UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly period ended September 30, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 0-24047

GLEN BURNIE BANCORP

(Exact name of registrant as specified in its charter)

Maryland (State or other jurisdiction of incorporation or organization)	**52-1782444** (I.R.S. Employer Identification No.)
101 Crain Highway, S.E. **Glen Burnie, Maryland** (Address of principal executive offices)	**21061** (Zip Code)

Registrant's telephone number, including area code: **(410) 766-3300**

Inapplicable
(Former name, former address and former fiscal year if changed from last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark if the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-Accelerated Filer ☒	Smaller Reporting Company ☒
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value $1.00 per share	GLBZ	The NASDAQ Stock Market LLC

The number of shares of the registrant's common stock outstanding as of November 4, 2025 was 2,919,695.

GLEN BURNIE BANCORP AND SUBSIDIARY
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PART I – FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

GLEN BURNIE BANCORP AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
(dollars in thousands)

	September 30, 2025 (unaudited)	December 31, 2024 (audited)
ASSETS		
Cash and due from banks	$ 2,359	$ 2,012
Interest-bearing deposits in other financial institutions and federal funds sold	9,868	22,452
Cash and Cash Equivalents	12,227	24,464
Investment securities available for sale, at fair value	104,141	107,949
Restricted equity securities, at cost	251	1,671
Loans, net of deferred fees and costs	215,320	205,219
Less: Allowance for credit losses	(2,568)	(2,839)
Loans, net	212,752	202,380
Premises and equipment, net	2,463	2,678
Bank owned life insurance	8,966	8,834
Deferred tax assets, net	7,475	8,548
Accrued interest receivable	1,340	1,345
Accrued taxes receivable	310	148
Prepaid expenses	434	471
Goodwill	317	—
Other assets	1,118	468
Total Assets	**$ 351,794**	**$ 358,956**
LIABILITIES		
Noninterest-bearing deposits	$ 107,368	$ 100,747
Interest-bearing deposits	221,701	208,442
Total Deposits	329,069	309,189
Short-term borrowings	—	30,000
Defined pension liability	341	330
Accrued expenses and other liabilities	1,655	1,620
Total Liabilities	331,065	341,139
STOCKHOLDERS' EQUITY		
Common stock, par value $1, authorized 15,000,000 shares, issued and outstanding 2,919,695 and 2,900,681 shares as of September 30, 2025 and December 31, 2024 respectively	2,920	2,901
Additional paid-in capital	11,119	11,037
Deferred compensation, restricted stock	(84)	—
Retained earnings	22,948	22,882
Accumulated other comprehensive loss	(16,174)	(19,003)
Total Stockholders' Equity	20,729	17,817
Total Liabilities and Stockholders' Equity	**$ 351,794**	**$ 358,956**

See accompanying notes to unaudited consolidated financial statements.

GLEN BURNIE BANCORP AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF INCOME (LOSS)
(dollars in thousands, except per share amounts)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	**2024**	**2025**	**2024**
INTEREST INCOME				
Interest and fees on loans	$ 3,126	$ 2,908	$ 8,744	$ 7,648
Interest and dividends on securities	719	814	2,196	2,605
Interest on deposits with banks and federal funds sold	92	237	503	1,004
Total Interest Income	3,937	3,959	11,443	11,257
INTEREST EXPENSE				
Interest on deposits	1,044	730	2,827	1,716
Interest on short-term borrowings	62	408	486	1,363
Total Interest Expense	1,106	1,138	3,313	3,079
Net Interest Income	2,831	2,821	8,130	8,178
Provision (release) of credit loss allowance	44	105	(498)	897
Net interest income after credit loss provision	2,787	2,716	8,628	7,281
NONINTEREST INCOME				
Service charges on deposit accounts	37	36	102	109
Mortgage commissions	192	—	192	—
Other fees and commissions	297	273	570	584
Income on life insurance	45	45	132	132
Total Noninterest Income	571	354	996	825
NONINTEREST EXPENSE				
Salary and benefits	1,865	1,653	5,718	4,872
Occupancy and equipment expenses	249	327	813	996
Legal, accounting and other professional fees	478	267	1,140	769
Data processing and item processing services	219	263	700	755
FDIC insurance costs	46	41	132	119
Advertising and marketing related expenses	45	40	111	88
Loan collection costs	19	5	71	11
Telephone costs	20	41	83	110
Other expenses	330	354	1,020	928
Total Noninterest Expenses	3,271	2,991	9,788	8,648
Income (loss) before income taxes	87	79	(164)	(542)
Income tax benefit	(38)	(50)	(230)	(470)
NET INCOME (LOSS)	**$ 125**	**$ 129**	**$ 66**	**$ (72)**
Basic and diluted net income (loss) per share of common stock	**$ 0.04**	**$ 0.04**	**$ 0.02**	**$ (0.02)**

See accompanying notes to unaudited consolidated financial statements.

GLEN BURNIE BANCORP AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(dollars in thousands)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income (loss)	**$ 125**	$ 129	**$ 66**	$ (72)
Other comprehensive income (loss:)				
Net unrealized gain (loss) on securities available for sale:				
Net unrealized gain (loss) on securities during the period	2,282	5,269	3,903	3,701
Income tax benefit (expense) relating to item above	(628)	(1,450)	(1,074)	(1,019)
Net effect on other comprehensive income	1,654	3,819	2,829	2,682
Other comprehensive income	1,654	3,819	2,829	2,682
Comprehensive income	**$ 1,779**	$ 3,948	**$ 2,895**	$ 2,610

See accompanying notes to unaudited consolidated financial statements.

GLEN BURNIE BANCORP AND SUBSIDIARY
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
(dollars in thousands)
(unaudited)

	Common Stock	Additional Paid-in Capital	Retained Earnings	Deferred Compensation, Restricted Stock	Accumulated Other Comprehensive (Loss)	Total
Balance, December 31, 2023	**$ 2,883**	**$ 10,964**	**$ 23,859**	**$ —**	**$ (18,381)**	**$ 19,325**
Net loss	—	—	(72)	—	—	(72)
Cash dividends, $0.30 per share	—	—	(866)	—	—	(866)
Dividends reinvested under						—
dividend reinvestment plan	18	73	—	—	—	91
Other comprehensive income	—	—	—	—	2,682	2,682
Balance, September 30, 2024	**$ 2,901**	**$ 11,037**	**$ 22,921**	**$ —**	**$ (15,699)**	**$ 21,160**

	Common Stock	Additional Paid-in Capital	Retained Earnings	Deferred Compensation, Restricted Stock	Accumulated Other Comprehensive Income (Loss)	Total
Balance, December 31, 2024	**$ 2,901**	**$ 11,037**	**$ 22,882**	**$ —**	**$ (19,003)**	**$ 17,817**
Net income	—	—	66	—	—	66
Shares issued under restricted stock award program	19	82	—	(101)	—	—
Stock-based compensation expense				17		17
Other comprehensive income	—	—	—	—	2,829	2,829
Balance, September 30, 2025	**$ 2,920**	**$ 11,119**	**$ 22,948**	**$ (84)**	**$ (16,174)**	**$ 20,729**

See accompanying notes to unaudited consolidated financial statements.

