,537,150	1,498,385
Preferred stock	-	
Common stock	1,065	1,063
Additional paid-in capital	16,937	16,720
Retained earnings	196,620	189,941
Treasury stock, at cost	(16,013)	(16,013)
Accumulated other comprehensive loss	(23,262)	(21,449)
Total stockholders' equity	175,347	170,262
Total liabilities and stockholders' equity	$ 1,712,497	$ 1,668,647

Consolidated Statements of Income
(Unaudited)

	Six Months Ended June 30,	
	2026	**2025**
	(in thousands, except per share data)	
Interest and dividend income:		
Interest and fees on loans	$ 35,553	$ 34,657
Interest on investment securities	6,737	4,985
Interest on fed funds sold and other deposits	499	817
Total interest income	42,789	40,459
Interest expense:		
Deposits	12,992	14,464
Federal funds purchased	1	2
FHLB and other borrowings	536	780
Total interest expense	13,529	15,246
Net interest income	29,260	25,213
Provision for credit losses	1,085	1,536
Net interest and dividend income, after provision for credit losses	28,175	23,677
Noninterest income:		
Customer service fees	1,034	893
Net securities gains (losses)	(44)	-
Gain on sale of loans, net	229	163
Loan servicing fees, net	433	535
Bank owned life insurance	344	334
Card interchange fees	1,222	1,050
Other	992	1,971
Total noninterest income	4,210	4,946
Noninterest expenses:		
Salaries and employee benefits	13,299	12,610
Occupancy expense of premises, net	1,560	1,407
Outside services	775	1,088
Data processing	2,755	2,614
Other	2,990	6,410
Total noninterest expenses	21,379	24,129
Income before income taxes	11,006	4,494
Income tax expense	2,739	772
Net income	$ 8,267	$ 3,722
Earnings per common share:		
Basic	$ 2.29	$ 1.03
Diluted	$ 2.27	$ 1.03

Consolidated Statements of Income
(Unaudited)

	For the Quarter Ended				
	June 30, 2026	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**	**June 30, 2025**
Interest and dividend income:	(in thousands, except per share data)				
Interest and fees on loans	$ 17,885	$ 17,668	$ 18,343	$ 17,893	$ 17,739
Interest on investment securities	3,504	3,233	2,983	2,447	2,394
Interest on fed funds sold and other deposits	331	168	417	150	285
Total interest income	21,720	21,069	21,743	20,490	20,418
Interest expense:					
Deposits	6,550	6,442	7,158	6,930	7,099
Federal funds purchased	-	1	-	4	-
FHLB and other borrowings	248	288	282	398	370
Total interest expense	6,798	6,731	7,440	7,332	7,469
Net interest income	14,922	14,338	14,303	13,158	12,949
Provision for credit losses	524	561	772	372	238
Net interest income after provision for loan losses	14,398	13,777	13,531	12,786	12,711
Noninterest income:					
Customer service fees	537	497	445	424	551
Net securities gains (losses)	-	(44)	-	-	-
Gain on sale of loans, net	100	129	81	79	26
Loan servicing fees, net	457	(24)	108	106	226
Bank owned life insurance	179	165	167	166	177
Card interchange fees	669	553	581	605	555
Other	387	605	389	404	1,468
Total noninterest income	2,329	1,881	1,771	1,784	3,003
Noninterest expenses:					
Salaries and employee benefits	6,712	6,587	6,613	6,808	6,408
Occupancy expense of premises, net	809	751	795	775	772
Outside services	424	351	409	615	422
Data processing	1,438	1,317	1,330	1,407	1,403
Other	1,480	1,510	2,722	2,751	2,943
Total noninterest expenses	10,863	10,516	11,869	12,356	11,948
Income before income taxes	5,864	5,142	3,433	2,214	3,766
Income tax expense	1,486	1,253	889	612	779
Net income	$ 4,378	$ 3,889	$ 2,544	$ 1,602	$ 2,987
Earnings per common share:					
Basic	$ 1.21	$ 1.08	$ 0.71	$ 0.44	$ 0.83
Diluted	$ 1.20	$ 1.07	$ 0.70	$ 0.44	$ 0.82

