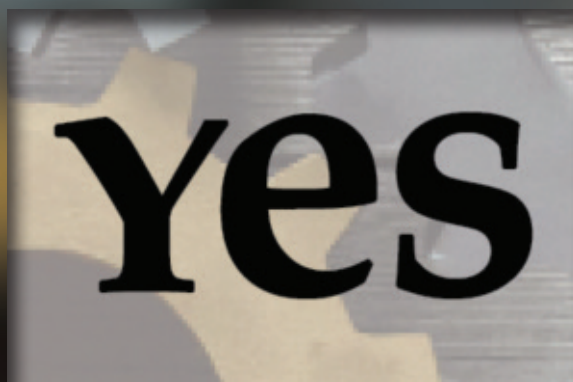
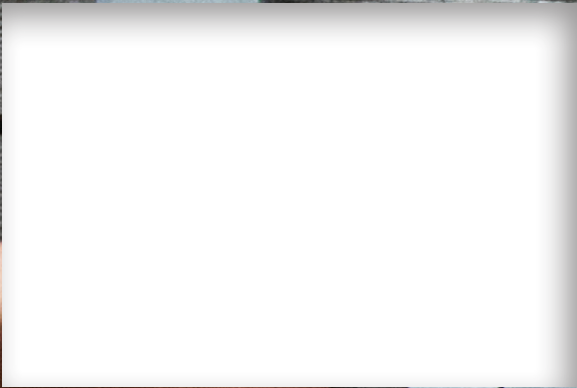


behind the



ANNUAL REPORT 2025



Yes

the power of
teamwork



Yes

the power of
teamwork

TO OUR SHAREHOLDERS, CUSTOMERS AND FRIENDS

Thank you for taking a moment to review Harford Bank's 2025 annual report. As in past years, we've tried to use this report to not only share highlights of the bank's recent financial performance, but also to celebrate the unique benefits community banks offer their markets. We think our customers and team members are most effective at telling that story.

Since its founding in 1964, Harford Bank has been proud to help the residents of northeast Maryland pursue and achieve their dreams. As a true community bank, we have helped generations of our neighbors raise families, acquire homes, start and grow businesses, and realize financial success. We've been able to do this because we truly know our customers and understand their values and wishes.

The vignettes in this annual report effectively illustrate how Harford Bank's experienced and talented bankers go the extra mile to cultivate

authentic customer relationships. Flexibility and innovation are the keys to developing the solutions that strengthen those partnerships. Banks are subject to a considerable array of regulations and constraints that often drain bankers of their creativity. But at Harford Bank, our team is encouraged to find novel ways to get to "yes."

Originality alone does not make a great community bank, however. If a bank is to be a strong

and enduring community partner, it must produce sound financial results. Thanks to the efforts of our exceptional team members and Directors, Harford Bank has enjoyed a long history of solid performance. We're pleased to report that 2025 was no exception.

Harford Bank achieved record profitability in 2025, with net income exceeding \$7 million for the first time in the bank's history. This profitability was driven by a combination of loan growth, disciplined loan and deposit pricing, and operating expense control. Harford Bank's total assets at year-end 2025 surpassed \$728 million. Net loans comprised most of these assets, with outstanding loan balances finishing the year at over \$536 million. This represented an

8.6% increase in net loans from December 31, 2024, to December 31, 2025. Total deposits, which we use to fund these loans, grew by 1.4% over the same period.

At the same time, the bank was able to continue to

strengthen its capital position while continuing its history of paying dividends to shareholders. A strong capital position is the bulwark which helps protect banks from unexpected adverse events—it is the key to the strength of this country's financial system. Harford Bank increased its total capital ratio from 14.59% as of December 31, 2024, to 14.72% as of December 31, 2025. At the same time, the bank increased its annual dividends paid per share of stock from \$0.92 in 2024 to \$0.96 in 2025.

Harford Bank achieved record profitability in 2025, with net income exceeding \$7 million for the first time in the bank's history.