GLEN BURNIE BANCORP AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS

(dollars in thousands)
(unaudited)

	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Cash flows from operating activities:		
Net income (loss)	$ 66	$ (72)
Adjustments to reconcile net income (loss) to net cash (used in) provided by operating activities:		
Depreciation and amortization of premises and equipment	275	244
Amortization, and accretion of investment securities available for sale	79	127
(Release of) provision for credit losses	(498)	897
Loss on disposals of assets, net	16	—
Increase in cash surrender value of bank owned life insurance	(132)	(132)
Noncash compensation-restricted stock awards	17	—
Noncash compensation-forgivable note amortization	31	—
Decrease in ground rents	4	6
Decrease (increase) in accrued interest receivable	5	(287)
Net increase in other assets	(810)	(520)
Net (decrease) increase in accrued expenses and other liabilities	(271)	493
Net cash (used in) provided by operating activities	(1,218)	756
Cash flows from investing activities:		
Redemptions and maturities of investment securities available for sale	7,631	23,043
Net sale of Federal Home Loan Bank stock	1,420	971
Net increase in loans	(9,874)	(30,849)
Purchases of premises and equipment	(76)	(131)
Net cash used in investing activities	(899)	(6,966)
Cash flows from financing activities:		
Net increase in deposits	19,880	14,206
Decrease in short term borrowings	(30,000)	—
Cash dividends paid	—	(866)
Common stock dividends reinvested	—	91
Net cash (used in) provided by financing activities	(10,120)	13,431
Net (decrease) increase in cash and cash equivalents	(12,237)	7,221
Cash and cash equivalents at beginning of period	24,464	15,241
Cash and cash equivalents at end of period	$ 12,227	$ 22,462
Supplemental Disclosures of Cash Flow Information:		
Interest paid on deposits and borrowings	$ 3,420	$ 2,169
Net income taxes refunded	—	(104)
Net decrease in unrealized depreciation on available for sale securities	3,902	3,701
During the year, the Company issued 19,104 shares of restricted common stock in connection with compensation agreements, representing a noncash investing and financing activity	101	—

See accompanying notes to unaudited consolidated financial statements.

GLEN BURNIE BANCORP AND SUBSIDIARY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATIONAL

Nature of Business

Glen Burnie Bancorp (the "Company") is a bank holding company organized in 1990 under the laws of the State of Maryland. The Company owns all the outstanding shares of capital stock of The Bank of Glen Burnie (the "Bank"), a commercial bank organized in 1949 under the laws of the State of Maryland (the "State"). The Bank provides financial services to individuals and corporate customers located in Anne Arundel County and surrounding areas of Central Maryland and is subject to competition from other financial institutions. The Bank is also subject to the regulations of certain federal and state agencies and undergoes periodic examinations by those regulatory authorities.

As of the close of business on August 15, 2025, The Bank of Glen Burnie completed the acquisition of VA Wholesale Mortgage Incorporated ("VAWM"), a Virginia corporation engaged in residential mortgage banking, lending, and brokerage services. VAWM currently is licensed to operate in four states, including Maryland, and is expected to enhance overall mortgage lending products and services through the Company's footprint.

NOTE 2 – BASIS OF PRESENTATION

In management's opinion, the accompanying unaudited consolidated financial statements, which have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim period reporting, reflect all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of the financial position at September 30, 2025 and December 31, 2024, the results of operations for the three- and nine-month periods ended September 30, 2025 and 2024, and the statements of cash flows for the nine-month periods ended September 30, 2025 and 2024. The operating results for the three- and nine-month periods ended September 30, 2025, are not necessarily indicative of the results that may be expected for the full year ended December 31, 2025, or any future interim period. The consolidated balance sheet at December 31, 2024 has been derived from the audited financial statements included in the Company's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission (the "SEC") on April 8, 2025. The unaudited consolidated financial statements for September 30, 2025 and 2024, the consolidated balance sheet at December 31, 2024, and accompanying notes should be read in conjunction with the Company's audited consolidated financial statements and the accompanying notes thereto that are included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

Summary of Significant Accounting Policies

The significant accounting policies used in preparation of the Company's consolidated financial statements are disclosed in its Annual Report on Form 10-K for the year ended December 31, 2024. There have not been any material changes in the Company's significant accounting policies.

Allowance for Credit Losses – Loans Receivable

The Company applies ASU 2016-13, Financial Instruments - Credit Losses ("ASC 326"), such that the allowance calculation is based on the current expected credit loss ("CECL") methodology. The Company maintains an allowance for credit losses ("ACL") for the expected credit losses of the loan portfolio as well as unfunded loan commitments. The amount of ACL is based on ongoing, quarterly assessments by management. The CECL methodology requires an estimate of the credit losses expected over the life of an exposure (or pool of exposures) and replaces the incurred loss methodology's threshold that delayed the recognition of a credit loss until it was probable that a loss event was incurred.

The ACL consists of the allowance for credit losses and the reserve for unfunded commitments. The estimate of expected credit losses under the CECL methodology is based on relevant information about past events, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts. Historical loss experience is generally the starting point for estimating expected credit losses. We then consider whether the historical loss experience should be adjusted for asset-specific risk characteristics or current conditions at the reporting date that did not exist over the period that historical experience was based on for each loan type. Finally, we consider forecasts about future economic conditions or changes in collateral values that are reasonable and supportable.

Portfolio segment is defined as the level at which the Company develops and documents a systematic methodology to determine its ACL. The Company has designated three loan portfolio segments: loans secured by real estate, commercial and industrial loans, and consumer loans. These loan portfolio segments are further disaggregated into classes, which represent loans of similar type, risk characteristics, and methods for monitoring and assessing credit risk. The loans secured by the real estate portfolio segment are disaggregated into five classes: construction and land, farmland, single-family residential, multi-family, and commercial. The commercial and industrial loan portfolio segment is disaggregated into two classes: commercial and industrial, and SBA guaranty. The risk of loss for the commercial and industrial loan portfolio segment is generally most indicated by the credit risk rating assigned to each borrower. Commercial and industrial loan risk ratings are determined by experienced senior credit officers based on specific facts and circumstances and are subject to periodic review by an independent internal team of credit specialists. The consumer loan portfolio segment is disaggregated into two classes: consumer and automobile. The risk of loss for the consumer loan portfolio segment is generally most indicated by delinquency status and general economic factors. Each of the three loan portfolio segments may also be further segmented based on risk characteristics.

For most of our loan portfolio classes, the historical loss experience is determined using the Average Charge-Off Method. This method pools loans into groups ("cohorts") sharing similar risk characteristics and tracks each cohort's net charge-offs over the lives of the loans. The Average Charge-Off Method uses historical values by period (20-year look-back) to calculate losses and then applies the historical average to future balances over the life of the account. The historical loss rates for each cohort are then averaged to calculate an overall historical loss rate which is applied to the current loan balance to arrive at the quantitative baseline portion of the allowance for credit losses for the respective loan portfolio class. For certain loan portfolio classes, the Company determined there was not sufficient historical loss information to calculate a meaningful historical loss rate using the average charge-off methodology. For any such loan portfolio class, peer group history contributes to the Company's weighted average loss history. The peer group data is included in the weighted average loss history that is developed for each loan pool.

The Company also considers qualitative adjustments to the historical loss rate for each loan portfolio class. The qualitative adjustments for each loan class consider the conditions over the 20-year look-back period from which historical loss experience was based and are split into two components: 1) asset or class specific risk characteristics or current conditions at the reporting date related to portfolio credit quality, remaining payments, volume and nature, credit culture and management, business environment or other management factors; and 2) reasonable and supportable forecasts of future economic conditions and collateral values.

