The Adirondack Trust Company

2025 ANNUAL REPORT

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ADIRONDACK
TRUST COMPANY

Directors

GUY ALONGE, III

DR. MARC CONNER

SUSAN LAW DAKE

MARY C. GAVIN

JOHN T. HEDBRING

DOUGLASS M. MABEE

DOUGLASS T. MABEE

J. THOMAS ROOHAN, JR.

BRIAN A. STRAUGHTER, Ed.D

STEPHEN F. SULLIVAN

STEPHAN R. von SCHENK

CHARLES V. WAIT

CHARLES V. WAIT, JR.

Senior Management Team

CHARLES V. WAIT
Chairman of the Board

CHARLES V. WAIT, JR., ESQ.
President & CEO

MICHAEL J. O'CONNELL
Executive Vice President

MICHAEL S. BRODT
Senior Vice President

BRIAN C. FAY, CMA
Senior Vice President,
Chief Financial Officer & Treasurer

PATRICK B. REILLY
Senior Vice President

BOBBI JO LUCAS
Senior Vice President

MATTHEW M. BERTINETTI
Vice President

EDWARD M. CONNELL, ESQ.
Vice President

DONALD C. GARDNER
Vice President

ANGELA M. KEDIK
Vice President

LYNETTE L. MATT
Vice President

KELLEY H. PELUSO
Vice President

TODD L. SILVA
Vice President

KATHLEEN M. MacAREVEY
Corporate Secretary & Executive Assistant

MATTHEW P. D'ABATE
Senior Vice President

ROBERT F. LOUGHRAN
Senior Vice President

BRYAN M. BOOTH
Senior Vice President

JESSICA D. BERGLUND
Vice President

ELLEN A. BRODIE
Vice President

ANDREW R. FERRARA
Vice President

MATTHEW C. HARRISON
Vice President

EDWARD M. LENZ
Vice President

MICHAEL D. MURRAY
Vice President

SUSANNE M. ROGAN
Vice President

SAMER TAKI
Vice President

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MICHELLE M. MUIR
Vice President - Audit

SARA E. SPYCHALSKI
Vice President - Compliance

A Note to Our Stockholders

This past April, my family and I visited England. In preparation for the trip, I obtained some British currency. When we arrived, however, almost none of the shops, restaurants, or other merchants accepted cash—cards or electronic payments were often the only way to pay for goods and services. The contrast between the history and tradition of the places we were visiting, such as the British museum and the Tower of London, and the inability to use cash to pay the entry fee or to buy souvenirs in the gift shop was striking. As if to underscore the point, in each of the museums we visited, cash boxes for donations, full of British money, were right next to the electronic donation terminals. I returned with almost all of the cash I brought to England.

My experience there was a small example of the disparity between rapid technological change and the persistence of tradition, a theme that was present in the banking industry as a whole in 2025. For example, in July, Congress passed the GENIUS Act, which enables stablecoins to gain legal legitimacy as a means of payment in the United States. Stablecoins are cryptocurrencies backed by traditional assets, such as dollars or U.S. Treasury securities. In theory, these could take deposit market share from banks, as they potentially represent an alternate payment mechanism. In practice, however, even some CEOs of stablecoin companies have said that this is unlikely in the domestic payments market, which is already relatively efficient.

Artificial intelligence has also become more present in banking, as it has in many aspects of our lives. Financial institutions have used AI to summarize long documents, draft documents, power customer-facing chatbots, and to help prevent fraud. Despite the substantial risks that come with using AI, such as data security, inaccuracies, and potential bias, it is likely that AI's role in business will continue to grow. Nevertheless, for businesses such as ours that are centered on human connection, AI will support our bonds with our customers, rather than replacing them.

Traditional values endure in the face of changing technology because they reflect what makes us human. People will always look to those they trust to safeguard their valuable assets. They will always look to those they respect for advice on how to manage their affairs. And they will always find comfort in the familiar, particularly in challenging times.

Holding to these principles produced success for your Bank in 2025, as we set a number of new records in financial performance. Total assets grew 4 percent to a new year-end record. Total loans exceeded $1 billion for the first time, growing 2 percent to a new record. Deposits were also up 3 percent to a new year-end record. Our insurance brokerage, Amsure, and our Wealth Management division both increased revenue by 9 percent to new records, and both reached record levels of net income. Wealth Management also crossed the $1 billion threshold in assets under management for the first time. These achievements, in addition to an improved interest rate environment, caused our net income to increase by $3.3 million or 27 percent, and stockholders' equity increased by 15 percent to a new record of $190 million.

We also completed a number of initiatives designed to build on our core strengths. For instance, we introduced new employee incentives for outstanding customer service, and, as a result, we saw significant increases in the satisfaction ratings our customers gave us this year. We put training, coaching, and monitoring systems in place to deepen our relationships with our customers and bring new customers to your Bank. Finally, the sales training program I mentioned in last year's note has been a success, with our first two sales trainees graduating shortly.