(Unaudited)	As of				
	June 30 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
Assets			(in thousands)		
Cash and due from banks	$ 18,419	$ 18,696	$ 15,844	$ 19,601	$ 28,002
Interest-bearing deposits in banks	46,830	118,000	11,254	26,994	13,025
Federal funds sold	1,288	3,900	775	1,989	3,046
Total cash and cash equivalents	66,537	140,596	27,873	48,584	44,073
Debt securities:					
Debt securities available-for-sale (AFS)	459,322	426,198	428,688	369,287	361,146
Debt securities held-to-maturity (HTM)	2,378	2,378	2,378	2,741	3,263
Marketable equity securities and other investments	4,436	4,420	4,427	5,545	5,446
Loans held for sale	441	352	1,549	-	480
Loans, net of allowance for credit losses	1,103,191	1,113,139	1,127,617	1,123,376	1,116,498
Premises and equipment, net	17,604	17,622	17,855	18,054	16,889
Bank owned life insurance	25,323	25,144	24,979	24,812	24,646
Other assets	33,265	32,840	33,281	36,373	38,573
Total assets	$ 1,712,497	$ 1,762,689	$ 1,668,647	$ 1,628,772	$ 1,611,014
Liabilities and Stockholders' Equity					
Liabilities:					
Deposits:					
Noninterest-bearing	$ 233,195	$ 226,404	$ 219,275	$ 241,473	$ 247,002
Interest-bearing	1,251,414	1,312,249	1,209,276	1,140,725	1,136,961
Total deposits	1,484,609	1,538,653	1,428,551	1,382,198	1,383,963
Federal funds purchased	-	-	-	-	-
Securities sold under agreements to repurchase	-	-	-	26,354	12,466
Federal Home Loan Bank (FHLB) and other borrowings	33,477	36,668	53,429	37,662	39,889
Accrued interest payable and other liabilities	19,064	14,302	16,405	15,666	14,737
Total liabilities	1,537,150	1,589,623	1,498,385	1,461,880	1,451,055
Stockholders' equity:					
Preferred stock	-	-		-	-
Common stock	1,065	1,063	1,063	1,063	1,062
Additional paid-in capital	16,937	16,734	16,720	16,716	16,704
Retained earnings	196,620	193,037	189,941	188,119	187,237
Treasury stock, at cost	(16,013)	(16,013)	(16,013)	(16,013)	(16,013)
Accumulated other comprehensive loss	(23,262)	(21,755)	(21,449)	(22,992)	(29,031)
Total stockholders' equity	175,347	173,066	170,262	166,892	159,959
Total liabilities and stockholders' equity	$ 1,712,497	$ 1,762,689	$ 1,668,647	$ 1,628,772	$ 1,611,014

SELECTED FINANCIAL DATA (Unaudited)

The following table outlines selected financial data as of and for the:

(in thousands, except per share amounts and ratios)

