



Together, We Thrive

Message from the Board Chair and the President/CEO

2025 was a year of tremendous growth, progress, and forward momentum for APGFCU. Thanks to the trust and engagement of our members, and the dedication of our volunteers and staff, your credit union outperformed peer averages and delivered strong financial results, all while expanding our reach and impact across the region.

APGFCU's assets grew by \$250.4 million (10.6%), reaching \$2.6 billion by year-end. Our loan portfolio increased by \$230.4 million (12.0%) to \$2.2 billion, allowing us to support more members in achieving their financial goals. Membership grew by 14,150 individuals (8.4%), bringing us to 182,247 members served. Our net income of \$25.5 million resulted in a return on assets (ROA) of 1.03%, the strongest performance APGFCU has achieved in 23 years. These results reflect our continued focus on offering high-value products and excellent service while expanding beyond Harford and Cecil counties into Baltimore County and Baltimore City.

A major milestone was welcoming approximately 2,400 members from the former Members First of Maryland Federal Credit Union at the end of August 2025. Through a purchase-and-assumption transaction facilitated by the National Credit Union Administration, these members now have access to a broader selection of financial products and services, as well as more favorable rates. This acquisition also brought APGFCU its first two Baltimore County branch locations, Dundalk and Perry Hall, which now serve both existing APGFCU members and those who joined from Members First. We are also excited to open our third Baltimore County branch at 10301 York Road in Cockeysville in mid-April 2026.

As we grow, we remain steadfast in our dedication to listening to you, our members. Throughout 2025, we worked on improving your experience with a focus on digital channels. Our newly established digital team launched more than 15 enhancements designed to make digital banking faster, easier, and more intuitive. This included the rollout of a guest loan payment feature, improvements to transaction limits and check-hold policies, and expanding our free credit score service to all online and mobile banking users. We thank every member who has responded to our surveys. Your feedback is essential as we continue identifying ways to improve your day-to-day financial interactions. Your voice guides our progress. The past year presented challenges for many members due to the prolonged federal government shutdown. In response, APGFCU provided critical flexibility, empathy, and financial support to those affected. Hundreds of members benefited

from services such as skip-a-pay options, emergency loans, and financial counseling, underscoring our commitment to standing with members through uncertain times. When you are faced with financial challenges or difficulties, we are here for you.

Our board and leadership team are working closely together to shape the future direction of APGFCU. The synergy between our elected volunteers and our management team has never been stronger. Together, we updated our vision and mission statements in 2025 and outlined a strategy for future growth—one centered on empowering more people with the financial tools and resources they need to improve their lives.

We also deepened our commitment to community engagement by creating a dedicated community impact function, which is focused on strengthening partnerships with local nonprofits and connecting them with APGFCU resources. Additionally, we launched an employee volunteerism program to offer staff regular opportunities to get out of the office and support nonprofit organizations across our service area. As we continue to expand into Baltimore County and Baltimore City, this community work grows even more vital.

It's been an exciting year, and we thank you for your membership and for trusting APGFCU as your financial partner. We remain committed to serving you with integrity, transparency, and unwavering dedication. Should you ever have feedback or concerns, please reach out—we are always here to listen.



