



# 2025

Annual Report





## Vision

We aspire to be the bank that makes your life better. Empowering clients with seamless, integrated banking and wealth management experiences, we redefine what a community bank can be. Ledyard aims to lead with purpose, grow with integrity, and inspire financial confidence across generations.

## Mission

With our OneLedyard approach, we offer a highly personalized experience that results in meaningful client relationships. Enriching the lives of our clients and communities, we deliver exceptional financial guidance, personalized service, and comprehensive solutions that evolve with every stage of life.

## Strategy

A collaborative, cross-disciplinary approach known as OneLedyard aligns retail banking, commercial lending, and wealth management into a single client experience. Our strategic plan is built on three pillars: Growth, Client Experience, and Employee Engagement.

# TO OUR MANY CONSTITUENTS

Including Shareholders, Valued Clients, and Community Members:



**Josephine Moran**  
*President &  
Chief Executive Officer  
Ledyard Financial Group  
Ledyard National Bank*



**Bruce P. King**  
*Chair  
Ledyard Financial Group  
Retired, President & Chief  
Executive Officer  
New London Hospital*

2025 has been a transformative year for our organization. We are proud of the significant progress we have made as we navigated both exciting opportunities and complex challenges. Strong financial performance tells only part of our story. Equally important is how we stayed anchored in our values while launching initiatives designed for today's evolving client and stakeholder landscape.

We are energized by the momentum we have built throughout the year, nearly doubling our 2024 net income. We also surpassed \$1 billion in total assets, a significant milestone for which we were well prepared. Beyond the bottom-line results, what truly positions us well for the future is the deliberate reshaping of our financial foundation — strategically reallocating resources toward higher-yielding core operations, strengthening our credit position, and ensuring strong liquidity reserves. We continue leveraging the integration of our banking and wealth management businesses, promoting growth and the pursuit of making life better for our clients, employees, shareholders, and the communities we serve.

The banking industry experienced heightened volatility in 2025 as the Federal Reserve's monetary stance evolved. Following three rate cuts totaling 100 basis points in late 2024, the Fed held steady through mid-2025 before delivering another 75 basis points in cuts from September through December — pushing the federal funds rate to its lowest point since 2022. This easing came against a complex backdrop: inflation climbing while labor markets cooled, creating uncertainty and splitting policymaker opinion on the appropriate path forward. Through these mixed signals, our community banking approach proved resilient, allowing us to navigate the rate environment effectively and maintain strong performance.

We achieved robust net loan growth during the year, with ending balances increasing by \$91 million, or 16% over the past year. Importantly, we experienced double-digit growth within all loan categories. This strong performance reflects our disciplined approach to balance sheet management — we funded most of our loan growth organically through deposit expansion and investment portfolio reductions while maintaining excellent credit quality.

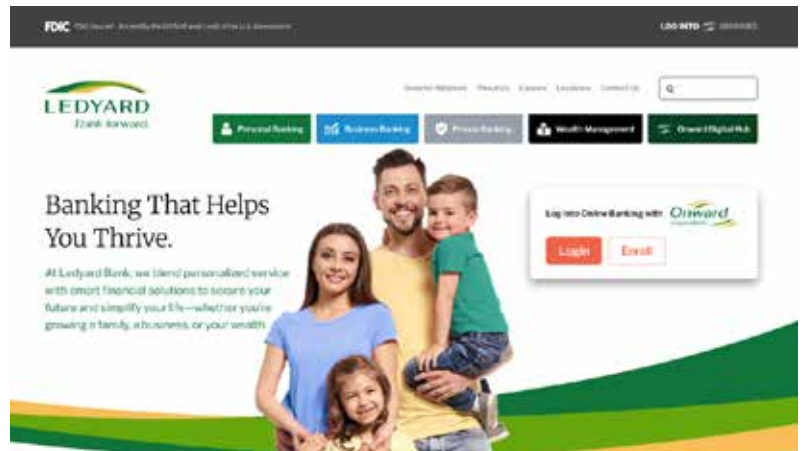
Our team continued navigating the challenges posed by our legacy investment portfolio, and the strategic investments we have made over the past three years have yielded significant improvements in our financial results. Core deposit balances expanded by \$60 million, or 8% during the year, and we began seeing deposit pricing ease during the fourth quarter of the year.

Our wealth management division delivered robust revenue during the year, driven by favorable equity market conditions, meaningful momentum in new client acquisition, and the impact of a long-overdue fee schedule revision implemented in January. This performance underscores the strength of our value proposition and the trust clients place in our advisory services as they pursue their long-term financial goals.

## A REFRESHED BRAND IDENTITY

During the year we unveiled a refreshed brand identity — including a new logo and tagline, Think forward — signaling our commitment to blending personalized banking with a modern, forward-thinking approach. That vision is reflected in our redesigned website, built for a more streamlined and accessible experience so customers can find what they need faster. At the heart of it all is “Onward,” our new all-in-one digital banking hub, which brings bill pay, credit score tracking, and budgeting together into a single, seamless online experience. Together, these updates reflect

Ledyard’s commitment to helping customers achieve their financial aspirations. Additionally, we opened our new Bedford financial center as part of our continued expansion of community banking in southern New Hampshire and our commitment to deepening relationships across all client segments. Having completed the heavy lifting of building out our infrastructure and business model, we are now transitioning into an execution phase focused on capturing the full potential of these investments.