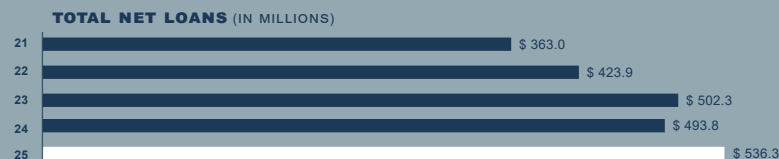
FINANCIAL HIGHLIGHTS | DECEMBER 31

BALANCE SHEET (IN THOUSANDS)	2025	2024	% CHANGE 2025 OVER 2024
TOTAL ASSETS	\$ 728,360	713,432	2.1 %
TOTAL DEPOSITS	652,345	643,357	1.4 %
TOTAL LOANS (NET)	536,341	493,835	8.6 %
STOCKHOLDERS' EQUITY	71,202	65,032	9.49 %

INCOME STATEMENT (IN THOUSANDS)	2025	2024	% CHANGE 2025 OVER 2024
NET INTEREST INCOME	\$ 24,734	22,804	8.46 %
NONINTEREST REVENUE	2,104	2,028	3.75 %
NONINTEREST EXPENSE	(16,618)	(15,655)	6.15 %
NET INCOME	7,070	6,964	1.52 %

PER SHARE DATA	2025	2024	% CHANGE 2025 OVER 2024
BASIC NET INCOME PER SHARE	\$ 4.71	4.69	.43 %
CASH DIVIDENDS DECLARED	0.96	0.92	4.35 %
STOCKHOLDERS' EQUITY (BOOK VALUE)	47.23	43.55	8.46 %

KEY RATIOS	2025	2024
RETURN ON AVERAGE ASSETS	.98 %	1.00 %
RETURN ON AVERAGE EQUITY	10.32 %	11.21 %
NET LOANS TO TOTAL ASSETS	73.64 %	69.22 %
STOCKHOLDERS' EQUITY TO TOTAL ASSETS	9.78 %	9.12 %
ALLOWANCE FOR CREDIT LOSSES ON LOANS TO GROSS LOANS	1.23 %	1.14 %
NET LOANS TO DEPOSITS	82.22 %	76.76 %



We're proud of our story, and we're proud of our long history of helping improve the communities we serve.

We're proud of our story, and we're proud of our long history of helping improve the communities we serve. But that story cannot be fully told without focusing on a man who has spent 50 years of his life dedicated to building Harford Bank into what it is today.

Charles H. Jacobs, Jr., "Chuck" to those who know him, joined Harford Bank upon graduating from University of Maryland in 1976. He worked his way up the ladder over the next 24 years, culminating in his appointment as president of the bank in 1999. For the better part of the next 20 years, Chuck led Harford Bank the way he knows best—focusing on the fundamentals and tending to the basic blocking and tackling. The result was a classic community bank that performed dependably while contributing immeasurably to the growth of its community.

Chuck retired as an employee of the bank at the end of 2019, but he remained on the bank's Board of Directors. In 2026, Chuck will retire from our Board, assuming the role of Director Emeritus. His presence will be sorely missed. His commonsense approach to managing risk while fulfilling the financial needs of the community was shaped by years of experience. His impact will not be forgotten.

And yet, despite his banking accomplishments, Chuck's greatest attribute is his devotion to community. His volunteer efforts over the last half-century are legendary. He has been involved with virtually all the major philanthropic

organizations and efforts in Harford County during his career, and he remains an active volunteer to this day.

While it is impossible to adequately thank him for his leadership and contributions, Harford Bank is recognizing Chuck in a way we know he will appreciate. Two scholarships have been established at Harford Community College, both in the name of "Harford Bank-Charles H. Jacobs, Jr." One of the scholarships is dedicated to helping low- to moderate- income students pursue degree programs; the other is designated for those students who pursue workforce development and/or continuing education courses.

We will do our best to continue the proud legacy Chuck has built. Thank you for your continued support of Harford Bank.




HENRY S. HOLLOWAY
CHAIRMAN




MICHAEL F. ALLEN
PRESIDENT

solutions start here

Every "yes" at Harford Bank is the result of something deeper: teams of people working together with focus, clarity, and a shared dedication to our customers and communities. *Behind the YES* highlights this collaborative spirit and the culture

that has shaped it, where listening, problem solving, and partnership guide the way we serve. In this year's overview, we shine a light on the teamwork that defines who we are. Because behind every "yes" is a team committed to making it possible.



THE CUSTOMER

The John Carroll School

With 750 students and generations of alumni, The John Carroll School considers financial stewardship part of a promise it makes to its students and their families. Fulfilling that promise requires a banking partner who can navigate everything from daily cash flow to fraud protection with both urgency and expertise.