	Three Months Ended					Six Months Ended	
	Jun 30, 2026	Mar 31, 2026	Dec 31, 2025	Sep 30, 2025	Jun 30, 2025	Jun 30, 2026	Jun 30, 2025
PER COMMON SHARE							
Basic earnings	$ 1.21	$ 1.08	$ 0.71	$ 0.44	$ 0.83	$ 2.29	$ 0.20
Diluted earnings	1.20	1.07	0.70	0.44	0.82	2.27	0.20
Dividends	0.22	0.22	0.20	0.20	0.20	0.44	0.20
Book value	48.52	47.99	47.21	46.28	44.41	48.52	44.41
Tangible book value	48.48	47.95	47.18	46.24	44.37	48.48	44.37
Tangible book value, excluding AOCI	54.91	53.98	53.12	52.62	52.43	54.91	52.43
End of period shares outstanding	3,614,260	3,606,428	3,606,123	3,606,123	3,606,087	3,614,260	3,606,087
Average number of shares outstanding	3,614,153	3,606,425	3,606,119	3,606,119	3,606,137	3,610,310	3,602,112
Market price	48.04	45.99	41.78	32.48	31.13	48.04	31.13
PERFORMANCE RATIOS							
Return on average assets	1.04%	0.95%	0.60%	0.40%	0.75%	1.00%	0.47%
Return on average equity	10.07%	9.13%	5.96%	3.90%	7.60%	9.60%	4.80%
Net interest margin, tax equivalent	3.69%	3.65%	3.52%	3.41%	3.33%	3.67%	3.29%
Efficiency ratio, tax equivalent	62.29%	64.12%	73.32%	81.23%	73.61%	63.2%	78.57%
Loan to deposit ratio	75.21%	73.11%	79.91%	82.26%	81.66%	75.21%	81.66%
ASSET QUALITY DATA							
Nonaccrual loans	16,589	14,409	14,937	25,452	25,939	16,589	25,939
Accruing loans 90+ days past due	249	1,662	373	1,967	688	249	688
Total non-performing loans	16,838	16,071	15,310	27,419	26,627	16,838	26,627
Foreclosed assets	25	7	-	56	703	25	703
Impaired other investments	-	-	-	961	961	-	961
Total non-performing assets	16,863	16,078	15,310	28,436	28,291	16,863	28,291
Total loans held for investment	1,116,178	1,126,264	1,140,600	1,137,006	1,129,719	1,116,178	1,129,719
Allowance for credit losses	12,987	13,125	12,983	13,630	13,626	12,987	13,626
Loans, net of ACL	1,103,191	1,113,139	1,127,617	1,123,376	1,116,498	1,103,191	1,116,498
Nonperforming assets to total assets	0.98%	0.91%	0.92%	1.75%	1.76%	0.98%	1.76%
Nonperforming loans to total loans	1.51%	1.43%	1.34%	2.41%	2.36%	1.51%	2.36%
Allowance to total loans	1.16%	1.17%	1.14%	1.20%	1.21%	1.16%	1.21%
Allowance to nonperforming loans	77.13%	81.67%	84.80%	49.71%	51.17%	77.13%	51.17%
ALLOWANCE FOR CREDIT LOSSES ACTIVITY							
Beginning of period balance	13,125	12,983	13,630	13,626	16,092	12,983	14,694
Provision for loan losses	524	561	772	372	238	1,085	1,536
Provision for unfunded commitments	(412)	(120)	(14)	(5)	224	(532)	334
Charge-offs	(285)	(342)	(1,594)	(373)	(2,958)	(627)	(3,032)
Recoveries	35	43	189	10	30	78	94
Ending of period balance	12,987	13,125	12,983	13,630	13,626	12,987	13,626

Analysis of Average Balances and Tax Equivalent Interest Rates

(dollars in thousands)

	For the Quarters Ended(Dollars in thousands-unaudited)								
	June 30, 2026			March 31, 2026			June 30, 2025		
	Average Balance	Interest (1)	Average Rate (1)	Average Balance	Interest (1)	Average Rate (1)	Average Balance	Interest (1)	Average Rate (1)
Interest Earning Assets:									
Interest bearing deposits and other	$ 32,009	$ 331	4.15%	$ 15,680	$ 167	4.33%	$ 12,712	$ 223	7.05%
Investment securities	481,728	3,602	3.00%	463,514	3,332	2.92%	441,109	2,581	2.35%
Loans	1,119,935	17,901	6.41%	1,127,837	17,683	6.36%	1,120,619	17,738	6.35%
Total Earning Assets	**$ 1,633,672**	**$ 21,835**	5.36%	**$ 1,607,031**	**$ 21,182**	5.35%	**$ 1,574,440**	**$ 20,542**	5.23%
Allowance for credit losses	(13,328)			(13,128)			(16,112)		
Cash and due from banks	20,646			21,048			28,640		
Other assets	43,945			47,172			14,452		
Total Assets	$ 1,684,935			$ 1,662,123			$ 1,601,420		
Interest Bearing Liabilities:									
Interest bearing checking accounts	$ 213,820	$ 588	1.10%	$ 204,135	$ 528	1.05%	$ 249,836	$ 1,055	1.69%
Savings and money market deposits	536,490	2,369	1.77%	515,375	2,216	1.74%	406,685	1,728	1.70%
Time deposits	472,878	3,593	3.05%	477,354	3,699	3.14%	473,023	4,331	3.67%
Total interest bearing deposits	1,223,188	6,550	2.15%	1,196,864	6,442	2.18%	1,129,544	7,114	2.53%
Borrowings	34,649	247	2.86%	38,918	289	3.01%	57,816	370	2.57%
Total Interest Bearing Liabilities	**$ 1,257,837**	**$ 6,797**	2.17%	**$ 1,235,782**	**$ 6,731**	2.21%	**$ 1,187,360**	**$ 7,484**	2.53%
Interest Rate Spread			**3.19%**			**3.14%**			**2.71%**
Noninterest bearing checking accounts	239,120			237,825			242,185		
Other liabilities	13,554			15,652			14,152		
Total liabilities	1,510,511			1,489,259			1,443,697		
Total stockholders' equity	174,424			172,864			157,723		
Total Liabilities and Stockholders' Equity	$ 1,684,935			$ 1,662,123			$ 1,601,420		
Net Interest Income/Margin		**$ 15,037**	**3.69%**		**$ 14,451**	**3.65%**		**$ 13,059**	**3.33%**