The Company performs a quarterly asset quality review which includes a review of forecasted gross charge-offs and recoveries, nonperforming assets, criticized loans, risk rating migration, delinquencies, etc. The asset quality review is performed by management and the results are used to consider a qualitative overlay to the quantitative baseline.

When management deems it to be appropriate, the Company establishes a specific reserve for individually evaluated loans that do not share similar risk characteristics with the loans included in each respective loan pool. These individually evaluated loans are removed from their respective pools and typically represent collateral dependent loans but may also include other non-performing loans or restructured loans to borrowers experiencing financial difficulty.

Allowance for Credit Losses – Held-to-Maturity Debt Securities

For held-to-maturity ("HTM") debt securities, the Company is required to utilize a CECL methodology to estimate expected credit losses. The Company does not own any HTM debt securities. Therefore, the Company did not record an allowance for credit losses for these types of securities.

Allowance for Credit Losses – Available for Sale Debt Securities

The impairment model for available for sale ("AFS") debt securities differs from the CECL methodology applied for HTM debt securities because AFS debt securities are measured at fair value rather than amortized cost. Although ASC 326 replaced the legacy other-than-temporary impairment ("OTTI") model with a credit loss model, it retained the fundamental nature of the legacy OTTI model. For AFS debt securities in an unrealized loss position, the Company first assesses whether it intends to sell, or it is more likely than not that it will be required to sell, the security before recovery of its amortized cost basis. If either criterion is met, the security's amortized cost basis is written down to fair value through income. For AFS debt securities where neither of the criteria are met, the Company evaluates whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, management considers the extent to which fair value is less than amortized cost, any changes to the credit rating of the security by a rating agency, and adverse conditions specifically related to the security, among other factors. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security is compared to the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an allowance for credit losses is recorded for the credit loss, limited to the amount that the fair value is less than the amortized cost basis. Any remaining discount that has not been recorded through an allowance for credit losses is recognized in other comprehensive income. Under the new guidance, an entity may no longer consider the length of time fair value has been less than amortized cost. Changes in the allowance for credit losses are recorded as a provision (or release) for credit losses. Losses are charged against the allowance when management believes the collectability of an AFS security is considered below the amortized cost basis of the security. As of December 31, 2024 and September 30, 2025, the Company determined that the unrealized loss positions in AFS securities were not the result of credit losses, and therefore, an allowance for credit losses was not recorded.

Off-Balance-Sheet Credit Exposures

The only material off-balance-sheet credit exposures are unfunded loan commitments, which had a combined balance of $37.5 million on September 30, 2025. The reserve for unfunded commitments is recognized as a liability (Accrued expenses and other liabilities in the consolidated statements of financial condition), with adjustments to the reserve recognized through provision for credit losses in the consolidated statements of income. The reserve for unfunded commitments represents the expected lifetime credit losses on off-balance sheet obligations such as commitments to extend credit and standby letters of credit. However, a liability is not recognized for commitments that are unconditionally cancellable by the Company. The reserve for unfunded commitments is determined by estimating future draws, including the effects of risk mitigation actions, and applying the expected loss rates on those draws. Loss rates are estimated by utilizing the same loss rates calculated for the allowance for credit losses related to the respective loan portfolio class.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, The Bank of Glen Burnie. Consolidation resulted in the elimination of all intercompany accounts and transactions.

Cash Flow Presentation

In the statements of cash flows, cash and cash equivalents include cash on hand, amounts due from banks, Federal Home Loan Bank of Atlanta ("FHLB Atlanta") overnight deposits, and federal funds sold. Generally, federal funds are sold for one-day periods.

Reclassifications

Certain items in the fiscal year 2024 consolidated financial statements have been reclassified to conform to the fiscal year 2025 classifications. The reclassifications had no effect on previously reported results of operations or retained earnings.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates. Material estimates that are particularly susceptible to significant change in the near term include the determination of the ACL; the fair value of financial instruments, such as loans and investment securities; benefit plan obligations and expenses; and the valuation of deferred tax assets.

NOTE 3 – EARNINGS (LOSS) PER SHARE

Basic earnings per common share ("EPS") is computed by dividing net income available to common stockholders by the weighted average common shares outstanding during the period. Diluted EPS is computed by dividing net income available to common stockholders by the weighted average common shares outstanding, plus the effect of common stock equivalents (for example, stock options computed using the treasury stock method).

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	**2025**	2024
Basic and diluted income (loss) per share:				
Net income (loss)	$ **125,280**	$ 129,191	$ **66,277**	$ (72,131)
Weighted average common shares outstanding	**2,919,695**	2,897,929	**2,916,051**	2,891,585
Basic and dilutive net income (loss) per share	$ **0.04**	$ 0.04	$ **0.02**	$ (0.02)

Diluted earnings per share calculations were not required for the three- and nine-month periods ended September 30, 2025 and 2024, as there were no stock options outstanding.

NOTE 4 – INVESTMENT SECURITIES

Investment securities are accounted for according to their purpose and holding period. Trading securities are those that are bought and held principally for the purpose of selling them in the near term. The Company held no trading securities at September 30, 2025 or December 31, 2024. Available for sale investment securities, comprised of debt and mortgage-backed securities, are those that may be sold before maturity due to changes in the Company's interest rate risk profile or funding needs, and are reported at fair value with unrealized gains and losses, net of taxes, reported as a component of other comprehensive income. Held-to-maturity investment securities are those that management has the positive intent and ability to hold to maturity and are reported at amortized cost. The Company had no held-to-maturity securities at September 30, 2025 or December 31, 2024.

Realized gains and losses are recorded in noninterest income and are determined on a trade date basis using the specific identification method. Interest and dividends on investment securities are recognized in interest income on an accrual basis. Premiums and discounts are amortized or accreted into interest income using the interest method over the expected lives of the individual securities.

The following table summarizes the amortized cost and estimated fair value of the Company's investment securities portfolio at September 30, 2025 and December 31, 2024:

(dollars in thousands)	At September 30, 2025 Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Collateralized mortgage obligations	$ 13,251	$ 13	$ (2,084)	$ 11,180
Agency mortgage-backed securities	39,347	—	(4,101)	35,246
Municipal securities	41,024	7	(9,634)	31,397
U.S. Government agency securities	31,334	—	(6,393)	24,941
Corporate Securities	1,500	—	(123)	1,377
Total securities available for sale	$ 126,456	$ 20	$ (22,335)	$ 104,141

(dollars in thousands)	At December 31, 2024 Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Collateralized mortgage obligations	$ 14,439	$ 21	$ (2,402)	$ 12,058
Agency mortgage-backed securities	44,252	—	(5,651)	38,601
Municipal securities	42,607	5	(10,201)	32,411
U.S. Government agency securities	31,368	—	(7,830)	23,538
Corporate Securities	1,500	—	(159)	1,341
Total securities available for sale	$ 134,166	$ 26	$ (26,243)	$ 107,949

The gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at September 30, 2025 and December 31, 2024 are as follows:

