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Media Contact:
Lori A. Maley, CPA
President, CEO and Vice Chairman of the Board
(717) 929-2389
investorrelations@bihbank.com

GELT Bancorp, Inc. Announces Second Quarter 2026 Operating Results

Bird-in-Hand, PA, August 10, 2026 – GELT Bancorp, Inc. (the "Company"), the holding company for Bank of Bird-in-Hand (the "Bank"), announced unaudited operating results for the three- and six-months ended June 30, 2026. For the three months ended June 30, 2026, net income totaled $5.5 million, or $0.68 per share, compared to $2.8 million, or $0.35 per share, for the three months ended June 30, 2025, an increase of $2.7 million. For the six months ended June 30, 2026, net income totaled $10.3 million, or $1.29 per share, compared to net income of $5.2 million, or $0.66 per share, for the six months ended June 30, 2025, an increase of $5.1 million.

Annualized return on average assets and return on average equity for the quarter ended June 30, 2026 increased to 1.17% and 13.13%, respectively, compared to 0.68% and 7.32%, respectively, for the second quarter of 2025.

Lori A. Maley, CPA, President, Chief Executive Officer and Vice Chairman of the Board stated, "We are very pleased to report another record quarter of strong organic loan growth of 15.5%, supported by growth in core deposits of 19.8% year over year. This exceptional financial performance reflects the dedication of our team and the successful execution of our core business strategies serving our local communities. This momentum, driven by disciplined balance sheet management, resulted in record performance for the Bank with 96% growth in net income year over year. Furthermore, our profitability metrics improved significantly with annualized growth in net interest margin of 52 basis points year over year. These results demonstrate our ability to drive sustained, profitable growth and create long-term value for our shareholders."

Highlights for the second quarter of 2026, included:

- Net income growth of 95.9% compared to prior year quarter and 12.7% over prior quarter.
- Total loans of $1.74 billion at June 30, 2026, increased $129.1 million, or 8.0%, from December 31, 2025.
- Total deposits grew $105.2 million, or 6.7%, from December 31, 2025 to $1.68 billion.
- Net interest margin expanded 11 basis points over prior quarter to 3.29%.
- Book value per share grew 3.30% to $21.00 during the second quarter.
- Continued strong asset quality, with nonperforming loans of 0.19% of total loans at June 30, 2026.

Results of Operations

Net interest income increased $4.0 million, or 36.3%, to $14.9 million for the second quarter of 2026, compared to $10.9 million for the second quarter of 2025. Net interest margin increased 52 basis points to 3.29% during the second quarter of 2026, from 2.77% in the second quarter of 2025. The yield on interest-earning assets increased 17 basis points to 6.08%, primarily driven by an increase in loan yields to 6.24% in the second quarter of 2026 from 6.01% in the second quarter of 2025. During the same periods, the cost of interest-bearing liabilities decreased 37 basis points to 3.28%, primarily driven by a decrease in the cost of interest-bearing deposits to 3.22% in the second quarter of 2026 from 3.59% in the second quarter of 2025.

The provision for credit losses for the quarter ended June 30, 2026 was $337,000 compared to $978,000 for the quarter ended June 30, 2025. The prior year provision expense was higher primarily from the slowing of loan prepayment speeds that took place during that time period which has not been repeated in the current period. The allowance for credit losses to total gross loans was 0.61% in the second quarter of 2026, a decrease of one basis point from 0.62% in the fourth quarter of 2025.

Total other income increased $224,000, or 20.5%, to $1.3 million for the second quarter of 2026 compared to $1.1 million for the second quarter of 2025. The increase was primarily attributed to higher service charge income, driven by increased loan volume.

Noninterest expense increased $1.2 million, or 17.0%, to $8.5 million for the quarter ended June 30, 2026, from $7.3 million for the quarter ended June 30, 2025. The increase resulted primarily from increased salaries and employee benefit expense, relating to a larger employee base, data processing, and other operating expenses. The efficiency ratio for the second quarter of 2026 was 52.7%, compared to 60.8% for the second quarter of 2025. Year-to-date, the efficiency ratio was 53.8%, compared to 64.3% the same period in 2025.

Financial Condition

Total assets increased $116.8 million, or 6.5%, to $1.91 billion at June 30, 2026, from $1.79 billion at December 31, 2025. Total gross loans increased $129.1 million, or 8.0%, to $1.74 billion at June 30, 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 $13.0 million, or 9.0%, compared to December 31, 2025, reflecting strategic reinvestment in organic loan growth, while sustaining a strong on-balance sheet liquidity position.

Total deposits increased $105.2 million, or 6.7%, to $1.68 billion at June 30, 2026, from $1.58 billion at December 31, 2025. Deposit growth was primarily due to our team's success in attracting new deposit relationships while also maintaining existing balances amid heightened industry-wide pricing competition. Compared to December 31, 2025, interest-bearing demand deposits increased $148.2 million, or 18.8%. and certificates of deposit decreased $47.3 million, or 7.3%, reflecting an intentional shift in deposit mix away from higher costing maturity deposits. Noninterest-bearing demand deposits increased $4.2 million, or 3.0%, to $145.8 million at June 30, 2026 from $141.5 million at December 31, 2025.

Total stockholders' equity increased $7.6 million, or 4.7%, to $168.0 million at June 30, 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 which was paid in April 2026. Book value per share climbed to $21.00, a $1.91 increase from December 31, 2025.

