

February 13, 2026

Dear Shareholder:

We are pleased to announce a dividend for the fourth quarter of 2025 of eleven cents per share to shareholders of record as of February 6, 2026.

Net income was \$4.4 million or \$11.08 per common share for the twelve months ending December 31, 2025, compared to \$3.7 million or \$9.36 per common share for the twelve months ending December 31, 2024. The increase in net income was driven mainly by a \$2.0 million increase in interest income.

Total assets increased by \$17.1 million or 3.90% to \$455.6 million as of December 31, 2025, compared with \$438.5 million on December 31, 2024. Loans, net of the allowance for loan losses, increased \$16.8 million to \$325.1 million as of December 31, 2025, compared to \$308.3 million as of December 31, 2024.

The Bank's liquidity position remains strong, with \$21.3 million in cash and cash equivalents available for funding loans, investments, and strategic initiatives.

Shareholders equity totaled \$31.9 million on December 31, 2025, compared to \$24.1 million on December 31, 2024. Book values were \$80.70 and \$60.74 per share as of December 31, 2025, and 2024, respectively. The Bank's capital ratios continue to meet each of the minimum well capitalized ratios required by regulatory statute.

The Board of Directors recently added two new members, Jon C. Holmes (2025) and Dwayne M. Myers (January 2026). Both are active business leaders in the Frederick community, Jon at LSWG and Dwayne at Dynamic Automotive. We look forward to collaborating with both these individuals, as their expertise and experience will prove invaluable in assisting the Bank with our strategic objectives. Also, during 2025 the Board saw Scott Ryser leave as he transitioned beyond Yakabod and is relocating out of state. We thank Scott for his dedicated service to the Board, in particular with governance and information technology topics. In the fourth quarter, we were once again named the Best Bank in the Frederick News-Post "Best of the Best" competition for the sixth year in a row. In addition, we collected the awards for Best Mortgage Lender, and Best Place to Work. We are very proud of these accomplishments as they confirm the progress we are making towards our vision statement, to be the best Bank in Maryland for our colleagues, clients, community, and shareholders.

Stepping back and looking at 2025, we believe the Bank has a lot to be proud of. 2025 marked the first full year under our most recent strategic plan, in which the bank seeks to further improve profitability with sustainable growth. Accomplishments that this plan drove included the effective launch of our new brand position, "Community Is Our Business" via the website and social media. Another major accomplishment was the launch of our new mobile Banno online platform which greatly increased ease of use and functionality for clients. Finally, the Bank developed and launched a key internal Leadership Development program. This initiative, which will be repeated in future years, is critical to both retaining and developing our younger talent for future opportunities, in an environment which we believe will continue to make outside hiring challenging.

From a financial perspective the Bank was able to deliver increased net income for the 8th consecutive year. While loan and deposit growth rates were slightly below 5-year trends, this was largely consistent with the strategic plan referenced above. With our brand identity well established in the Frederick market and with several new sales initiatives in progress, we believe we are well positioned to benefit from continued growth in our region.

A condensed comparative financial statement is enclosed for your review. To enhance shareholder communication and considering delays in mail delivery, we ask that you provide us with your e-mail address so that we can send you information about the Bank via electronic communication rather than through the U.S. mail. Please log onto our website at www.woodsborobank.com and go to the "About Us" tab and then the "Shareholder Relations" page. Submit your name and email address at the bottom of the page, then click "Send Note".

Please plan to attend our Annual Meeting on May 5th, 2026, at the Woodsboro American Legion. The meeting will begin at 1pm and lunch will be provided. Our presentation discussing our 2025 results will immediately follow lunch.

On behalf of the Board of Directors, management, and bank colleagues, we thank you for your continued support and best wishes for a successful 2026. Please contact us with any questions.

Sincerely,



Gordon M. Cooley, Board Chair



Richard Ohnmacht, President & CEO

This letter may contain forward-looking statements, as defined by federal securities laws, which may involve significant risks and uncertainties. The statements are based on estimates and assumptions made by management in conjunction with other factors deemed appropriate under the circumstances. Actual results could differ materially from current projections.