September 30, 2025	Less than 12 months		12 months or more		Total	
Securities available for sale: (dollars in thousands)	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Collateralized mortgage obligations	$ 992	$ —	$ 8,918	$ (2,084)	$ 9,910	$ (2,084)
Agency mortgage-backed securities	—	—	35,246	(4,101)	35,246	(4,101)
Municipal securities	—	—	29,780	(9,634)	29,780	(9,634)
U.S. Government agency securities	—	—	24,941	(6,393)	24,941	(6,393)
Corporate Securities	—	—	1,377	(123)	1,377	(123)
	$ 992	$ —	$ 100,262	$ (22,335)	$ 101,254	$ (22,335)

December 31, 2024	Less than 12 months		12 months or more		Total	
Securities available for sale: (dollars in thousands)	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Collateralized mortgage obligations	$ 118	$ —	$ 9,456	$ (2,402)	$ 9,574	$ (2,402)
Agency mortgage-backed securities	66	(1)	38,535	(5,650)	38,601	(5,651)
Municipal securities	1,615	(20)	30,291	(10,181)	31,906	(10,201)
U.S. Government agency securities	—	—	23,538	(7,830)	23,538	(7,830)
Corporate Securities	—	—	1,341	(159)	1,341	(159)
	$ 1,799	$ (21)	$ 103,161	$ (26,222)	$ 104,960	$ (26,243)

The Company does not believe that the available for sale debt securities that were in an unrealized loss position have any credit loss impairment as of September 30, 2025. As of September 30, 2025, the Company did not intend to sell the investment securities that were in an unrealized loss position. It is more likely than not that the Company will not be required to sell the investment securities before recovery of their amortized cost basis, which may be at maturity. Available for sale debt securities issued by U.S. government agencies or U.S. government sponsored enterprises carry the explicit and/or implicit guarantee of the U.S. government and have a long history of zero credit loss. Municipal bonds are considered to have issuer(s) of high credit quality (rated A or higher) and the decline in fair value is due to changes in interest rates and other market conditions. Corporate securities are non-rated investments that are booked as a debt security where rating agencies do not provide a rating. The absence of a rating does not imply substandard quality. Non-rated corporate securities may be purchased from issuers operating in and around the Company's operating footprint. The issuer(s) continues to make timely principal and interest payments on the bonds. The fair value is expected to recover as the bond(s) approach maturity.

At September 30, 2025, the Company recorded unrealized losses in its portfolio of debt securities totaling $22.3 million related to 223 securities, which resulted from decreases in market value, spread volatility, and other factors that management deems to be temporary. Management does not believe the securities are impaired due to reasons of credit quality. Since management believes that it is more likely than not that the Company will not be required to sell these securities prior to maturity or a full recovery of the amortized cost, the Company does not consider these securities to have a credit loss impairment.

At December 31, 2024, the Company recorded unrealized losses in its portfolio of debt securities totaling $26.2 million related to 230 securities, which resulted from decreases in market interest rates, spread volatility, and other factors that management deems to be temporary. Management does not believe the securities are impaired due to reasons of credit quality. Since management believes that it is more likely than not that the Company will not be required to sell these securities prior to maturity or a full recovery of the amortized cost, the Company does not consider these securities to have a credit loss impairment.

Shown below are contractual maturities of debt securities at September 30, 2025. Actual maturities may differ from contractual maturities because borrowers have the right to call or prepay obligations with or without call or prepayment penalties.

	Mortgage Backed		Municipals		U.S. Government Agencies		Corporates	
(dollars in thousands)	**Amortized Cost**	**Weighted Average Yield**	**Amortized Cost**	**Weighted Average Yield**	**Amortized Cost**	**Weighted Average Yield**	**Amortized Cost**	**Weighted Average Yield**
Due within one year	$ 17	4.01 %	$ —	— %	$ —	— %	$ —	— %
Due over one to five years	927	2.28	235	1.06	3,743	1.29	—	—
Due over five to ten years	13,919	2.17	5,686	3.12	16,793	1.74	1,500	3.75
Due over ten years	37,735	2.41	35,103	2.52	10,798	1.95	—	—
Total securities available for sale	$ 52,598	2.34 %	$ 41,024	2.59 %	$ 31,334	1.76 %	$ 1,500	3.75 %

(1) Yields are stated as book yields which are adjusted for amortization and accretion of purchase premiums and discounts, respectively.
(2) Yields on tax-exempt obligations are computed on a tax-equivalent basis.

NOTE 5 – LOANS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES

The fundamental lending business of the Company is based on understanding, measuring, and controlling the credit risk inherent in the loan portfolio. The Company's loan portfolio is subject to varying degrees of credit risk.

These risks entail both general risks, which are inherent in the lending process, and risks specific to individual borrowers. The Company's credit risk is mitigated through portfolio diversification, which limits exposure to any single customer, industry, or collateral type.

The Company currently manages its credit products and the respective exposure to credit losses by specific portfolio segments and classes, which are levels at which the Company develops and documents its systematic methodology to determine the allowance for credit losses. The Company believes each portfolio segment has unique risk characteristics. The Company's loans held for investment is divided into three portfolio segments: loans secured by real estate, commercial and industrial loans, and consumer loans. Each of these segments is further divided into loan classes for the purpose of estimating the allowance for credit losses.

The following table is a summary of loans receivable by loan portfolio segment and class.

	September 30, 2025		December 31, 2024	
(dollars in thousands)	**Amount**	**%**	**Amount**	**%**
Loans Secured by Real Estate				
Construction and land	$ 4,480	2	$ 8,882	4
Farmland	308	—	315	—
Single-family residential	103,440	48	98,993	49
Multi-family	4,909	2	5,022	2
Commercial	46,954	22	48,726	24
Total loans secured by real estate	160,091		161,938	
Commercial and Industrial				
Commercial and industrial	25,679	12	16,705	8
SBA guaranty	5,462	3	5,691	3
Total commercial and industrial loans	31,141		22,396	
Consumer Loans				
Consumer credit cards	31	—	—	
Consumer	2,571	1	2,880	1
Automobile	21,486	10	18,005	9
Total consumer loans	24,088		20,885	
Loans, net of deferred fees and costs	215,320	100	205,219	100
Less: Allowance for credit losses	(2,568)		(2,839)	
Loans, net	$ 212,752		$ 202,380	

Credit Risk and Allowance for Credit Losses. Credit risk is the risk of loss arising from the inability of a borrower to meet his or her obligations and entails both general risks, which are inherent in the process of lending, and risks specific to individual borrowers. Credit risk is mitigated through portfolio diversification, which limits exposure to any single customer, industry, or collateral type. Residential mortgage and home equity loans and lines generally have the lowest credit loss experience. Loans secured by personal property, such as auto loans, generally experience medium credit losses. Unsecured loan products, such as personal revolving credit, have the highest credit loss experience and for that reason, the Bank has chosen not to engage in a significant amount of this type of lending. Credit risk in commercial lending can vary significantly, as losses as a percentage of outstanding loans can shift widely during economic cycles and are particularly sensitive to changing economic conditions. Generally, improving economic conditions result in improved operating results on the part of commercial customers, enhancing their ability to meet their particular debt service requirements. Improvements, if any, in operating cash flows can be offset by the impact of rising interest rates that may occur during improved economic times. Inconsistent economic conditions may have an adverse effect on the operating results of commercial customers, reducing their ability to meet debt service obligations.