We recognize the need to remain faithful to our core values while also adapting to new technology. With this in mind, we introduced tap-to-pay on your debit cards. We gave WebWise® a brand-new look and feel. We are also adding a feature to WebWise that allows our customers to view their credit reports on our platform. We will continue to bring new technology to your Bank in 2026 and beyond.

Finally, I would like to mention some significant retirements that occurred this year. The constancy of our employees over a long period of time is one of the keys to our success. Thus, it is important to celebrate the retirements of long-tenured employees, including Darlene Wilson, who retired after 36 years, and Freda Titus, who retired after 22 years. We congratulate both of them on their well-deserved retirement. We thank you for your support and will continue to work hard to earn your trust.

Sincerely,

Charles V. Wait, Jr.

President and Chief Executive Officer

ADIRONDACK

TRUST COMPANY

Financial Narrative

During 2025, your Bank achieved the $1 billion threshold in both loans outstanding and assets under management in Wealth Management. Consolidated total assets of $1.8 billion and total deposits of $1.6 billion were up 4 percent and 3 percent, respectively. Total loans of $1.01 billion were up 2 percent. Investments were down $98.5 million or 24 percent, largely from maturing bonds, which contributed to 77 percent growth in Cash and Due from Banks.

Net income of $15.3 million in 2025 was up 27 percent compared to last year. Net Interest Income grew 15 percent. Scheduled repricing of loans and originations in the current rate environment led to higher loan interest income. We also took advantage of high overnight rates on Due from Banks to increase Other Interest Income by 84 percent. We did not add to our loan loss reserve in 2025. We achieved new records for our Insurance Agency and Trust & Wealth Management, with revenues of $21.8 million and $4.6 million, respectively.

Non-interest expenses were up 8 percent, primarily the result of higher compensation and benefits; higher premises and equipment, including the full-year impact of operating Amsure's new Woodlawn Avenue office, which opened at the end of 2024; and higher data processing costs as we continued to expand and enhance our technology platforms.

Return on average assets and equity was 0.92 percent and 8.6 percent, respectively.

Respectfully submitted,

Brian Fay, CMA

Senior Vice President, Chief Financial Officer, and Treasurer

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Consolidated State

Assets

	As of December 31, 2025	2024
ASSETS		
Cash and due from banks	$349,984,478.20	$197,859,330.95
Securities:		
Obligations of U.S. government	254,588,420.06	340,522,797.33
Obligations of federal agencies	23,404,748.55	24,754,926.53
Obligations of state and municipal subdivisions	14,894,517.15	14,850,662.80
Corporate	21,333,610.66	32,654,796.26
Other securities	1,459,599.12	1,376,149.12
Loans:		
Commercial loans	710,101,446.04	696,199,183.32
Residential loans	296,939,104.55	285,713,785.22
Other loans	4,973,228.94	12,712,637.98
Allowance for credit losses	(19,970,801.08)	(19,972,998.64)
Bank premises, furniture and fixtures, net	36,307,478.38	37,555,602.03
Goodwill and other intangibles, net	20,040,996.19	20,242,817.76
Accrued interest receivable	4,304,716.23	4,283,603.91
Pension funded status	21,376,847.00	17,678,335.00
Pre-paid expenses	2,988,647.47	2,296,305.81
Other assets	42,641,714.12	45,618,274.14
TOTAL ASSETS	**$1,785,368,751.58**	**$1,714,346,209.52**

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Liabilities and Stockholders' Equity

	As of December 31, 2025	2024
LIABILITIES		
Demand deposits	$392,577,801.18	$390,658,515.94
Savings deposits	826,458,290.35	818,052,953.04
Time deposits	339,956,392.36	309,245,979.62
Total deposits	1,558,992,483.89	1,517,957,448.60
Repurchase agreements and other borrowings	5,763,064.57	2,489,244.56
Accrued expenses	11,961,011.08	11,639,069.12
Other liabilities	18,485,249.38	16,719,691.24
TOTAL LIABILITIES	**1,595,201,808.92**	**1,548,805,453.52**
STOCKHOLDERS' EQUITY		
Common stock ($25 par value per share; 160,000 shares authorized; 153,850 and 153,824 shares issued, respectively)	3,846,250.00	3,845,600.00
Surplus	7,507,200.00	7,479,367.00
Retained earnings	182,060,708.35	171,358,349.17
Accumulated other comprehensive loss	(3,247,215.69)	(17,142,560.17)
TOTAL STOCKHOLDERS' EQUITY	**190,166,942.66**	**165,540,756.00**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**$1,785,368,751.58**	**$1,714,346,209.52**