Donald J. Burnett, COL (Ret.)
Chairman of the Board

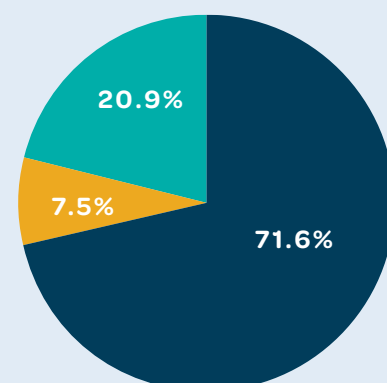


Becky Smith
President and CEO

Statements of Comprehensive Income

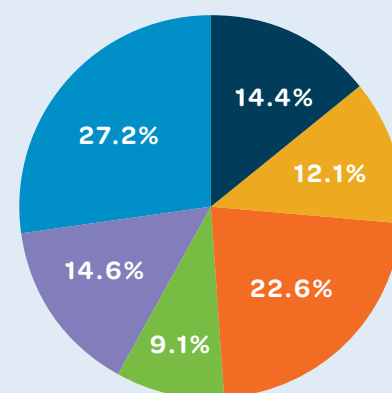
FOR THE YEARS ENDED DECEMBER 31,

| | 2025 | 2024 |
|--|----------------------|----------------------|
| INTEREST INCOME | | |
| Loans to members | \$ 126,824,380 | \$ 112,119,482 |
| Investments | 13,335,782 | 15,684,039 |
| Total interest income | <u>140,160,162</u> | <u>127,803,521</u> |
| INTEREST EXPENSE | | |
| Dividends on members' shares and savings accounts | 40,118,905 | 42,665,916 |
| PROVISION FOR CREDIT LOSSES | | |
| Net interest income after provision for credit losses | <u>78,560,445</u> | <u>65,293,320</u> |
| NON-INTEREST INCOME | | |
| Interchange income | 11,518,814 | 11,255,525 |
| Fees and charges | 12,824,293 | 11,827,619 |
| Other non-interest income | 3,087,933 | 2,441,500 |
| Net gain on sale of Visa class B stock | 9,477,807 | - |
| Net gain on sales of loans | 142,650 | 160,268 |
| Total non-interest income | <u>37,051,497</u> | <u>25,684,912</u> |
| NON-INTEREST EXPENSE | | |
| Compensation and benefits: | | |
| Executive/senior management | 11,951,190 | 7,602,836 |
| Other employees | 36,273,715 | 29,828,691 |
| Office operating costs | 12,110,245 | 10,266,453 |
| Professional services | 10,544,615 | 9,407,654 |
| Loan servicing expenses | 6,941,400 | 6,780,164 |
| Promotional expenses | 6,247,853 | 5,215,974 |
| Occupancy expenses | 3,965,251 | 3,565,294 |
| Other expenses | 2,101,198 | 1,981,715 |
| Total non-interest expenses | <u>90,135,467</u> | <u>74,648,781</u> |
| NET INCOME | <u>\$ 25,476,475</u> | <u>\$ 16,329,451</u> |
| OTHER COMPREHENSIVE INCOME | | |
| Unrealized gains on investments classified as available-for-sale | 391,695 | 5,393,063 |
| Defined benefit plan: | | |
| Net gain in defined benefit obligations | 3,935,180 | 5,909,650 |
| Gain due to curtailment | - | 582,018 |
| Subtotal | <u>3,935,180</u> | <u>6,491,668</u> |
| Total other comprehensive income | <u>4,326,875</u> | <u>11,884,731</u> |
| TOTAL COMPREHENSIVE INCOME | <u>\$ 29,803,350</u> | <u>\$ 28,214,182</u> |



SOURCES OF INCOME

| | |
|-------------------------|----------------------|
| Interest on loans | \$ 126,824,380 |
| Interest on investments | 13,335,782 |
| Other | 37,051,497 |
| TOTAL | \$177,211,659 |



DISTRIBUTION OF INCOME

| | |
|-----------------------------|----------------------|
| Undivided earnings | \$ 25,476,475 |
| Provision for credit losses | 21,480,812 |
| Dividends | 40,118,905 |
| Office and occupancy | 16,075,496 |
| Other expenses | 25,835,066 |
| Salaries and benefits | 48,224,905 |
| TOTAL | \$177,211,659 |

TO RECEIVE A COPY OF THE AUDITED FINANCIAL REPORTS, PLEASE CALL 410-272-4000 AND ASK FOR THE INTERNAL AUDIT DEPARTMENT.



Guiding Our Communities Forward



Leading with Financial Education

- **Empowered 44,734 people** to move forward with greater financial confidence. Through every workshop and conversation, we helped turn knowledge into opportunity.
- Provided financial literacy books to all third- and fourth-grade classrooms in Cecil County Public Schools, supporting curriculum updates and reaching **more than 2,200 students** through shared reading and interactive lessons.
- Formed a citywide financial literacy partnership with the Baltimore City Mayor's Office of Employment Development to provide in-person and hybrid workshops across all 40 Baltimore City public high schools. APGFCU is the first financial institution to coordinate a district-wide initiative of this scale.



Showing up Where it Matters

- Supported more than **324 community events** and contributed over **\$463,000 in sponsorships** to help our neighbors grow and thrive.
- **Donated \$235,000 to 35 organizations** through APGFCU's Community Impact Committee – because when our community rises, we rise together.
- Awarded 30 student members **\$75,000 in scholarships**.



Making Banking Easier

- Introduced our new Guest Loan Payment feature, allowing members to make loan payments quickly – no login needed.
- Launched SavvyMoney Instant Access, extending credit monitoring, personalized insights, and financial education to all members within online and mobile banking. In its first year, 94,672 members enrolled, gaining tools to better understand and manage their credit.
- Among members enrolled in SavvyMoney, **84% are Credit Steady or Credit Savvy**, demonstrating meaningful progress in maintaining or improving their credit.



Opening Doors to Homeownership

- **Provided \$1.44 million** in down payment and closing cost assistance, helping more members achieve homeownership.

OUR VISION

Banking that feels like belonging.

OUR MISSION

Deeply enrich our community – financially and personally.

Community Recognition



Ranked #1
in Maryland!