The Company applies ASU 2016-13, Financial Instruments - Credit Losses ("ASC 326") for estimating credit losses. The CECL model requires the immediate recognition of expected credit losses over the contractual term for financial instruments that fall within the scope of CECL at the date of origination or purchase of the financial instrument. The CECL model, which is applicable to the measurement of credit losses on financial assets measured at amortized cost and certain off-balance sheet credit exposures, affects the Company's estimates of the allowance for credit losses for our loan portfolio and the reserve for our off-balance sheet credit exposures related to loan commitments. The allowance for credit losses is established through a provision for credit losses charged to expense. Loans are charged against the allowance for credit losses when management believes that the collectability of the principal is unlikely. The allowance, based on all available information from internal and external sources, relevant to assessing the collectability of loans over their contractual terms, adjusted for expected prepayments when appropriate, is an amount that management believes will be adequate to absorb possible losses on existing loans that may become uncollectible. The evaluations are performed for each class of loans and take into consideration factors such as changes in the nature and volume of the loan portfolio, overall portfolio quality, review of specific problem loans, value of collateral securing the loans and current economic conditions and trends that may affect the borrowers' ability to pay. For example, delinquencies in unsecured loans and indirect automobile installment loans may be reserved for at higher ratios than loans secured by real estate. Finally, the Company considers forecasts about future economic conditions or changes in collateral values that are reasonable and supportable. Based on that analysis, the Bank deems its allowance for credit losses in proportion to the total impaired loans and past due loans to be sufficient.

Transactions in the allowance for credit losses for the nine months ended September 30, 2025, and the year ended December 31, 2024 were as follows:

	Loans Secured By Real Estate					Commercial and Industrial Loans		Consumer Loans		
September 30, 2025 (dollars in thousands)	**Construction and Land**	**Farmland**	**Single-family Residential**	**Multi-family**	**Commercial**	**Commercial and Industrial**	**SBA Guaranty**	**Consumer & Credit Cards**	**Automobile**	**Total**
Balance, beginning of year	$ 40	$ 16	$ 1,529	$ 224	$ 507	$ 272	$ 38	$ 45	$ 168	$ 2,839
Charge-offs	—	—	—	—	—	—	—	(23)	(249)	(272)
Recoveries	—	—	—	—	—	—	—	—	129	129
(Release) provision for credit losses	(17)	(5)	(121)	(163)	(180)	198	(8)	14	154	(128)
Balance, end of quarter	$ 23	$ 11	$ 1,408	$ 61	$ 327	$ 470	$ 30	$ 36	$ 202	$ 2,568
Individually evaluated for impairment:										
Balance in allowance	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Related loan balance	—	—	979	—	841	—	454	—	203	2,477
Collectively evaluated for impairment:										
Balance in allowance	$ 23	$ 11	$ 1,408	$ 61	$ 327	$ 470	$ 30	$ 36	$ 202	$ 2,568
Related loan balance	4,480	308	102,461	4,909	46,113	25,679	5,008	2,602	21,283	212,843

December 31, 2024 (dollars in thousands)	Loans Secured By Real Estate					Commercial and Industrial Loans		Consumer Loans		
	Construction and Land	Farmland	Single-family Residential	Multi-family	Commercial	Commercial and Industrial	SBA Guaranty	Consumer	Automobile	Total
Balance, beginning of year	$ 31	$ 18	$ 1,290	$ 96	$ 190	$ 304	$ 21	$ 30	$ 177	$ 2,157
Charge-offs	—	—	—	—	—	—	(299)	(18)	(67)	(384)
Recoveries	—	—	—	—	—	—	—	133	89	222
Provision (release) for credit losses	9	(2)	239	128	317	(32)	316	(100)	(31)	844
Balance, end of the year	$ 40	$ 16	$ 1,529	$ 224	$ 507	$ 272	$ 38	$ 45	$ 168	$ 2,839
Individually evaluated for impairment:										
Balance in allowance	$ —	$ —	$ 18	$ —	$ —	$ 121	$ —	$ —	$ —	$ 139
Related loan balance	—	—	26	—	—	773	—	—	—	799
Collectively evaluated for impairment:										
Balance in allowance	$ 40	$ 16	$ 1,511	$ 224	$ 507	$ 151	$ 38	$ 45	$ 168	$ 2,700
Related loan balance	8,882	315	98,967	5,022	48,726	15,932	5,691	2,880	18,005	204,420

(dollars in thousands)	September 30, 2025	September 30, 2024
Average loans	$ 210,361	$ 188,627
Net charge offs to average loans (annualized)	0.05 %	0.13 %

During the nine-month period ended September 30, 2025, loans to 15 borrowers and related entities totaling approximately $272,000 were determined to be uncollectible and were charged off.

The following table provides current period gross charge-offs by the year of origination for each period shown:

September 30, 2025 (dollars in thousands)	Gross Charge-offs — Term Loans by Origination Year							
	2025	2024	2023	2022	2021	Prior	Revolving Loans	Total
Consumer Loans								
Consumer	$ —	$ 23	$ —	$ —	$ —	$ —	$ —	$ 23
Automobile	—	135	—	24	22	68	—	249
Total Consumer	—	158	—	24	22	68	—	272
Total gross charge-offs this period	**$ —**	**$ 158**	**$ —**	**$ 24**	**$ 22**	**$ 68**	**$ —**	**$ 272**

December 31, 2024 (dollars in thousands)	Gross Charge-offs — Term Loans by Origination Year							
	2024	2023	2022	2021	2020	Prior	Revolving Loans	Total
Commercial and Industrial Loans								
Commercial and industrial	$ —	$ —	$ —	$ 299	$ —	$ —	$ —	$ 299
Consumer Loans								
Consumer	$ —	$ —	$ 13	$ —	$ —	$ 5	$ —	$ 18
Automobile	—	—	—	—	51	16	—	67
Total Consumer	—	—	13	—	51	21	—	85
Total gross charge-offs this period	$ —	$ —	$ 13	$ 299	$ 51	$ 21	$ —	$ 384

Reserve for Unfunded Commitments. Loan commitments and unused lines of credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. The Bank generally requires collateral to support financial instruments with credit risk on the same basis as it does for on-balance sheet instruments.

The collateral requirement is based on management's credit evaluation of the counter-party. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amount does not necessarily represent future cash requirements. Each customer's creditworthiness is evaluated on a case-by-case basis.

Standby letters of credit are conditional commitments issued to guarantee the performance of a customer to a third party. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers.

As of September 30, 2025, the Bank had outstanding commitments totaling $37.5 million, or $5.9 million more than the $31.6 million outstanding one year ago. The reserve for unfunded commitments represents the expected lifetime credit losses on off-balance sheet obligations such as commitments to extend credit and standby letters of credit. However, a liability is not recognized for commitments that are unconditionally cancellable by the Company. The allowance for credit losses on unfunded commitments is determined by estimating future draws, including the effects of risk mitigation actions, and applying the expected loss rates on those draws. Loss rates are estimated by utilizing the same loss rates calculated for the allowance for credit losses related to the respective loan portfolio class. The decrease for the nine-month period ended September 30, 2025, when compared to the nine-month period ended September 30, 2024, primarily reflects changes in the data, assumptions and processes between periods.

