



U1 **First United**
Corporation

*Our Legacy,
Your Future*

20
25
Annual Report

First United Corporation Announces Retirement of Carissa Rodeheaver; Jason Rush Named Successor

First United Corporation announced that Carissa Rodeheaver will retire after the May 7, 2026, shareholders annual meeting. Effective January 1, 2026, Carissa serves as Executive Chairman of the Corporation and the Bank until her retirement.

Carissa has served as CEO since 2016, leading the Company through transformative growth, innovation, and strategic expansion. Under her leadership, First United achieved record financial performance, increased stock price, delivered steady dividend payments, and enhanced its

reputation as a trusted industry leader by maintaining a balanced approach to growth and risk management.

During her tenure, Carissa championed initiatives that enhanced shareholder value, advanced digital transformation, and fostered a culture of integrity, inclusion, and community engagement, including having established the First United Community Dreams Foundation and launch of the Company's trademarked financial education platform, Finture. Rodeheaver was instrumental in steering First United through shifting regulatory environments and economic challenges, all while strengthening its commitment to customer-focused philosophies and operational excellence.

Effective January 1, 2026, Jason B. Rush, Senior Vice President & Chief Operating Officer, became President and Chief Executive Officer of both the Corporation and the Bank effective, and the boards of directors elected Jason to serve as a director of the Corporation and the Bank. A dedicated leader since 1993, Jason brings deep experience and energy to guide First United into its next era.



Executive Team



Jason Rush
President and Chief Executive Officer



R.L. Fisher
Chief Banking Officer



Julie Peterson
Chief Credit Officer



Keith Sanders
Chief Wealth Officer



Tonya Sturm
Chief Financial Officer



AJ Tasker
Chief Operating Officer

Managing Directors



Josh Bosley
Managing Director of Commercial Services



Diane Emory
Managing Director of Financial and Management Accounting



Amy Garner
Managing Director of Retail



Scott Hostetler
Managing Director of Mortgage Solutions



Keith Morgan
Managing Director of Commercial Services



Kimberly Moyers
Managing Director of Strategic Engagement



Alan Mullendore
Managing Director of Commercial Services



Phil Rodeheaver
Managing Director of Risk, BSA/OFAC Officer



Chris Sisler
Director of Wealth Management Sales



Cody Sustakoski
Regional Market President



Jason VanSickle
Managing Director of Specialized Banking



Shareholder Letter

Dear Shareholders,

This year marks a truly extraordinary moment in the history of First United — our 125th anniversary. As we pause to reflect on more than a century of service, resilience, and community partnership, we are reminded of the theme guiding our celebration: “Our Legacy, Your Future.” These words capture both the spirit of who we are and the promise of who we continue to become.

For 125 years, our purpose has been clear: to nurture trusted relationships through personalized service, to listen deeply, yield to the customer’s needs, and to guide individuals, families, and businesses as knowledgeable advisors who care about their financial well being. This enduring focus — rooted in human connection — remains the foundation of our legacy and the bridge to a future of innovation, growth, and opportunity.





A Strong Year of Performance

In 2025, we continued to demonstrate the strength and stability that have long defined First United. The Company grew to \$2.1 billion in total assets, reflecting disciplined strategic execution and prudent balance sheet management.

Net income remained strong, fueled by an expanding net interest margin and healthy non-interest income. Our adherence to disciplined deposit and loan pricing supported margin expansion and contributed notably to earnings performance. We also saw significant core deposit growth, particularly within our money market accounts, which enhanced our funding flexibility in a dynamic rate environment.

On the lending side, our teams delivered robust production. While elevated payoff activity tempered net loan growth, loan repricing in a higher-rate environment offset some of the anticipated slowdown and supported ongoing revenue stability.

Our Wealth division delivered an exceptional year, driven by both new client acquisition and the expansion of existing relationships, further evidence of our reputation as trusted, knowledgeable financial partners. Hence, fee income improved as clients sought guidance, confidence, and long-term partnership in navigating an increasingly complex financial landscape.

We remained disciplined with expense management, while continuing to invest in the technology, tools, and product enhancements necessary to serve our customers with excellence.

Our strength is further underscored by ample liquidity, strong capital ratios, and stable asset quality. Even with the strategic write-down of a legacy real estate participation, we exited the year in a stronger position.

Our Legacy in Action

Our 125th anniversary campaign honored the people and partnerships that built this institution. We highlighted legacy customers whose multi-generational relationships reflect decades of trust. We recognized the dedication of our associates, whose commitment to service continues to define our brand and our culture.

We also completed strategic facility investments, including the opening of our new Boonsboro Community Office and the relocation of our Star City Community Office to the WestRidge development in Morgantown to better align us with the evolving needs of our customers and communities.



Central to our celebration is the recognition that our legacy is defined not by our longevity, but by our ongoing commitment to supporting our neighbors, businesses, and communities for more than a century.