Bank of Bird-in-Hand continues to maintain regulatory capital levels in excess of statutory well-capitalized thresholds. As of June 30, 2026, our Tier 1 leverage ratio stood at 9.82%, Tier 1 capital ratio of 10.76%, and a Total capital ratio of 11.39%, providing a solid foundation to support organic loan growth, navigate shifting economic cycles, and continue serving the financial need of our community.

Asset Quality

The Company's overall asset quality remained strong during the second quarter of 2026. Total non-performing loans were $3.3 million, or 0.19% of total loans, at June 30, 2026, compared to $3.0 million, or 0.19% of total loans, at December 31, 2025. The allowance for credit losses represented 322.6% of nonperforming loans at June 30, 2026, compared to 331.4% at December 31, 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)

	June 30, 2026	December 31, 2025
ASSETS		
Cash and due from banks	$ 21,443	$ 19,227
Interest-bearing deposits with other banks	110,327	125,569
Total cash and cash equivalents	131,770	144,796
Loans receivable, net of allowance for credit losses of $10,588 at June 30, 2026, and $9,894 at December 31, 2025	1,728,640	1,600,212
Bank premises and equipment, net	11,301	11,811
Operating lease right of use asset	2,915	2,764
Accrued interest receivable	6,515	6,099
Restricted investment in bank stock	2,003	1,837
Bank owned life insurance	21,492	21,093
Other assets	3,996	3,177
TOTAL ASSETS	$ 1,908,632	$ 1,791,789
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Noninterest-bearing demand	$ 145,751	$ 141,510
Interest-bearing demand	936,794	788,593
Time deposits	598,007	645,266
Total deposits	1,680,552	1,575,369
Borrowings	42,986	38,477
Accrued interest payable	1,343	1,280
Finance lease obligation	6,160	6,324
Operating lease obligation	3,043	2,879
Other liabilities	6,529	7,047
TOTAL LIABILITIES	1,740,613	1,631,376
SHAREHOLDERS' EQUITY		
Preferred stock, $1.00 par value, 2,000,000 shares authorized, no shares issued and outstanding	-	-
Common stock, $1.00 par value, 50,000,000 shares authorized, and 8,002,295 and 7,987,430 shares issued and outstanding at June 30, 2026 and December 31, 2025 respectively	8,002	7,987
Additional paid-in capital	107,335	107,241
Accumulated earnings	52,682	45,185
TOTAL SHAREHOLDERS' EQUITY	168,019	160,413
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 1,908,632	$ 1,791,789

GELT BANCORP INC.

GELT BANCORP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share data, unaudited)

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	**June 30, 2026**	June 30, 2025
INTEREST INCOME				
Loans, including fees	**$ 26,468**	$ 22,036	**$ 51,471**	$ 42,260
Federal funds sold and other	**1,067**	1,287	**2,169**	2,795
Total interest income	**27,535**	23,323	**53,640**	45,055
INTEREST EXPENSE				
Deposits	**12,010**	11,180	**23,722**	22,208
Borrowings	**634**	1,216	**1,225**	2,149
Total interest expense	**12,644**	12,396	**24,947**	24,357
NET INTEREST INCOME	**14,891**	10,927	**28,693**	20,698
Provision for credit losses	**337**	978	**674**	1,173
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	**14,554**	9,949	**28,019**	19,525
OTHER INCOME				
Service fees	**777**	562	**1,484**	1,059
ATM and debit card fees	**303**	269	**569**	507
Earnings on bank-owned life insurance	**201**	195	**399**	386
Other	**31**	64	**164**	120
Total other income	**1,312**	1,090	**2,616**	2,072
NONINTEREST EXPENSES				
Salaries and employee benefits	**5,114**	4,024	**9,962**	8,236
Occupancy	**732**	622	**1,481**	1,259
Data processing	**788**	587	**1,522**	1,140
Professional services	**462**	821	**996**	1,539
Advertising	**98**	63	**203**	132
Other operating expenses	**1,347**	1,186	**2,692**	2,336
Total noninterest expenses	**8,541**	7,303	**16,856**	14,642
INCOME BEFORE INCOME TAXES	**7,325**	3,736	**13,779**	6,955
Income taxes	**1,872**	952	**3,486**	1,712
NET INCOME	**$ 5,453**	$ 2,784	**$ 10,293**	$ 5,243
EARNINGS PER SHARE, BASIC	**$ 0.68**	$ 0.35	**$ 1.29**	$ 0.66
EARNINGS PER SHARE, DILUTED	**$ 0.68**	$ 0.35	**$ 1.29**	$ 0.66

GELT BANCORP, INC.
FINANCIAL HIGHLIGHTS
(Unaudited)

	Three months ended		Six months ended	
	June 30, 2026	June 30, 2025	**June 30, 2026**	June 30, 2025
PERFORMANCE RATIOS				
Return on average assets	**1.17%**	0.68%	**1.12%**	0.65%
Return on average equity	**13.13%**	7.32%	**12.56%**	6.96%
Net interest margin	**3.29%**	2.77%	**3.24%**	2.67%
Efficiency ratio	**52.71%**	60.78%	**53.84%**	64.30%
Allowance for credit losses to loans	**0.61%**	0.62%	**0.61%**	0.62%
Book value per share	**$ 21.00**	$ 19.09	**$ 21.00**	$ 19.09
Total shares outstanding	**8,002,295**	7,987,430	**8,002,295**	7,987,430
Weighted average shares outstanding	**7,999,278**	7,985,486	**7,993,544**	7,982,277

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.**