The following table shows the Bank's reserve for unfunded commitments arising from these transactions:

	Nine Months Ended September 30,	
(dollars in thousands)	**2025**	**2024**
Beginning balance	$ 584	$ 473
Reduction of unfunded reserve	(369)	(157)
Provisions charged to operations	—	281
Ending balance	$ 215	$ 597

Contractual Obligations and Commitments. No material changes, outside the normal course of business, have been made during the first nine months of 2025.

Asset Quality. The following tables set forth the amount of the Bank's current, past due, and non-accrual loans by categories of loans and restructured loans, at the dates indicated.

At September 30, 2025 (dollars in thousands)	Current	30-89 Days Past Due	90 Days or More and Still Accruing	Nonaccrual	Total
Loans Secured by Real Estate					
Construction and land	$ 4,480	$ —	$ —	$ —	$ 4,480
Farmland	308	—	—	—	308
Single-family residential	102,499	51	—	890	103,440
Multi-family	4,909	—	—	—	4,909
Commercial	46,812	31	—	111	46,954
Total loans secured by real estate	159,008	82	—	1,001	160,091
Commercial and Industrial					
Commercial and industrial	25,679	—	—	—	25,679
SBA guaranty	5,462	—	—	—	5,462
Total commercial and industrial loans	31,141	—	—	—	31,141
Consumer Loans					
Consumer	2,532	39	—	—	2,571
Automobile	20,777	509	—	200	21,486
Total consumer loans	23,340	548	—	200	24,088
	$ 213,489	$ 630	$ —	$ 1,201	$ 215,320

At December 31, 2024 (dollars in thousands)	Current	30-89 Days Past Due	90 Days or More and Still Accruing	Nonaccrual	Total
Loans Secured by Real Estate					
Construction and land	$ 8,882	$ —	$ —	$ —	$ 8,882
Farmland	315	—	—	—	315
Single-family residential	97,742	1,102	—	149	98,993
Multi-family	5,022	—	—	—	5,022
Commercial	48,602	—	—	124	48,726
Total loans secured by real estate	160,563	1,102	—	273	161,938
Commercial and Industrial					
Commercial and industrial	16,233	472	—	—	16,705
SBA guaranty	5,691	—	—	—	5,691
Total commercial and industrial loans	21,924	472	—	—	22,396
Consumer Loans					
Consumer	2,879	1	—	—	2,880
Automobile	17,613	305	—	87	18,005
Total consumer loans	20,492	306	—	87	20,885
	$ 202,979	$ 1,880	$ —	$ 360	$ 205,219

The balances in the above tables have not been reduced by the allowance for credit losses. For the period ended September 30, 2025, the allowance for credit loss is $2.6 million. For the period ended December 31, 2024, the allowance for credit loss was $2.8 million.

There were no non-accrual loans with specific reserves at September 30, 2025.

Below is a summary of the recorded investment amount and related allowance for losses of the Bank's impaired loans at September 30, 2025 and December 31, 2024.

September 30, 2025 (dollars in thousands)	**Recorded Investment**	**Unpaid Principal Balance**	**Interest Income Recognized**	**Specific Reserve**	**Average Recorded Investment**
Impaired loans with specific reserves:					
Loans Secured by Real Estate					
Construction and land	$ —	$ —	$ —	$ —	$ —
Farmland	—	—	—	—	—
Single-family residential	—	—	—	—	—
Multi-family	—	—	—	—	—
Commercial	—	—	—	—	—
Total loans secured by real estate	—	—	—	—	—
Commercial and Industrial					
Commercial and industrial	—	—	—	—	—
SBA guaranty	—	—	—	—	—
Total commercial and industrial loans	—	—	—	—	—
Consumer Loans					
Consumer	—	—	—	—	—
Automobile	—	—	—	—	—
Total consumer loans	—	—	—	—	—
Total impaired loans with specific reserves	$ —	$ —	$ —	$ —	$ —
Impaired loans with no specific reserve:					
Loans Secured by Real Estate					
Construction and land	$ —	$ —	$ —	$ n/a	$ —
Farmland	—	—	—	n/a	—
Single-family residential	979	979	8	n/a	1,139
Multi-family	—	—	—	n/a	—
Commercial	841	841	43	n/a	881
Total loans secured by real estate	1,820	1,820	51	—	2,020
Commercial and Industrial					
Commercial and industrial	—	—	—	n/a	—
SBA guaranty	454	454	33	n/a	462
Total commercial and industrial loans	454	454	33	—	462
Consumer Loans					
Consumer and credit card	—	—	—	n/a	—
Automobile	203	203	14	n/a	340
Total consumer loans	203	203	14	n/a	340
Total impaired loans with no specific reserve	$ **2,477**	$ **2,477**	$ **98**	$ —	$ **2,822**

December 31, 2024 (dollars in thousands)	Recorded Investment	Unpaid Principal Balance	Interest Income Recognized	Specific Reserve	Average Recorded Investment
Impaired loans with specific reserves:					
Loans Secured by Real Estate					
Construction and land	$ —	$ —	$ —	$ —	$ —
Farmland	—	—	—	—	—
Single-family residential	8	26	4	18	48
Multi-family	—	—	—	—	—
Commercial	652	773	—	121	2,270
Total loans secured by real estate	660	799	4	139	2,318
Commercial and Industrial					
Commercial and industrial	—	—	—	—	—
SBA guaranty	—	—	—	—	—
Total commercial and industrial loans	—	—	—	—	—
Consumer Loans					
Consumer	—	—	—	—	—
Automobile	—	—	—	—	—
Total consumer loans	—	—	—	—	—
Total impaired loans with specific reserves	**$ 660**	**$ 799**	**$ 4**	**$ 139**	**$ 2,318**
Impaired loans with no specific reserve:					
Loans Secured by Real Estate					
Construction and land	$ —	$ —	$ —	$ n/a	$ —
Farmland	—	—	—	n/a	—
Single-family residential	123	123	12	n/a	91
Multi-family	—	—	—	n/a	—
Commercial	125	125	8	n/a	138
Total loans secured by real estate	248	248	20	—	229
Commercial and Industrial					
Commercial and industrial	—	—	—	n/a	—
SBA guaranty	—	—	—	n/a	—
Total commercial and industrial loans	—	—	—	—	—
Consumer Loans					
Consumer	—	—	—	n/a	—
Automobile	86	86	6	n/a	102
Total consumer loans	86	86	6	—	102
Total impaired loans with no specific reserve	**$ 334**	**$ 334**	**$ 26**	**$ —**	**$ 331**

(dollars in thousands)	September 30, 2025	December 31, 2024
Restructured loans to borrowers with financial difficulty	$ 114	$ 26
Non-accrual and 90+ days past due and still accruing loans to average loans	0.56 %	0.19 %
Allowance for credit losses to nonaccrual & 90+ days past due and still accruing loans	213.9 %	789.1 %

At September 30, 2025, there were two restructured loans to borrowers with financial difficulty consisting of one single-family residential loan in the amount of $23,000 that is in nonaccrual status and one commercial real estate loan in the amount of $91,000 that is still performing in accordance with revised terms.

The following table shows the activity for non-accrual loans for the nine months ended September 30, 2025 and 2024.