Statements of Income

	For the years ended December 31,	
	2025	**2024**
Interest and dividend income:		
Interest and fees on loans	$51,097,282.21	$47,303,834.14
Interest and dividends on securities	5,508,212.07	6,402,830.29
Other interest income	6,848,591.01	3,732,757.49
Total interest and dividend income	**63,454,085.29**	**57,439,421.92**
Interest expense:		
Deposits and escrow accounts	19,502,241.38	19,261,125.30
Net interest income	**43,951,843.91**	**38,178,296.62**
Provision for credit losses	0.00	82,026.00
Net interest income after provision for credit losses	**43,951,843.91**	**38,096,270.62**
Non-interest income:		
Commissions and fees from insurance sales	21,761,735.76	19,946,812.80
Trust service fees	4,551,865.00	4,170,945.99
Service charges on deposits	770,270.69	799,631.17
Net gains from loan sales	281,230.98	46,589.31
Net losses from securities transactions	0.00	(823,327.50)
Other income	3,936,465.64	4,448,952.85
Total non-interest income	**31,301,568.07**	**28,589,604.62**
Non-interest expense:		
Compensation and benefits	35,176,332.24	32,161,104.35
Premises and equipment, net	5,139,568.25	4,665,716.46
Data processing	6,149,642.74	5,878,873.14
Other professional services	1,757,629.96	1,891,701.53
Other expenses	7,352,505.57	6,863,405.94
Total non-interest expense	**55,575,678.76**	**51,460,801.42**
Income before income tax expense	19,677,733.22	15,225,073.82
Income tax expense	4,417,182.04	3,196,830.44
Net Income	**$15,260,551.18**	**$12,028,243.38**
Net Income per common share	**$99.21**	**$78.21**

Changes in Allowance for Credit Losses

	For the years ended December 31,	
	2025	2024
Beginning allowance for credit losses on loans	$19,972,998.64	$20,003,899.53
Recoveries credited	15,553.88	82,286.74
Provision for credit losses	0.00	0.00
Losses charged	(17,751.44)	(113,187.63)
Ending allowance for credit losses on loans	**$19,970,801.08**	**$19,972,998.64**
Beginning allowance for credit losses on off-balance sheet exposure	$736,336.00	$654,310.00
Provision for credit losses	0.00	82,026.00
Ending allowance for credit losses on off-balance sheet exposure	**$736,336.00**	**$736,336.00**

Changes in Stockholders' Equity

	For the years ended December 31,	
	2025	2024
Balance at beginning of year	$165,540,756.00	$147,263,614.44
Net Income	15,260,551.18	12,028,243.38
Issued 26 and 26 shares common stock, respectively	28,483.00	26,507.00
Cash dividends declared	(4,558,192.00)	(4,479,747.00)
Change in unrealized loss on securities available for sale, net of tax	11,488,284.07	7,312,400.13
Change in pension and post retirement benefit plans funded status, net of tax	2,407,060.41	3,389,738.05
Balance at end of year	**$190,166,942.66**	**$165,540,756.00**

ADIRONDACK
TRUST COMPANY

MAIN OFFICE

473 Broadway
Saratoga Springs, New York
(518) 584-5844

BRANCH OFFICES

BALLSTON SPA
224 Church Avenue
Ballston Spa

EXIT 11
322 Ruhle Road
Ballston Lake

Exit 15
3017 Route 50
Wilton

EXIT 18
79 Main Street
Queensbury

LAKE GEORGE
350 Canada Street
Lake George

MALTA
2510 Route 9
Malta

MILTON
162 Northline Road
Milton

PRESTWICK CHASE
100 Saratoga Boulevard
Saratoga Springs

QUEENSBURY
376 Bay Road
Queensbury

SOUTH BROADWAY
112 South Broadway
Saratoga Springs

WEST CHURCH
315 Church Street
Saratoga Springs

WILTON
650 Maple Avenue
Wilton

ADIRONDACK
WEALTH MANAGEMENT

A Division of Adirondack Trust Company

OFFICES

MAIN OFFICE
31 Church Street
Saratoga Springs

EXIT 18
79 Main Street
Queensbury

Adirondack Wealth Management takes pride in providing financial solutions to individuals, families, corporations, and nonprofit institutions. As trusted advisors, our financial planning, investment management, and trust and estate professionals are committed to helping our clients build wealth and achieve their financial goals. It is our philosophy that the delivery of financial planning and investment-management services begins and ends with the client. We believe that highly personalized communication with each of our clients is paramount to providing financial solutions and having a successful long-term relationship.

AMSURE®

INSURANCE OFFICES

SARATOGA SPRINGS
31 Woodlawn Avenue
Saratoga Springs

ALBANY
12 Computer Drive West
Albany

For over half a century, Amsure has developed customized insurance solutions for a diverse range of business clients, nonprofit organizations, individuals, and families. As a local company, we take the time to develop insurance solutions that are based on the relationship with our clients. We work to understand their needs and tailor an insurance program that protects each client while managing their cost.

Notes:

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Photograph by Tom Stock

Adirondack Trust Company and Amsure Staff at Main Office Branch

December 2025

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