

## Commercial National Financial Corporation Reports 3<sup>rd</sup> Quarter 2025 Results

Ithaca, Michigan, October 24, 2025 (GLOBE NEWSWIRE) -- Commercial National Financial Corporation (OTCID: CEFC) reported net income for the third quarter of 2025 of \$1,791,000 or \$0.45 per share compared to third quarter 2024 net income of \$1,408,000 or \$0.36 per share. Return on Equity was 13.35% for the third quarter of 2025 compared to 11.32% for the third quarter of 2024.

Net interest income for the third quarter of 2025 increased by \$460,000 or 9.8% compared to the respective 2024 period. Interest income decreased by \$177,000, mainly due to a decrease in loans. Interest expense decreased by \$636,000, mainly due to a decrease in wholesale funding and funding costs. Non-interest income increased by \$17,000 or 3.1%. Operating expenses increased by \$19,000 or 0.5%.

Total assets were \$548 million as of September 30, 2025 compared to \$574 million as of September 30, 2024. The decrease in assets was mainly due to the repayment of wholesale funding and trust preferred debt totaling \$24 million. While total loans decreased by \$30 million or 7.3% due to the high-interest rate environment and early loan payoffs, loan quality remained strong with a non-performing assets ratio of 0.26%. Additionally, CEFC's wholly owned subsidiary, Commercial Bank, remains significantly above "well capitalized" for regulatory purposes.

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### Selected Financial Data (unaudited):

	Quarter Ended		Year to Date	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
Return on Equity	13.35%	11.32%	12.36%	11.09%
Return on Assets	1.30%	0.98%	1.16%	0.92%
Net Interest Margin	3.97%	3.47%	3.82%	3.37%
	Sep 30, 2025	Sep 30, 2024		
Non-Performing Assets Ratio	0.26%	0.21%		
Tier 1 Leverage Capital Ratio <sup>(1)</sup>	10.86%	10.17%		
Total Risk-Based Capital Ratio <sup>(1)</sup>	17.75%	16.35%		
Book Value Per Share	\$13.90	\$12.80		
Market Value Per Share	\$12.10	\$9.03		

<sup>(1)</sup> Ratios are for Commercial Bank

**Consolidated Statements of Income (unaudited):**

	Quarter Ended		Year to Date	
	Sep 30, 2025	Sep 30, 2024	Sep 30, 2025	Sep 30, 2024
Interest Income	\$ 6,567,747	\$ 6,744,483	\$ 19,584,846	\$ 20,069,571
Interest Expense	1,430,850	2,067,285	4,630,286	6,322,485
Net Interest Income	5,136,897	4,677,198	14,954,560	13,747,086
Provision for credit losses	(22,241)	229	(56,454)	(38,972)
Non-interest income	566,870	549,612	1,579,482	1,700,596
Operating Expenses	3,536,970	3,518,227	10,709,151	10,668,945
Income before taxes	2,189,038	1,708,354	5,881,345	4,817,709
Income tax expense	398,025	300,020	1,053,975	836,080
Net Income	<u>\$ 1,791,013</u>	<u>\$ 1,408,334</u>	<u>\$ 4,827,370</u>	<u>\$ 3,981,629</u>
Net Income per share – diluted	<u>\$ 0.45</u>	<u>\$ 0.36</u>	<u>\$ 1.22</u>	<u>\$ 1.00</u>
Dividends declared	<u>\$ 0.14</u>	<u>\$ 0.14</u>	<u>\$ 0.42</u>	<u>\$ 0.42</u>

**Consolidated Balance Sheets (unaudited):**

	Sep 30, 2025	Sep 30, 2024
<b>Assets</b>		
Cash and cash equivalents	\$ 50,432,608	\$ 55,606,415
Time deposits with other banks	1,494,000	1,992,000
Securities	87,151,048	77,226,328
Loans	377,670,851	407,594,529
Allowance for credit losses	<u>(3,413,163)</u>	<u>(3,528,332)</u>
Loans, net	374,257,688	404,066,197
Premises and equipment, net	9,732,492	10,092,279
Other assets	24,647,796	25,285,806
Total Assets	<u>\$ 547,715,632</u>	<u>\$ 574,269,025</u>
<b>Liabilities</b>		
Deposits	\$ 481,103,001	\$ 505,613,266
FHLB borrowings	1,000,000	4,000,000
Trust preferred	7,310,000	10,310,000
Other liabilities	<u>3,605,711</u>	<u>3,598,596</u>
Total Liabilities	493,018,712	523,521,862
<b>Equity</b>		
Total Equity	<u>54,696,920</u>	<u>50,747,163</u>
Total Liabilities and Equity	<u>\$ 547,715,632</u>	<u>\$ 574,269,025</u>

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