WOODSBORO BANK

November 13, 2026

Dear Shareholder:

We are pleased to announce a dividend for the third quarter of 2026 of fifteen cents per share to shareholders of record as of November 6, 2026.

Woodsboro Bank (OTC:WOBK) continued to generate solid earnings and prudently grow the balance-sheet through the third quarter of 2026. Net income for the first nine months reached approximately $3.7 million, while loans and deposits continued to expand. At September 30, 2026, total assets were approximately $489.5 million, approaching the $500 million milestone.

Key Financial Highlights

- Net income was $3.7 million or $9.24 per common share for the nine months ended September 30, 2026, compared to $3.2 million or $8.08 per common share for the nine months ended September 30, 2025. Return on average assets was 1.00% for nine months ended September 30, 2026, which reflects an improvement 0.08% from the nine months ended September 30, 2025.
- The bank generated 0.26% growth in the net interest margin to 4.06% for nine months ended September 30, 2026, relative to the same time period for 2025 as yields on average earning assets grew and total deposit costs declined.
- Total assets increased by $31.1 million or 6.80% to $489.5 million as of September 30, 2026, compared with $458.4 million on September 30, 2025. Loans, net of the allowance for loan losses, increased $28.7 million or 8.9% to $349.9 million as of September 30, 2026, compared to $321.2 million as of September 30, 2025.
- The Bank's liquidity position remains strong, with $22.4 million in cash and cash equivalents plus significant level of contingency funding available for funding loans, investments, and strategic initiatives.
- Shareholders equity totaled $31.6 million on September 30, 2026, compared to $29.8 million on September 30, 2025. Book values per share were $79.71 and $75.21 as of September 30, 2026, and 2025, respectively. The Bank's capital ratios continue to meet each of the minimum well capitalized ratios required by regulatory statute.

The third quarter was one of continued progress and momentum at the Bank. In July we added Kate Layman, the owner of Frederick-based M.C. Layman, to our Board. Kate brings a depth of experience with both small and corporate business leadership, coupled with a track record of dedicated community service. Later in the quarter we welcomed our new CFO Brian Ropp to the Woodsboro Bank team. A Frederick native, Brian has a wealth of experience having served as a former bank CFO, as well as an executive at a bank rating agency. Former CFO Patty Muldoon remains with the Bank through year-end in a consulting role. We are thankful for her contributions over 9 years with the bank as she played an integral role in the Bank's success and growth.

Additionally, we were thrilled to be named by American Banker as one of the Top 20 Banks in the country under $3 Billion during the third quarter. To put this in perspective, this landed the Bank in the top ½% of all eligible banks. We also launched a partnership with iBusiness which will further strengthen the bank's abilities to lend to small businesses through the SBA 7(a) program as we continue to grow market share in this segment.

Finally, we announced plans to open a branch in Mount Airy at 505 E. Ridgeville Boulevard. Mount Airy is an attractive market where we have already established a significant client base, and the branch was a natural extension of these efforts. The community has already proven to be a welcoming one, and we anticipate the branch opening in the First Quarter 2027.

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".

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.