“We’re all part of the same team—working together to enrich the lives of our students,” says Stephen DiBiagio, President of The John Carroll School. “And when we talk about that team, it also means the parents. We are the stewards of their investment in their children. That’s both a fiduciary and a moral responsibility.”

It was that commitment that guided the school’s move to a relationship with Harford Bank in late 2024. The school’s Chief Financial Officer Vicki Thacker explains that the relationship began with a refinancing opportunity.

“They listened to us and were able to refinance a loan for us with better terms than what we had,” she says. “Then we moved our checking accounts. Their rates, fees, and interest earnings are better, and important decisions get made locally.”

Accessibility and responsiveness stand out for the school’s administrators.

“No matter what we need, all I have to do is make a phone call,” Thacker says. “Whether it’s to our loan officer Jason [Dieter], Ashley [Mintzer] in the branch, or someone in treasury management, it’s easy to reach somebody when we need it.”

Now two years into their relationship with Harford Bank, the school values both the financial benefits and the cultural fit.

“We work hard to partner with people and organizations who share common values first, and then capabilities,” DiBiagio says. “Harford Bank is personal. They’re caring. They’re genuine.”

A simple “yes” to favorable loan terms grew into a partnership where strong finances help support a strong John Carroll community—and ultimately every student who walks its halls.



“Every bank offers loans and deposit accounts. What separates us is relationships. If we say we’re going to deliver, we deliver. We work as a team to get to ‘yes.’” Jason Dieter, Vice President, Business Banking Officer.

Pictured (l-r): Lorrie Schenning, EVP/Chief Operating Officer, Harford Bank; Vicki Thacker, Chief Financial Officer, The John Carroll School; Stephen DiBiagio, President, The John Carroll School; Jason Dieter, VP/ Business Banking Officer, Harford Bank.



Harford Bank Team (l-r): Peggy Miller, Senior Commercial Banking Administrator; Lisa Bair, VP/Business Development Officer; Reid Edwards, SVP/Chief Credit Officer; Ashley Mintzer, Branch Manager; Jason Dieter, VP/Business Banking Officer.

THE TEAM

At Harford Bank, every “yes” begins long before a decision is made. It starts with listening—understanding a client’s goals, challenges, and timing—and continues through collaboration focused on delivering the right solution. So when the opportunity arose to work with The John Carroll School, Vice President and Business Banking Officer Jason Dieter saw it as more than transactional.

“Every bank offers loans and deposit accounts,” he says. “What separates us is relationships. If we say we’re going to deliver, we deliver. We work as a team to get to ‘yes.’”

What began with a refinancing conversation quickly expanded, and Dieter credits the Bank’s executive leadership for setting the tone and supporting the broader relationship from the start.

From credit analysis and treasury management to branch support and loan administration, Dieter explains how the banking staff worked together on behalf of the school’s objectives.

“It requires the work of the whole team to deliver consistently for an organization as important to our community as The John Carroll School,” Dieter says. “We take our responsibility as their primary bankers seriously.”

Bel Air Branch Manager Ashley Mintzer observes that collaboration firsthand.

“Teamwork makes it possible for us to be creative and responsive partners to the school,” she says. “We get the opportunity to hear where they want to go [financially] and help them achieve that, and that’s really special.”

THE CUSTOMER

The Williamsons: When a House Becomes a Home

What began as a modest 1,250-square-foot rancher built in 1963 has become something far more meaningful for John Williamson and his family—a home rebuilt with intention, patience, and long-term vision.

In 2014, Williamson and his wife, Michelle, purchased their three-bedroom, one-bath house. It was the perfect place to start their family: affordable and local.

In the early years, the couple tackled projects themselves. Piece by piece, often paying cash, they reinvested in the property while advancing their careers—John as a firefighter and business owner, Michelle in the school system.

As their family grew, so did their vision. Rather than relocate, they decided to expand, transforming the small rancher into a 4,600-square-foot home.

The renovation soon became a complex undertaking. Structural updates, design decisions, and financing needs evolved as the project progressed. Balancing modernization with the

home’s original character brought new challenges, and timelines and budgets required thoughtful attention.

Throughout the process, Williamson relied on his partners at Harford Bank.

“Harford Bank all along was involved in the details that made this renovation possible. They were like the conductor in a carefully timed orchestra,” he says. “It’s been true teamwork—from our loan officer to the branch manager to the tellers.”

