

Below are the unaudited financial statements of GNB Financial Services, Inc. (the "Company") for the second quarter and first half of 2020. These financial statements should be considered in conjunction with the Company's audited consolidated financial statements and the accompanying notes for the year ended December 31, 2019, available on the Company's website. Current performance does not guarantee and may not be indicative of similar performance in the future.

**GNB Financial Services, Inc. and Subsidiaries**

Consolidated Balance Sheets  
(Unaudited, Dollars in Thousands)

	June 30, 2020	December 31, 2019
<b><u>ASSETS</u></b>		
Cash and due from banks	3,610	3,595
Interest-bearing deposits with other institutions	14,181	17,265
Federal funds sold	7,123	6,848
Cash and cash equivalents	24,914	27,708
Certificates of deposit with other banks	18,794	18,794
Investment securities available for sale, at fair value	118,368	84,916
Loans, net	228,253	237,785
Less: Allowance for loan losses	2,794	2,702
Net Loans	225,459	235,083
Accrued interest receivable	1,586	1,254
Restricted investments in bank stock	1,599	1,292
Premises and equipment, net	3,549	3,563
Cash surrender value of life insurance	8,841	6,755
Goodwill	2,333	2,333
Intangible assets	208	242
Other real estate owned	-	-
Other assets	1,092	1,426
<b>TOTAL ASSETS</b>	<b>406,743</b>	<b>383,366</b>
<b><u>LIABILITIES</u></b>		
Noninterest-bearing deposits	67,070	56,928
Interest-bearing deposits	285,356	273,979
Total deposits	352,426	330,907
Short-term borrowings	-	-
FHLB advances - long-term	1,945	2,759
Accrued interest payable	308	347
Other liabilities	3,102	3,647
<b>TOTAL LIABILITIES</b>	<b>357,781</b>	<b>337,660</b>
<b><u>STOCKHOLDERS' EQUITY</u></b>		
Common stock (\$5 par value; 2,000,000 shares authorized; 782,321 shares issued and 779,000 shares outstanding)	3,912	3,912
Additional paid-in capital	17,749	17,749
Retained earnings	24,890	23,249
Accumulated other comprehensive loss	2,599	984
Treasury stock (3,321 shares)	(188)	(188)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>48,962</b>	<b>45,706</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>406,743</b>	<b>383,366</b>

**GNB Financial Services, Inc. and Subsidiaries**

Consolidated Statement of Income  
(Unaudited, Dollars in Thousands)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b><u>INTEREST AND DIVIDEND INCOME</u></b>				
Loans, including fees	2,884	3,036	5,880	6,137
Investment securities:				
Taxable	283	200	531	394
Exempt from federal income tax	310	241	610	479
Certificates of deposit with other banks	101	80	203	160
Other interest and dividend income	19	82	121	141
<b>Total interest and dividend income</b>	<u>3,597</u>	<u>3,639</u>	<u>7,345</u>	<u>7,311</u>
<b><u>INTEREST EXPENSE</u></b>				
Deposits	624	694	1,398	1,299
Short-term borrowings	-	1	-	58
FHLB advances - long-term	16	28	35	59
<b>Total interest expense</b>	<u>640</u>	<u>723</u>	<u>1,433</u>	<u>1,416</u>
<b><u>NET INTEREST INCOME BEFORE PROVISION FOR LOAN LOSSES</u></b>	<u>2,957</u>	<u>2,916</u>	<u>5,912</u>	<u>5,895</u>
Provision for loan losses	48	54	94	292
<b><u>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</u></b>	<u>2,909</u>	<u>2,862</u>	<u>5,818</u>	<u>5,603</u>
<b><u>NONINTEREST INCOME</u></b>				
Service charges on deposit accounts	84	207	281	397
Earnings on cash surrender value of life insurance	50	44	87	65
Net realized gains on sales of investment securities	-	31	110	31
Income from fiduciary activities	-	-	-	-
Other	43	11	69	44
<b>Total noninterest income</b>	<u>177</u>	<u>293</u>	<u>547</u>	<u>537</u>
<b><u>NONINTEREST EXPENSE</u></b>				
Compensation and employee benefits	1,088	1028	2,168	2022
Occupancy	92	148	225	305
Furniture and fixtures	22	28	44	58
Data processing	161	201	363	385
Professional fees	77	153	174	265
Shares tax	73	64	147	126
Amortization of intangible assets	16	13	29	28
Other	366	313	678	588
<b>Total noninterest expense</b>	<u>1,895</u>	<u>1,948</u>	<u>3,828</u>	<u>3,777</u>
Income before income tax expense	<u>1,191</u>	<u>1,207</u>	<u>2,537</u>	<u>2,363</u>
Income tax expense	167	180	350	379
<b><u>NET INCOME</u></b>	<u>1,024</u>	<u>1,027</u>	<u>2,187</u>	<u>1,984</u>
<b>EARNINGS PER SHARE</b>	1.31	1.32	2.81	2.55
<b>CASH DIVIDENDS PER SHARE</b>	0.40	0.28	0.70	0.56
<b>WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING</b>	779,000	777,543	779,000	777,543

## **GNB Financial Services, Inc. and Subsidiaries**

For the Six Months Ended June 30, 2020  
(Unaudited, Dollars in Thousands except per share data)

### **Operating Highlights**

Net income	\$	2,188
Net interest income	\$	5,912
Provision for loan losses	\$	94
Non-interest income	\$	547
Non-interest expense	\$	3,828

### **Financial Condition Data**

Total assets	\$	406,743
Loans, net	\$	225,459
Intangibles	\$	2,541
Total deposits	\$	352,426
Noninterest-bearing	\$	67,070
Interest-bearing	\$	132,863
Savings	\$	70,949
Time deposits	\$	81,544
Total interest-bearing deposits	\$	285,356

### **Selected Ratios**

Net interest margin (YTD)	3.34%
Annualized return on average assets	1.12%
Annualized return on average equity	9.82%

### **Capital Ratios**

Common equity tier I capital ratio	13.21%
Tier I capital ratio	13.21%
Total risk-based capital ratio	14.36%
Leverage ratio	8.52%

### **Per Share Data**

Earnings per share	\$	2.81
Dividend declared per share	\$	0.70
Book value	\$	62.85
Tangible book value	\$	59.59
Weighted average common shares		779,000