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GELT Bancorp, Inc. Announces First Quarter 2026 Operating Results

Bird-in-Hand, PA, May 14, 2026 – GELT Bancorp, Inc. (the “Company”), the holding company for Bank of Bird-in-Hand (the “Bank”), announced unaudited operating results for the quarter ended March 31, 2026. First quarter 2026 net income totaled \$4.8 million, or \$0.61 per share, compared to \$4.1 million, or \$0.51 per share, for the prior quarter ended December 31, 2025, an increase of \$776,000. Net income increased \$2.4 million from \$2.5 million, or \$0.31 per share, compared to the three months ended March 31, 2025.

Annualized return on average assets and return on average equity for the first quarter of 2026 increased to 1.07% and 11.97%, respectively, compared to 0.91% and 10.21%, respectively from the prior quarter in 2025, and from 0.61% and 6.61%, respectively, from the three months ended March 31, 2025.

Lori A. Maley, CPA, President, Chief Executive Officer and Vice Chairman of the Board stated, “2025 was a defining year for our Bank, characterized by record earnings, continued high-quality organic growth in both our loan and deposit portfolios and margin expansion. This exceptional performance validates our relationship-driven strategy and the significant investments we are making in the Bank’s future. We are proud to have expanded our footprint with two new brick-and-mortar branch offices and a new Gelt Bus that expands our network into northern Dauphin and Schuylkill counties bringing our total fleet of Gelt Buses to four. This continued investment in our franchise helps meet our increased customer demand, strengthens our local presence, and establishes a robust foundation for continued momentum in 2026.”

Highlights for the quarter ended March 31, 2026, included:

- Net income growth of 96.7% compared to prior year quarter and 19.1% over prior quarter.
- Total loans grew \$58.4 million, or 3.6%, during the first quarter to \$1.67 billion.
- Total deposits grew \$38.5 million, or 2.4%, during the first quarter to \$1.61 billion.
- Net interest margin expanded 24 basis points over prior quarter to 3.18%.
- Book value per share grew 1.25% to \$20.33 during the first quarter.
- Continued strong asset quality, with nonperforming loans of 0.20% of total loans at March 31, 2026.
- The Board declared a cash dividend of \$0.35 per share of common stock to shareholders of record as of March 26, 2026, payable on April 8, 2026.

Results of Operations

Net interest income increased \$4.0 million, or 41.2%, to \$13.8 million for the first quarter of 2026, compared to \$9.8 million for the first quarter of 2025. Net interest margin increased 62 basis points to 3.18% during the first quarter of 2026, up from 2.56% for the first quarter of 2025. The yield on interest-earning assets increased 32 basis points, to 6.02% during the first quarter 2026, up from 5.70% for the first quarter of 2025, primarily driven by an increase in loan yields. At the same time, the cost of interest-bearing liabilities decreased 32 basis points quarter to quarter to 3.33%, reflecting lower rates on interest-bearing deposits.

The provision for credit losses for the quarter ended March 31, 2026 was \$337,000 compared to \$321,000 for the quarter ended December 31, 2025 and \$194,000 for the quarter ended March 31, 2025. The credit loss expense reflects the Bank's organic loan growth during the first quarter and the Bank's strong and stable asset quality. The allowance for credit losses to total gross loans was 0.61% in the first quarter of 2026, a decrease of one basis point from 0.62% in the fourth quarter of 2025.

Total other income increased \$110,000, or 9.2%, for the first quarter 2026 compared to the quarter ended December 31, 2025. The increase was primarily driven by a one-time state sales tax refund from a March 2026 internal review. Total other income increased \$322,000 or 32.8%, compared to the same period in 2025. The increase was primarily attributed to higher service charge income, driven by increased loan volume and the one-time state sales tax benefit.

Noninterest expense increased \$975,000, or 13.3%, to \$8.3 million for the quarter ended March 31, 2026, from \$7.3 million for the quarter ended March 31, 2025. The increase resulted primarily from increased salaries and employee benefit expense, data processing, and other operating expenses. The ratio of noninterest expenses to average assets was 0.46% for each of the three-month periods ended March 31, 2026, and March 31, 2025.