John credits the team’s problem-solving and local decision-making for keeping the project moving when plans shifted. “Fred was a financial wizard,” he says of loan officer Fred Branscome, noting how solutions were tailored to fit the project rather than forcing the project to fit a formula.

Today, the finished home reflects its original character and the disciplined, collaborative effort behind it. And for Williamson, the project reaffirmed what a true banking partnership can make possible. “They find a way,” he says.



“Our goal is to get to ‘yes’ responsibly. That means understanding the full picture and supporting the customer through challenges, not just smooth moments.” *Fred Branscome, Assistant Vice President, Mortgage/Consumer Loan Officer.*



Harford Bank Team: Don Shade, V.P., Consumer Loan Underwriter; Fred Branscome, AVP/ Mortgage/Consumer Loan Officer; Tiffany Hanks, AVP/Deposit Operations Assistant Manager; Paige Bullers, Mortgage/Consumer Loan Processor.

THE TEAM

Financing a home renovation, especially one involving an older property, requires more than a standard mortgage conversation. When John Williamson approached Harford Bank about financing the second-floor addition, his relationship team recognized early on that this would not be a routine project.

“Renovations always come with unknowns,” says Harford Bank AVP/Mortgage/Consumer Loan Officer Fred Branscome. “Our job is to anticipate those variables and structure the financing to achieve the best possible result. And this was one of the largest renovation projects I’ve been a part of. It was really complex.”

The team evaluated options that would allow flexibility as construction progressed and as inevitable hurdles arose, working closely with credit partners to ensure the financing aligned with the project timeline as well as long-term financial stability. From underwriting to payment management, multiple departments worked in tandem to keep the project on track.

“It was a collaborative effort,” says Tiffany Hanks, AVP/Deposit Operations Assistant Manager for the Bank. “We were coordinating internally while staying closely connected to the Williamsons.”

“Our goal is always to get to ‘yes’ responsibly,” Branscome continues. “That means understanding the full picture and supporting the customer through challenges, not just smooth moments.”

Now complete, the Williamsons’ renovation stands as a compelling example of how teamwork across relationships can transform an ambitious plan into a lasting success.

Pictured left: Homeowners Michelle and John Williamson.



THE CUSTOMER

Woody's Crab House



“We first connected with Woody’s during the PPP process. Right away it felt like a natural fit, and we were both eager to say ‘yes’ to a partnership together.” *Danielle Carroll, Vice President, Business Banker.*

Pictured (l-r): Peter Wood, Owner, Woody’s Crab House; Chip Beverung, General Manager, Woody’s Crab House; Danielle Carroll, VP/Business Banker; Rachel Beverung, Manager, Woody’s Crab House.

Woody’s Crab House has been a staple in North East, Maryland for more than 30 years. Founded in 1993 by Peter Wood, the restaurant is a second-generation, family-run business, now led by Wood’s daughter and son-in-law Rachel and Chip Beverung.

About six years ago, Woody’s moved its primary banking relationship to Harford Bank, drawn by a more personal and collaborative approach.

“It was really about the relationship,” Beverung says. “Being able to rely on and work with Stewart Lee and Danielle Carroll, and not feel like just another account at a big bank.”

That relationship proved critical during a major fraud incident. After checks were stolen and forged, resulting in nearly \$70,000 in exposure, Harford Bank acted quickly.

“Danielle made a call and said, ‘Hey, is this right?’ That’s what triggered the whole [fraud response],” Beverung explained.

The Bank implemented Positive Pay safeguards, helping Woody’s prevent further losses and protect payments to key purveyors.

Seasonality adds another layer of complexity. As a waterfront restaurant, Woody’s must carefully manage cash flow during slower winter months. Lines of credit and ongoing guidance help the team balance payroll, inventory, and operations year-round.

For Beverung, the difference is simple: “It’s relationship oriented. We know who to call—and they know us.”



Harford Bank Team: Stewart Lee, EVP/Chief Administrative Officer; Shawntay Thompson, Assistant Branch Manager; Jacqueline Bell, Branch Manager.

THE TEAM

When uncertainty tested Cecil County businesses during the pandemic, Harford Bank stepped up to help Woody’s Crab House find a path forward. Six years later, the Bank’s commitment to intentional support and teamwork remains just as strong.