(dollars in thousands)	Loans Secured By Real Estate: Single-family Residential	Loans Secured By Real Estate: Commercial	Commercial and Industrial Loans: Commercial and Industrial	Commercial and Industrial Loans: SBA Guaranty	Consumer Loans: Consumer	Consumer Loans: Automobile	Total
December 31, 2023	$ **145**	$ **—**	$ **299**	$ **—**	$ **—**	$ **83**	$ **527**
Transfers into nonaccrual	—	141	—	—	—	50	191
Loans paid down/payoffs	(44)	(12)	—	—	—	(30)	(86)
Loans returned to accrual status	—	—	—	—	—	—	—
Loans charged off	—	—	(299)	—	—	(40)	(339)
September 30, 2024	$ **101**	$ **129**	$ **—**	$ **—**	$ **—**	$ **63**	$ **293**
December 31, 2024	$ **149**	$ **124**	$ **—**	$ **—**	$ **—**	$ **87**	$ **360**
Transfers into nonaccrual	770	—	—	—	—	255	1,025
Loans paid down/payoffs	(8)	(13)	—	—	—	(26)	(47)
Loans returned to accrual status	(21)	—	—	—	—	(1)	(22)
Loans charged off	—	—	—	—	—	(115)	(115)
September 30, 2025	$ **890**	$ **111**	$ **—**	$ **—**	$ **—**	$ **200**	$ **1,201**

Other Real Estate Owned. The Company had no real estate acquired in partial or total satisfaction of debt as of September 30, 2025 and December 31, 2024. All such properties are initially recorded at a lower of cost or fair value (net realizable value) at the date acquired and carried on the balance sheet as other real estate owned. Losses arising at the date of acquisition are charged against the allowance for credit losses. Subsequent write-downs that may be required and the expense of operation are included in noninterest expense. Gains and losses realized from the sale of other real estate owned were included in noninterest income.

Credit Quality Information

In addition to monitoring the performance status of the loan portfolio, the Company utilizes a risk rating scale (1-8) to evaluate loan asset quality for all loans. Loans that are rated 1-4 are classified as pass credits. For the pass-rated loans, management believes there is a low risk of loss related to these loans and, as necessary, credit may be strengthened through improved borrower performance and/or additional collateral.

The Bank's internal risk ratings are as follows:

1 – 4 (Pass) - Pass credits are loans in grades "superior" through "acceptable". These are at least considered to be credits with acceptable risks and would be granted in the normal course of lending operations.

5 (Special Mention) - Special mention credits have potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the credits or in the Bank's credit position at some future date. If weaknesses cannot be identified, classification as special mention is not appropriate. Special mention credits are not adversely classified and do not expose the Bank to sufficient risk to warrant an adverse classification. No apparent loss of principal or interest is expected.

6 (Substandard) - Substandard credits are inadequately protected by the current worth and paying capacity of the obligor or by the collateral pledged. Financial statements normally reveal some or all of the following: poor trends, lack of earnings and cash flow, excessive debt, lack of liquidity, and the absence of creditor protection. Credits so classified must have a well-defined weakness, or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected.

7 (Doubtful) - A doubtful credit has all the weaknesses inherent in a substandard asset with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently existing facts, conditions,

and values, highly questionable and improbable. The possibility of loss is extremely high, but because of certain important and reasonably specific pending factors that may work to the advantage and strengthening of the asset, its classification as an estimated loss is deferred until its more exact status may be determined. Pending factors include proposed merger, acquisition, or liquidation procedures, capital injection, perfecting liens on additional collateral, and refinancing plans. Doubtful classification for an entire credit should be avoided when collection of a specific portion appears highly probable with the adequately secured portion graded Substandard.

The following tables provides information with respect to the Company's credit quality indicators by loan portfolio segment on September 30, 2025, and December 31, 2024:

September 30, 2025 (dollars in thousands)	Loans Secured By Real Estate					Commercial and Industrial Loans		Consumer Loans		
	Construction and Land	Farmland	Single-family Residential	Multi-family	Commercial	Commercial and Industrial	SBA Guaranty	Consumer & credit card	Automobile	Total
Pass	$ 4,480	$ 308	$ 102,461	$ 4,909	$ 46,113	$ 25,679	$ 5,008	$ 2,602	$ 21,283	$ 212,843
Special mention	—	—	—	—	—	—	—	—	—	—
Substandard	—	—	979	—	841	—	454	—	203	2,477
Doubtful	—	—	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—	—	—
	$ 4,480	$ 308	$ 103,440	$ 4,909	$ 46,954	$ 25,679	$ 5,462	$ 2,602	$ 21,486	$ 215,320
Nonaccrual	$ —	$ —	$ 890	$ —	$ 111	$ —	$ —	$ —	$ 200	$ 1,201
Restructured loans to borrowers with financial difficulty	$ —	$ —	$ 23	$ —	$ 91	$ —	$ —	$ —	$ —	$ 114
Number restructured loans to borrowers with financial difficulty	—	—	1	—	1	—	—	—	—	2
Non-performing restructured loans to borrowers with financial difficulty	$ —	$ —	$ 23	$ —	$ —	$ —	$ —	$ —	$ —	$ 23
Number of non-performing restructured loan accounts	—	—	1	—	—	—	—	—	—	1

December 31, 2024 (dollars in thousands)	Loans Secured By Real Estate					Commercial and Industrial Loans		Consumer Loans		
	Construction and Land	Farmland	Single-family Residential	Multi-family	Commercial	Commercial and Industrial	SBA Guaranty	Consumer	Automobile	Total
Pass	$ 8,882	$ 315	$ 98,844	$ 5,022	$ 47,829	$ 16,705	$ 5,219	$ 2,880	$ 17,918	$ 203,614
Special mention	—	—	—	—	—	—	472	—	—	472
Substandard	—	—	149	—	897	—	—	—	87	1,133
Doubtful	—	—	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—	—	—
	$ 8,882	$ 315	$ 98,993	$ 5,022	$ 48,726	$ 16,705	$ 5,691	$ 2,880	$ 18,005	$ 205,219
Nonaccrual	$ —	$ —	$ 149	$ —	$ 124	$ —	$ —	$ —	$ 87	$ 360
Restructured loans to borrowers with financial difficulty	$ —	$ —	$ 26	$ —	$ —	$ —	$ —	$ —	$ —	$ 26
Number restructured loans to borrowers with financial difficulty	—	—	1	—	—	—	—	—	—	1
Non-performing restructured loans to borrowers with financial difficulty	$ —	$ —	$ 26	$ —	$ —	$ —	$ —	$ —	$ —	$ 26
Number of non-performing restructured loan accounts	—	—	1	—	—	—	—	—	—	1

NOTE 6 – FAIR VALUE

ASC Topic 820 provides a framework for measuring and disclosing fair value under GAAP. ASC 820 requires disclosures about the fair value of assets and liabilities recognized in the balance sheet in periods subsequent to initial recognition, whether the measurements are made on a recurring basis (for example, available for sale investment securities) or a nonrecurring basis (for example, impaired loans).

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The Fair Value Hierarchy

ASC 820-10 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. In accordance with ASC 820-10, these inputs are summarized in the three broad levels listed below:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.

- Level 2 – Other significant observable inputs (including quoted prices in active markets for similar securities).

- Level 3 – Significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments).