(1) Management discloses certain non-GAAP financial measures to evaluate and measure the Company's performance, including a presentation of net interest income with a net interest margin on a tax-equivalent(TE) basis. Net interest margin is calculated by dividing net interest income on a TE basis by average earning assets for the period. Nonaccrual loans are included in the above-stated average balances.

Analysis of Average Balances and Tax Equivalent Interest Rates

(dollars in thousands)

	For Six Months Ended(Dollars in thousands-unaudited)					
	June 30, 2026			June 30, 2025		
	Average Balance	Interest (1)	Average Rate (1)	Average Balance	Interest (1)	Average Rate (1)
Interest Earning Assets:						
Interest bearing deposits and other	$ 23,890	$ 499	4.21%	$ 36,208	$ 817	4.55%
Investment securities	472,671	6,934	2.96%	424,064	5,303	2.52%
Loans	1,123,864	35,583	6.38%	1,109,984	34,722	6.31%
Total Earning Assets	**$ 1,620,425**	**$ 43,016**	5.35%	**$ 1,570,256**	**$ 40,842**	5.25%
Allowance for credit losses	(13,229)			(15,556)		
Cash and due from banks	20,846			23,487		
Other assets	45,550			35,995		
Total Assets	$ 1,673,592			$ 1,614,182		
Interest Bearing Liabilities:						
Interest bearing checking accounts	$ 209,004	$ 1,116	1.08%	$ 246,411	$ 2,021	1.65%
Savings and money market deposits	525,991	4,584	1.76%	405,453	3,322	1.65%
Time deposits	475,103	7,292	3.10%	490,289	9,121	3.75%
Total interest bearing deposits	1,210,098	12,992	2.17%	1,142,153	14,464	2.55%
Borrowings	36,772	536	2.94%	58,704	781	2.68%
Total Interest Bearing Liabilities	**$ 1,246,870**	**$ 13,528**	2.19%	**$ 1,200,857**	**$ 15,246**	2.56%
Interest Rate Spread			**3.17%**			**2.68%**
Noninterest bearing checking accounts	238,476			242,529		
Other liabilities	14,598			14,582		
Total liabilities	1,499,944			1,457,968		
Total stockholders' equity	173,648			156,213		
Total Liabilities and Stockholders' Equity	$ 1,673,592			$ 1,614,181		
Net Interest Income/Margin		**$ 29,488**	**3.67%**		**$ 25,597**	**3.29%**

(1) Management discloses certain non-GAAP financial measures to evaluate and measure the Company's performance, including a presentation of net interest income with a net interest margin on a tax-equivalent(TE) basis. Net interest margin is calculated by dividing net interest income on a TE basis by average earning assets for the period. Nonaccrual loans are included in the above-stated average balances.