“We first connected with Woody’s during the PPP process,” says Harford Bank Vice President and Business Banker Danielle Carroll. “Right away it felt like a natural fit, and we were both eager to say ‘yes’ to a partnership together.”

That partnership deepened when Woody’s faced an increasingly common threat to small businesses: check fraud.

“When Woody’s got hit with a check fraud scheme, we took a team approach to protecting them and getting it resolved quickly,” Carroll says.

From branch staff who see the restaurant team regularly, to senior leadership with longstanding ties to the Wood family, the Cecil County team mobilized with urgency, working together to safeguard the business and implement proactive protections.

“It’s very much a small-town, relationship style,” Carroll says. “Our clients can always count on us.”

THE LEGACY OF CHARLES H. JACOBS, JR.

Leadership That Shaped a Culture of Teamwork

For five decades, Director and Past President of Harford Bank, Charles “Chuck” H. Jacobs, Jr., has helped define what leadership looks like through steadfast service, shared accountability, and an unwavering commitment to community. As he nears retirement from his position on the Bank’s Board of Directors, his legacy stands as a testament to the power of teamwork within the Bank and throughout every relationship he cultivated.

Jacobs joined the Bank in 1976 as a 24-year-old note teller.

“We had 13 employees, \$8.5 million in assets, and two branches,” he says.



Fifty years later, the Bank has expanded to more than \$700 million in assets, growing in scale, reach, and geography. Jacobs points out that moments of significant economic pressure were as important to this growth as periods of success.

What made those years meaningful, he says, was not simply endurance, it was how the team rallied together. Getting to “yes” for customers during uncertain times required discipline, collaboration, and a deep understanding of risk balanced with responsibility.

“Being a good team member is important,” he says, “but being

a good leader on that team is just as important.”

Jacobs has long encouraged bankers to take on leadership roles in the community. Over time, that’s helped branches develop their own synergy—supporting local nonprofits, small businesses, and families. Harford Bank even covers membership dues for civic organizations when employees step up to serve, and the return on investment comes in the strong relationships that result.

“Our bank was founded on community,” he says. “We always want to be part of the community, and we always want to pay it forward.”

Across credit, treasury, deposits, and

especially at the branch level, teamwork is crucial. Staff collaborate to understand their customers’ past, present, and future financial needs, working together to develop solutions that are both responsible and forward-thinking.

That spirit of collaboration has always extended beyond individual roles. Jacobs has long encouraged—and himself practiced—communication across all areas of the Bank, reinforcing that no single department arrives at “yes” alone. Credit officers, branch managers, treasury specialists, and executive leadership each bring a perspective that strengthens ideation on behalf of customers and ultimately, thoughtful decision-making. By listening carefully and weighing options collectively, the team ensures that every internal and

Getting to “yes” for customers during uncertain times required discipline, collaboration, and a deep understanding of risk balanced with responsibility.

IN THEIR WORDS

“Chuck has raised the bar on character at Harford Bank. He set a standard that reminds us a leader’s work is to build the ‘we’ behind every success. He invested in people and leaves this bank a team that knows how to win together. And given his irreplaceable knowledge of our customers, our history, and the business, I take comfort knowing that in retirement he’s only a phone call away.” *Henry S. Holloway, Chairman of the Board, Harford Bank; President, The Mill*

“I think Chuck’s legacy to Harford Bank will be his partnerships with local nonprofits. He has been a dedicated volunteer with several organizations and I have great admiration for his commitment to working with and supporting others. It’s been my honor to serve with him at the Bank and in the community.”

Carolyn Wilson Evans, Harford Bank Director; Attorney-at-Law, Law Offices of Anthony J. DiPaula

“I’ve known Chuck for most of my adult life, and as a shareholder, I’ve seen first-hand how much of Harford Bank’s success can be traced back to his dedication. I’ve witnessed him on a winter weekend, shoveling snow at the Aberdeen branch so customers could walk through the doors on Monday—never asking for recognition, just doing what needed to be done. Our community and the Bank are stronger because of the example Chuck has set.” *Ryker Hughes, Adjunct Professor of Business at Harford Community College; Longtime Harford Bank Shareholder*

external relationship is grounded in opportunity and responsibility.

Jacobs has led by example, championing a professional culture shaped by small, daily actions. Consistency, preparedness, and follow-through set the tone for Harford Bank and his guidance to his teams was straightforward—keep your word and honor your commitments. In doing that, by showing up in the community, and leading within it, Jacobs says that Harford Bank has earned and sustains something invaluable: trust.