*(l-r) Tuesday Perkins, Ledyard Commercial Relationship Manager; Meagan and Jarrod Filion*

*This summer I reached out to Ledyard Bank and before I knew it Kim and Tuesday were meeting with me on site to go over what Ledyard could do for us. They came prepared, enthusiastic and supportive of what we are doing at our property. Within just three months we were at closing and making our dream for the property a reality. All those days in between have been nothing but supportive from the moving of all of our other accounts to setting up the remote deposits. This is truly a bank that can grow with you but provide that small town feel we are looking for!*

**Meagan and Jarrod Filion**

*Owners – Filion Properties, Franks Fabrics & Crafts and North American Infrared*

More broadly, the growth and margin expansion described above demonstrate successful execution on the strategic plan we launched in early 2023.

We are encouraged by the downward trend in the efficiency ratio we achieved in 2025 through improved revenue combined with careful expense management and process improvements. We know we have more work to do, and we are dedicated to making steady progress while continuing to serve our customers well.

We remained focused on strengthening the three core elements of our strategy — growing profitably, delivering excellent client service, and keeping our workforce

highly motivated — by putting resources into developing innovative products and services, implementing better risk management approaches, making investments in technology to launch new ways to serve clients, and creating programs to boost employee satisfaction and involvement.

As a result of the company's strong earnings and solid capital position, our Board of Directors paid cumulative cash dividends of \$0.84 during the year, representing a 5.62% yield based on recent stock prices. We continue working to enhance shareholder value and are committed to paying dividends to our shareholders.

**This commitment and dedication drove strong financial results for the year and notable growth:**

- Net income grew to \$6 million, up 85% over the prior year.
- Total revenue increased 26% year-over-year.
- Assets under management and related revenue rose 7% and 24%, respectively, over 2024.
- Total assets ended at \$1.06 billion, up 12% over the prior year.
  - The company's 16% year-over-year loan growth significantly exceeded industry growth rates.
  - Excluding funds from our wealth management business, client deposits grew 8% over the prior year.
  - Net interest margin was 2.55, up 37 basis points from 2024.
- Capital ratios continue to exceed regulatory well-capitalized minimums.
- Reflecting the value created by infrastructure investments made over the last year, the efficiency ratio of 81% for the year marked a year-over-year improvement of 7%.
- \$0.84 dividend was unchanged from the prior year.

Ledyard was once again recognized on American Banker's 2025 Best Banks to Work For list based on employee satisfaction and workplace culture. We are honored by this recognition and by the appointment of our President and CEO, Josephine Moran, to the Federal Reserve Bank of Boston's Board of Directors in 2025 — a reflection of our institution's standing in the industry.

Some of our new initiatives during the year include our Everyday Heroes mortgage loan, which offers favorable terms that help lower the barriers to primary home ownership for community members who provide critical services, including firefighters, nurses, first responders, EMTs, law enforcement officers, military personnel, teachers, and professors. Our private banking division's popular Healthcare Banking program has expanded to include relationships with the New Hampshire Medical Society and New Hampshire Dental Society, enabling us to gain valuable insights and better understand and respond to the specific personal and business financing needs of our medical community.

Looking ahead to 2026, we remain committed to our disciplined approach to lending and operations — a foundation that has served us well through varying economic conditions and will continue guiding us through whatever interest rate environment emerges. We are deeply grateful to our customers, whose loyalty drives our success, and to our shareholders, whose confidence in our vision enables us to serve our communities with purpose and integrity.

On behalf of the Board and our senior management team, we want to thank you for your continued support.

**Josephine Moran**  
*President &  
Chief Executive Officer  
Ledyard Financial Group  
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2025 FINANCIAL HIGHLIGHTS (DOLLARS IN THOUSANDS, EXCEPT "OTHER DATA")