Your Future: Evolving with Purpose

As we look ahead, our commitment to future generations is clear. We strive to strike the right balance between tradition and innovation, ensuring that the personal service you trust is enhanced — not replaced — by digital solutions.

We are proud of Finture®, our trademarked financial education program, which has become a cornerstone of our mission to equip individuals with the tools and knowledge to build stronger financial futures.

Through the First United Community Dreams Foundation, we are investing in financial literacy, healthy neighborhoods, and community housing — tangible ways we are nurturing the communities we serve and expanding access to economic opportunity.

Our goal is simple but profound: to be a financial partner for life, adaptable to every season, every milestone, and every aspiration our customers pursue. With innovation, resilience, and a relentless focus on ease of use, we are ensuring that First United continues to meet customers where they are and where they are going.

Banking for a Better Tomorrow

As we celebrate 125 years of service, we do so with immense gratitude — for the trust you place in us, for the legacy we’ve built together, and for the future of community banking we continue to shape side by side. Our past gives us strength. Our values give us direction. And our vision ensures that we remain a steadfast, innovative, and relationship driven partner for generations to come.

Thank you for your confidence, your partnership, and your belief in First United. We are honored to serve you — yesterday, today, and far into the future.

With gratitude and optimism,

Carissa Rodeheaver

Executive Chairman of the Board



Brian Boal

Independent Lead Director, Principal



Carissa L. Rodeheaver
Executive Chairman of the Board



Brian R. Boal
Independent Lead Director,
Principal, Boal & Associates, PC

Board of Directors



John F. Barr



Sanu B. Chadha



Christy M. DiPietro



Kevin R. Hessler



I. Robert Rudy



Jason Rush



Patricia A. Milon



Beth E. Moran



Hoye Andrew Walls, III



Shareholder **Return**

We are proud that this year’s strong performance delivered meaningful value to our shareholders. Through focused execution and strategic investment, we continued to drive consistent, competitive returns

This year also marked our 125th anniversary — a milestone that reflects our resilience and the trust of those we serve. As we celebrate this legacy, we look ahead with excitement and confidence. With a clear strategy and strong momentum, we are well-positioned to create even greater value in the next chapter of our journey.

	1-Year	3-Year	5-Year
First United	24.80%	112.10%	186.90%
S&P US Small Cap Banks	13.50%	30.70%	60.40%
2025 Proxy Peers	22.50%	23.50%	66.80%



SUMMARY OF SELECTED FINANCIAL DATA

(Dollars in thousands, except per share data)

	2025	2024	% Change
Results of Operations:			
Tax-equivalent interest income	\$ 101,066	\$ 92,222	9.59%
Interest expense	32,735	32,015	2.25%
Tax-equivalent net interest income	68,331	60,207	13.49%
Tax-equivalent adjustment	218	229	-4.80%
Total credit loss expense	2,743	2,933	-6.48%
Net interest income after provision for credit losses	65,370	57,045	14.59%
Noninterest income	20,568	19,825	3.75%
Operating noninterest income	20,166	19,411	3.89%
Non-operating noninterest income:			
Net gains-other	402	414	-2.90%
Noninterest expenses	53,405	49,640	7.58%
Operating noninterest expenses	53,405	49,640	7.58%
Income before income taxes	\$ 32,533	\$ 27,230	19.47%
Income tax expense	8,018	6,661	20.37%
Net Income	\$ 24,515	\$ 20,569	19.18%
Common Dividends paid	5,967	5,373	11.06%
Net Income per FTE (Pre-tax)	\$ 103,279	\$ 88,121	17.20%
Per Share Data:			
Basic net income per share	\$ 3.78	\$ 3.15	20.00%
Diluted net income per share	\$ 3.77	\$ 3.15	19.68%
Common Dividends paid	\$ 0.96	\$ 0.84	14.29%
Book value (at year end)	\$ 31.33	\$ 27.71	13.06%
Tangible book value (at year end)	\$ 29.56	\$ 25.89	14.18%
Financial Condition (at year end):			
Assets	\$ 2,087,453	\$ 1,973,022	5.80%
Deposits	1,735,149	1,574,829	10.18%
Net loans	1,501,758	1,462,181	2.71%
Investment Securities	279,534	269,991	3.53%
Shareholders' equity	203,634	179,295	13.57%
Performance Ratios (for the year):			
Return on average equity	12.70 %	12.16 %	
Return on average assets	1.21 %	1.06 %	
Yield on average interest-earning assets	5.43 %	5.17 %	
Rate on average interest-bearing liabilities	2.42 %	2.51 %	
Net interest spread	3.01 %	2.66 %	
Net interest margin	3.67 %	3.38 %	
Efficiency Ratio - Non GAAP	58.19 %	61.31 %	
Capital and Credit Quality Ratios:			
Average equity to average assets	9.55 %	8.69 %	
Total risk-based capital ratio	16.61 %	15.92 %	
Tier 1 to Risk Weighted Assets	15.36 %	14.70 %	
Tier 1 to Average Assets (leverage)	12.21 %	11.88 %	
Common Equity Tier 1 to Risk Weighted Assets	13.52 %	12.79 %	
Allowance for credit losses to total loans (as %)	1.28 %	1.23 %	
Nonperforming and 90 days past due loans to total assets (as %)	0.22 %	0.30 %	
Net charge-offs to average loans (as %)	(0.07) %	(0.16) %	