“We have very loyal stockholders and very loyal customers,” he shares. “That’s not by accident. It’s because we’re loyal to them too.”

Jacobs credits his mentors along with today’s leadership for continuing that culture. Both the economic and philanthropic footprint of the institution has expanded, but the cultural philosophy of its team remains the same: help the community thrive, and the business will follow.

As Harford Bank continues to grow, it does so on a foundation Chuck Jacobs helped build—one grounded in service, strengthened by collaboration, and sustained by integrity. His legacy, reflected in the Bank’s financial highlights, has resulted in a culture that understands that the strongest “yes” is the one earned through the power of teamwork.

DIRECTORS

Henry S. Holloway
Chairman of the Board
Harford Bank
President
The Mill

Michael F. Allen
President
Harford Bank

Michael J. Browne
Entrepreneur
SSC
Patriot Communication
LifeSpan
The Jetty Frog Market & Deli
Patriots Glen Golf Course
KenKay Properties
Sideline Properties
White Oak Manor

Warline Bryant
Colonel (Retired)
U.S. Army
CEO, Founder
BHL Group, LLC

Mariela C. D’Alessio
Attorney/Owner/Founder
D’Alessio Law, LLC

Daniel M. Driver
Retired Chief Financial Officer
Kinsley Properties

Carolyn Wilson Evans
Attorney-at-Law
Law Offices of Anthony
J. DiPaula, PA

Richard F. Foard, Jr.
Managing Member
Foard Enterprises, LLC
121 HMS Properties, LLC
Vortex Brewing Co., LLC

Stephanie Novak Hau
Chief Executive Officer/President
Chesapeake Environmental
Management, Inc.
America’s Commerce Corps

Timothy N. Hopkins
Broker/Co-owner
Streett Hopkins Real Estate, LLC

Charles H. Jacobs, Jr.
Retired President
Harford Bank

Bryan E. Kelly, CFP®
Managing Member
The Kelly Group

Stephen K. Nolan
Principal Engineer
ENTRUST Solutions Group

Wayne Tapscott
Partner
WCT & Sons, LLC
Partner
HopeWay Group, LLC

DIRECTORS EMERITI

Tony L. Bennett, CPCU, CIC
Managing Partner
Famous & Spang Associates
350 Granary, LLC
COS Properties, LLC

Franklin J. Hajek, MBA
Certified Public Accountant
President
Frank Hajek & Associates, PA

John S. Karas
Retired Chairman of the Board
Harford Bank
Attorney-at-Law
Partner, Karas & Bradford
Principal in B. Michael & Sons, Inc.
JAABB Karas Family, LLC

Joan A. Ryder
Broker/Owner
Joan Ryder & Associates
Real Estate, Inc.

Talmadge E. Simons
Retired Chief Executive Officer
T.C. Simons, Inc.

EXECUTIVE OFFICERS

Michael F. Allen
President

Lorrie A. Schenning
Executive Vice President
Chief Operating Officer

Stewart C. Lee
Executive Vice President
Chief Administrative Officer

Mark A. Semanie, CPA
Executive Vice President
Chief Financial Officer



"Community is our Strength"

ABERDEEN

8 W. Bel Air Avenue
Aberdeen, MD 21001
410-272-5000

ABINGDON

2905 Emmorton Road
Abingdon, MD 21009
410-569-7010

BEL AIR

505 S. Main Street
Bel Air, MD 21014
410-838-7001

BEL AIR

Business Banking Office
42 N. Main Street, 2nd Floor
Bel Air, MD
410-942-4001

ELKTON

133 N. Bridge Street
Elkton, MD 21921
410-398-3426

ELKTON

305 Augustine Herman Hwy.
Elkton, MD 21921
443-945-9955

HAVRE DE GRACE

960 Revolution Street
Havre de Grace, MD 21078
410-939-0300

HICKORY

1610 Conowingo Road
Bel Air, MD 21014
410-420-6605

HUNT VALLEY

Loan Production Office
Executive Plaza 1
11350 McCormick Road
Suite 400
Hunt Valley, MD 21031

JARRETTSVILLE

3891 Jarrettsville Pike
Jarrettsville, MD 21084
410-417-9490

JOPPA

501 Riviera Drive
Joppa, MD 21085
410-679-2070

HarfordBank.com