Financial Condition

Total assets increased \$44.3 million, or 2.5%, to \$1.84 billion as of March 31, 2026, from \$1.79 billion at December 31, 2025. Total gross loans increased \$58.4 million, or 3.6%, to \$1.67 billion at March 31, 2026, from \$1.61 billion at December 31, 2025. This increase reflects strong organic loan growth, particularly in the commercial and industrial, and agricultural portfolios. Total cash and cash equivalents decreased \$13.9 million or 9.6%, compared to December 31, 2025, reflecting strategic reinvestment in organic loan growth, while sustaining a strong liquidity position.

Total deposits increased \$38.5 million, or 2.4%, to \$1.61 billion at March 31, 2026, from \$1.58 billion at December 31, 2025. Compared to December 31, 2025, interest-bearing demand deposits increased \$67.2 million, or 8.5%. and certificates of deposit decreased \$24.7 million, or 3.8%, reflecting an intentional shift in deposit mix away from higher costing maturity deposits. Noninterest-bearing demand deposits decreased \$4.0 million, or 2.8%, to \$137.5 million at March 31, 2026 from \$141.5 million at December 31, 2025.

Total stockholders' equity increased \$2.1 million, or 1.3%, to \$162.5 million at March 31, 2026 from \$160.4 million at year-end 2025. This growth was driven by strong net income, which more than offset a \$0.35 per share common stock dividend. Book value per share climbed to \$20.33, a \$0.25 increase from December 31, 2025.

Asset Quality

The Company's overall asset quality remained strong during the first quarter of 2026. Total non-performing loans were \$3.3 million, or 0.20% of total loans, at March 31, 2026, compared to \$3.0 million, or 0.19% of total loans, at December 31, 2025. The allowance for credit losses on loans as a percentage of total loans was 0.61% at March 31, 2026, a three basis point increase from the first quarter in 2025. Management believes that the overall credit quality metrics of the Bank's loan portfolio are sound and remain within historical ranges.



GELT BANCORP, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per-share data, unaudited)

	March 31, 2026	December 31, 2025
	unaudited	
ASSETS		
Cash and due from banks	\$ 20,649	\$ 19,227
Interest-bearing deposits with other banks	110,201	125,569
Total cash and cash equivalents	130,850	144,796
Loans receivable, net of allowance for credit losses of \$10,231 at March 31, 2026, and \$9,894 at December 31, 2025	1,658,281	1,600,212
Bank premises and equipment, net	11,532	11,811
Operating lease right of use asset	2,718	2,764
Accrued interest receivable	6,499	6,099
Restricted investment in bank stock	1,842	1,837
Bank owned life insurance	21,291	21,093
Other assets	3,051	3,177
TOTAL ASSETS	\$ 1,836,064	\$ 1,791,789
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Noninterest-bearing demand	\$ 137,521	\$ 141,510
Interest-bearing demand	855,811	788,593
Time deposits	620,569	645,266
Total deposits	1,613,901	1,575,369
Borrowings (net of borrowings cost)	38,481	38,477
Accrued interest payable	1,400	1,280
Finance lease obligation	6,243	6,324
Operating lease obligation	2,839	2,879
Other liabilities	10,716	7,047
TOTAL LIABILITIES	1,673,580	1,631,376
SHAREHOLDERS' EQUITY		
Preferred stock, \$1.00 par value, 2,000,000 shares authorized, and no outstanding shares at March 31, 2026 and December 31, 2025.	-	-
Common stock, \$1.00 par value, 50,000,000 shares authorized, and 7,993,142, and 7,987,430 shares issued and outstanding at March 31, 2026, and December 31, 2025 respectively.	7,993	7,987
Additional paid-in capital	107,262	107,241
Accumulated earnings	47,229	45,185
TOTAL SHAREHOLDERS' EQUITY	162,484	160,413
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 1,836,064	\$ 1,791,789



GELT BANCORP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE MONTHS ENDED

(in thousands, except share and per share data, unaudited)