Celebrating 125 Years

Our Legacy, Your Future

In 2025, we officially celebrated our 125th anniversary! This significant milestone was an incredible opportunity to share our rich history as well as our contemporary relevance.

It all started with a belief that a bank should be a trusted partner, not just a place to keep your money - a trusted place for neighbors to build their futures. Today, that spirit is still at the heart of everything we do.

We are grateful to have experienced such significant growth since 1900. From our first location as First National Bank of Oakland to our expansions east and west, we have grown to our current 23-branch network, consistently exhibiting our dedication to community banking.

Through generations and through change, our purpose has stayed the same.

Our commitment is personal.





MyBank.com/125 - A story 125 years in the making and just getting started.

My bank is
passionate about people.
dedicated to service.
 always **helpful**.
 building **customized** solutions.
trusted.
here for local business.
involved in this community.
personal.

My bank is
First United.

Building Community Together

Over
11,300
hours of
Community
Support

Community outreach is at the heart of how we live out our mission and values. Each day, our volunteers bring their time, talent, and passion to the people and places we serve — whether they're educating others, creating solutions, or making a hands-on impact. Their dedication strengthens our communities and reinforces our commitment to meaningful, lasting change.



LEARNING
Understanding
BUILDING
Investing

Planning
Connecting
Volunteering
Encouraging
LIVING
Saving
Teaching
Serving
BRAINSTORMING
DREAMING
Lending
Supporting
Guiding

We also invest in the people who make our work possible: our employees. Throughout the year, we host team-building events that celebrate our achievements and create space for connection, appreciation, and fun — from picnics and themed celebrations to wellness activities and casual outings. These moments help every employee feel valued and supported.

These shared values shape who we are as a community bank — rooted in connection, compassion, and the belief that we are stronger when we grow together.



Our Commitment to Community

When we give back to the place we call home, we strengthen our community and help create greater opportunity for all.

We expect the projects we support to continue making a meaningful difference for years to come.

Through uncertainty, our team consistently rose to the occasion. We couldn't be more appreciative of the partnerships we've cultivated and the shared commitment to lasting impact.



Over
\$333,000
in Community Donations





Over
\$70,000
 in Community Funding



The First United Community Dreams Foundation is dedicated to turning aspirations into reality.

Through strategic grants, sponsorships, and community investments, the Foundation partners with local nonprofits, schools, institutions, and other 501(c)(3) organizations to support essential programs and services.

Together, we help strengthen the communities we serve by empowering organizations that create meaningful, lasting impact.

We act on our values.

Model helpfulness.

Yield to the customer.

Be passionate.

Adapt solutions.

Nurture trust.

Keep it personal.



Please contact our transfer agent, Computershare, if you need assistance in any of the following areas:

- Change in registration
- Reporting lost certificates
- Non-receipt or loss of dividend checks
- Information on dividend reinvestment plan

Computershare:

Phone

1-781-575-2622 or Toll Free 1-866-298-7858

Computershare
P.O. Box 43078
Providence, RI 02940-3078

Courier Delivery:
Computershare
150 Royall St., Suite 101
Canton, MA 02021

Return envelopes for the proxy:

P.O. Box 43101, Providence, RI 02940-5067

Questions & Inquiries via our website:

<http://www.computershare.com/investor>

Hearing Impaired #: TDD: 1-800-952-9245

First United-Direct Line: 1-866-298-7858

TDD for Hearing Impaired: 1-800-952-9245

Foreign Shareowners: 1-781-575-2622

TDD for Hearing Impaired: 1-781-575-2692

Shareholders' Meeting:

The Annual Shareholders' Meeting will be held Thursday, May 7, 2026, at 9:00 a.m.

First United Operations Center
12892 Garrett Highway
Oakland, MD 21550

SEC Form 10-K

The Corporation files an annual report on Form 10-K with the Securities and Exchange Commission. This statement can be found on our investor relations website at <http://investors.MyBank.com> or you may request to receive a copy by calling us at 1-888-692-2654. A statement may also be requested by mail, without charge, to any shareholder who requests it in writing to:

Tonya K. Sturm
Corporate Secretary
First United Corporation
c/o First United Bank & Trust
19 South Second Street
Oakland, MD 21550

Want to stay up-to-date? Sign up for shareholder communications at MyBank.com/investors