YEARS-ENDED DECEMBER 31,	2025	2024	2023	2022	2021
<b>FINANCIAL CONDITION DATA</b>					
Assets	\$ 1,059,574	\$ 950,467	\$ 856,115	\$ 743,465	\$ 771,143
Investments & Interest bearing deposits	322,348	307,166	369,797	314,810	364,650
Gross loans, including loans held-for-sale	670,761	579,723	418,766	362,057	362,677
Allowance for credit losses	(4,594)	(3,759)	(2,780)	(3,843)	(7,469)
Net loans, including loans held-for-sale	666,167	575,964	415,986	358,214	355,208
Deposits	879,222	807,763	660,157	570,332	675,082
Borrowings	86,844	56,520	111,799	87,978	5,627
Subordinated debt and accrued expenses	30,702	29,647	28,139	32,155	17,728
Shareholders' equity	62,806	56,537	56,020	52,999	72,706
<b>OPERATING DATA</b>					
Net interest income	\$ 23,982	\$ 18,498	\$ 17,235	\$ 18,686	\$ 18,274
Wealth management fee income	17,450	14,134	12,656	12,779	13,169
Other non-interest income	2,218	2,988	1,486	1,400	1,699
Securities gains (losses)	(182)	(1,044)	(15)	(2,966)	168
Total Revenue	43,468	34,576	31,362	29,899	33,310
Provision for credit loss	867	618	667	(3,634)	(450)
Non-interest expense	35,219	30,523	27,906	26,036	25,287
Pre-tax income	7,382	3,435	2,788	7,497	8,473
Income taxes	1,352	174	(377)	515	708
Net income	6,030	3,262	3,166	6,982	7,765
<b>OTHER DATA</b>					
Earnings per share, basic	1.81	\$ 0.98	\$ 0.96	\$ 2.14	\$ 2.42
Dividends per share	0.84	\$ 0.84	\$ 0.84	\$ 0.84	\$ 0.80
Tangible Book value per share	18.06	\$ 16.58	\$ 16.64	\$ 15.83	\$ 21.70
Shares outstanding, net of treasury	3,460,614	3,410,643	3,367,515	3,348,395	3,350,624
Return on average assets	0.57%	0.33%	0.41%	0.94%	1.07%
Return on average equity	9.81%	5.35%	5.51%	10.77%	10.95%
Efficiency ratio	81.02%	88.28%	88.98%	87.10%	75.91%
Stock price - high	\$ 15.50	\$ 16.97	\$ 20.00	\$ 25.70	\$ 27.25
- low	\$ 13.35	\$ 12.77	\$ 12.95	\$ 17.80	\$ 18.99
- average	\$ 14.50	\$ 14.52	\$ 15.64	\$ 21.12	\$ 24.13
Assets under management and custody (millions)	\$ 2,286	\$ 2,144	\$ 1,947	\$ 1,705	\$ 1,976
Equity to asset ratio	7.20%	7.63%	8.31%	9.44%	8.35%
Allowance for credit losses to total loans	0.68%	0.65%	0.66%	1.06%	2.06%
Allowance for credit losses to non-performing assets	368%	300%	161%	260%	526%

Complete Ledyard Financial Group 2025 audited financial statements can be found under "Investor Relations" at [ledyard.bank](http://ledyard.bank). Certain reclassifications have been made to the prior period information to conform to the current period presentation.

## EXECUTIVE MANAGEMENT TEAM

### Josephine Moran

*President & Chief Executive Officer*

### Catherine Bardier

*Executive Vice President & Chief People Officer*

### Robert Capozzoli

*Executive Vice President & Chief Digital Officer*

### Susan A. Fernald

*Executive Vice President & Chief Risk Officer*

### Michael Hakoun

*Executive Vice President & Chief Wealth Management Officer*

### Kimberly Lebron

*Executive Vice President & Chief Lending Officer*

### Michael M. Parisi

*Executive Vice President & Chief Banking Officer*

### Peter Sprudz

*Executive Vice President & Chief Financial Officer*

## SENIOR MANAGEMENT TEAM

### Alex Bacon

*Wealth Operations Director*

### Katie Blake

*Senior Vice President & Senior Retail Banking Officer*

### Cynthia Castine

*Mortgage and Consumer Lending Manager*

### Scott Coulter, CFA

*Senior Vice President & Chief Wealth Planning Officer*

### Dave Foss

*Senior Vice President & Chief Information Officer*

### Jeffrey H. Marks

*Senior Vice President & Chief Marketing Officer*

### Amy Osetek

*Senior Vice President & Senior Compliance and CRA Officer*

### Douglas B. Phillips, CFA

*Senior Vice President & Chief Investment Officer*

## BOARD OF DIRECTORS

### Bruce P. King

*Retired, President & Chief Executive Officer  
New London Hospital  
Chair, Ledyard Financial Group*

### Mark Beliveau

*Partner, Gallagher, Flynn & Company, LLP*

### Jay Benson

*CEO, Simon Pearce (U.S.) LLC*

### Judith M. Maloy

*Director & CEO, Polaris Direct*

### Wilhelmina Dingemans Miller

*Director, Downs Rachlin Martin, PLLC*

### Josephine Moran

*President & Chief Executive Officer  
Ledyard Financial Group*

### Charles M. Petersen

*Retired Bank CEO  
Co-Vice Chair, Ledyard Financial Group*

### Margaret M. Rightmire

*Civic Leader*

### Teresa Rhodes Rosenberger

*Senior Advisor, Bernstein Shur*

### Andrew A. Samwick

*Professor of Economics, Dartmouth College*

### Patrick M. Tufts, MSW

*Retired President & CEO, Granite United Way*

### Robert O. Wetzel

*Retired, Senior Partner, Accenture plc  
Co-Vice Chair, Ledyard Financial Group*



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MEMBER FDIC

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