	March 31, 2026	December 31, 2025	March 31, 2025
INTEREST INCOME			
Loans, including fees	\$ 25,003	\$ 24,223	\$ 20,224
Federal funds sold and other	1,102	1,656	1,509
Total interest income	<u>26,105</u>	<u>25,879</u>	<u>21,733</u>
INTEREST EXPENSE			
Deposits	11,712	12,366	11,028
Borrowings	591	730	933
Total interest expense	<u>12,303</u>	<u>13,096</u>	<u>11,961</u>
NET INTEREST INCOME	13,802	12,783	9,772
Provision for credit losses	337	321	194
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	<u>13,465</u>	<u>12,462</u>	<u>9,578</u>
OTHER INCOME			
Service fees	707	648	497
ATM and debit card fees	266	282	238
Earnings on bank-owned life insurance	198	228	191
Other	133	36	56
Total other income	<u>1,304</u>	<u>1,194</u>	<u>982</u>
NONINTEREST EXPENSES			
Salaries and employee benefits	4,848	4,816	4,212
Occupancy	749	698	637
Data processing	734	726	553
Professional services	534	493	718
Advertising	105	104	68
Other operating expenses	1,345	1,394	1,152
Total noninterest expenses	<u>8,315</u>	<u>8,231</u>	<u>7,340</u>
INCOME BEFORE INCOME TAXES	<u>6,454</u>	<u>5,425</u>	<u>3,220</u>
Income taxes	1,614	1,361	760
NET INCOME	<u>\$ 4,840</u>	<u>\$ 4,064</u>	<u>\$ 2,460</u>
EARNINGS PER SHARE, BASIC	\$ 0.61	\$ 0.51	\$ 0.31
EARNINGS PER SHARE, DILUTED	\$ 0.61	\$ 0.51	\$ 0.31



GELT BANCORP, INC.
FINANCIAL HIGHLIGHTS
FOR THE THREE MONTHS ENDED
(unaudited)

	<u>March 31,</u> <u>2026</u>	<u>December 31,</u> <u>2025</u>	<u>March 31,</u> <u>2025</u>
PERFORMANCE RATIOS			
Return on average assets	1.07%	0.91%	0.61%
Return on average equity	11.97%	10.21%	6.61%
Net interest margin	3.18%	2.94%	2.56%
Efficiency ratio	55.05%	58.89%	68.26%
Allowance for credit losses to loans	0.61%	0.62%	0.58%
Book value per share	\$ 20.33	\$ 20.08	\$ 18.75
Total shares outstanding	7,993,142	7,987,430	7,981,532
Weighted average shares outstanding	7,987,747	7,987,430	7,979,033

About Bank of Bird-in-Hand and GELT Bancorp, Inc.

GELT Bancorp, Inc. is the registered bank holding company of Bank of Bird-in-Hand, a Pennsylvania-chartered bank subsidiary, with a strong focus on agricultural, small business, and consumer lending. Its main branch and office is located at 309 North Ronks Road, Bird-in-Hand, PA 17505. It operates additional brick-and-mortar branches and mobile bank branches called the GELT or Money Buses in Lancaster, Lebanon, Dauphin, Chester, Berks, Schuylkill, and Northumberland counties. For additional information, including a list of all branches, please visit our website at <https://bihbank.com/>. Member FDIC.

If you are interested in learning more about the company's investment story and would like information regarding stock ownership, please visit our website at <https://bihbank.com/investor-relations/> or contact Investor Relations at investorrelations@bihbank.com, 717-929-2389.

A Warning About Forward-Looking Statements

This press release contains statements about our plans, objectives, expectations, and intentions as well as other statements that are not historical facts. These are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities and Exchange Act of 1934. These forward-looking statements can be identified by use of terminology such as “expect”, “plan”, “anticipate”, “believe”, “estimate”, and similar words that are intended to identify such forward-looking statements. These forward-looking statements are based on management’s current expectations, assumptions, estimates, and projections about the Bank and the Company, the financial services industry, and the economy. There are several factors such as changes in fiscal or monetary policy, or changes in the economic climate that will influence the future operations of the Bank and the Company. These factors are difficult to predict with regard to how likely and to what degree or significance that they would occur and are subject to change. **Actual results may differ materially from what may have been forecast in the forward-looking statements. Readers are accordingly cautioned not to place undue reliance on forward-looking statements. The Bank and the Company do not revise or update these forward-looking statements to reflect events or changed circumstances.**