The following is a description of valuation methodologies used for assets and liabilities recorded at fair value:

Investment Securities Available for Sale. Investment securities available for sale are recorded at fair value on a recurring basis. Fair value measurement is based upon quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques such as present value of future cash flows, adjusted for the security's credit rating, prepayment assumptions and other factors such as credit loss assumptions. Level 1 securities include those traded on an active exchange such as the New York Stock Exchange, Treasury securities that are traded by dealers or brokers in active over-the-counter markets, and money market funds. Level 2 securities include mortgage-backed securities issued by government sponsored entities, municipal bonds and corporate debt securities. Securities classified as Level 3 include asset-backed securities in illiquid markets.

The Bank may be required, from time to time, to measure certain other financial and non-financial assets and liabilities at fair value on a non-recurring basis in accordance with GAAP.

Loans. Impaired loans totaled $2.5 million with $0 of specific reserves as of September 30, 2025. These assets included single-family residential, commercial and industrial, and automobile loans. They have been classified as impaired and include nonaccrual, past due 90 days or more and still accruing, and a homogeneous pool of indirect loans all considered to be impaired loans, which are valued under Level 3 inputs. Foreclosed real estate assets are primarily valued on a nonrecurring basis at the fair values of the underlying real estate collateral. The Company is predominantly a cash flow lender with real estate serving as collateral on a majority of loans. On a quarterly basis, the Company determines such fair values through a variety of data points and mostly relies on appraisals from independent appraisers. We obtain an appraisal of properties when they become impaired and conduct new appraisals at least every year. Typically, these appraisals do not include an inside inspection of the property as our loan documents do not require the borrower to allow access to the property. Therefore, the most significant unobservable inputs are the details of the amenities included within the property and the condition of the property. Further, we cannot always accurately assess the amount of time it takes to gain ownership of our collateral through the foreclosure process and the damage, as well as potential looting, of the property further decreasing our value. Thus, in determining the fair values we discount the current independent appraisals, within a range of 0% to 20%, based on individual circumstances.

The changes in the assets subject to fair value measurements are summarized below by level:

(dollars in thousands)	Level 1	Level 2	Level 3	Fair Value
September 30, 2025				
Recurring:				
Securities available for sale				
State and municipal	$ 11,190	$ 20,207	$ —	$ 31,397
Mortgage-backed	3,204	68,163	—	71,367
Corporate	—	1,377	—	1,377
Non-recurring:				
Impaired loans	—	—	2,477	2,477
	$ 14,394	$ 89,747	$ 2,477	$ 106,618
December 31, 2024				
Recurring:				
Securities available for sale				
State and municipal	$ 11,182	$ 21,229	$ —	$ 32,411
Mortgage-backed	3,006	71,191	—	74,197
Corporate	—	1,341	—	1,341
Non-recurring:				
Impaired loans	—	—	994	994
	$ 14,188	$ 93,761	$ 994	$ 108,943

The estimated fair values of the Company's financial instruments at September 30, 2025 and December 31, 2024 are summarized in the following table. The fair values of a significant portion of these financial instruments are estimates derived using present value techniques and may not be indicative of the net realizable or liquidation values. Also, the calculation of estimated fair values is based on market conditions at a specific point in time and may not reflect current or future fair values.

(dollars in thousands)	September 30, 2025		December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets:				
Cash and due from banks	$ 2,359	$ 2,359	$ 2,012	$ 2,012
Interest-bearing deposits in other financial institutions	8,340	8,340	22,134	22,134
Federal funds sold	1,528	1,528	318	318
Investment securities available for sale	104,141	104,141	107,949	107,949
Investments in restricted stock	251	251	1,671	1,671
Ground rents	118	118	123	123
Loans, less allowance for credit losses	212,752	205,573	202,380	191,685
Accrued interest receivable	1,340	1,340	1,345	1,345
Cash value of life insurance	8,966	8,966	8,834	8,834
Financial liabilities:				
Deposits	329,069	286,177	309,189	260,368
Short-term borrowings	—	—	30,000	30,053
Accrued interest payable	45	45	153	153
Unrecognized financial instruments:				
Commitments to extend credit	36,779	36,779	31,332	31,332
Standby letters of credit	683	683	255	255

The following table presents the carrying amount, fair value, and placement in the fair value hierarchy of the Company’s financial instruments that were estimated using an exit pricing notion.

(dollars in thousands) **September 30, 2025**	**Carrying Amount**	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
Financial instruments - Assets					
Cash and cash equivalents	$ 12,227	$ 12,227	$ 12,227	$ —	$ —
Loans receivable, net	212,752	205,573	—	—	205,573
Cash value of life insurance	8,966	8,966	—	8,966	—
Financial instruments - Liabilities					
Deposits	329,069	286,177	25,536	260,641	—
Short-term debt	—	—	—	—	—

Fair values are based on quoted market prices for similar instruments or estimated using discounted cash flows. The discounts used are estimated using comparable market rates for similar types of instruments adjusted to be commensurate with the credit risk, overhead costs, and optionality of such instruments.

The fair value of cash and due from banks, federal funds sold, investments in restricted stocks and accrued interest receivable are equal to the carrying amounts. The fair values of investment securities are determined using market quotations, if available, or measured using pricing models or other model-based valuation techniques such as present value and future value cash flows. The fair value of loans receivable is estimated using discounted cash flow analysis. For cash surrender value of life insurance, the carrying value is a reasonable estimate of fair value. The cash surrender value of life insurance is reported in the Level 2 fair value category. The fair value of FHLB borrowings is estimated based upon discounted future cash flows using a discounted rate comparable to the current market rate for such borrowings. FHLB borrowings are reported in the Level 2 fair value category.

The fair value of noninterest-bearing deposits, interest-bearing checking, savings, and money market deposit accounts, securities sold under agreements to repurchase, and accrued interest payable are equal to the carrying amounts. The fair value of fixed-maturity time deposits is estimated using discounted cash flow analysis.

NOTE 7 – RECENT ACCOUNTING PRONOUNCEMENTS

New accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") with required effective dates. The accounting pronouncements should be read in conjunction with "Critical Accounting Policies" of Management’s Discussion and Analysis of Financial Condition and Results of Operations included in the Company’s 2024 Form 10-K.

The Company reviews new accounting standards as issued and evaluates their potential impact on our consolidated financial statements. During the quarter ended September 30, 2025, no new accounting pronouncements were issued or became effective that had a material effect on our financial statements and disclosures.

NOTE 8 – BUSINESS COMBINATION

As of the close of business on August 15, 2025, The Bank of Glen Burnie (the “Bank”), a wholly owned subsidiary of Glen Burnie Bancorp (the “Company”), completed the acquisition of VA Wholesale Mortgage Incorporated, a Virginia-based residential mortgage banking and brokerage company (“VA Wholesale” or the “acquired company”). The transaction was affected pursuant to a Stock Purchase Agreement dated March 5, 2025, between the Bank and Eric Tan, the sole shareholder of VA Wholesale.

Under the terms of the agreement, the Bank acquired 100 percent of the outstanding common stock of VA Wholesale for consideration of $750,000, payable in advance and subject to a 36-month service obligation in the form of a forgivable promissory note. The note provides for monthly forgiveness of one-thirty-sixth of the principal balance contingent upon the continued employment of the Seller and satisfaction of specified performance and conduct conditions. The amortization of the note will be treated as compensation expense. In the event of noncompliance, the unamortized portion of the note would become immediately due and payable.

In addition, the Seller is eligible to receive contingent consideration ("earn-out") equal to 33% of the net earnings of the acquired company plus 0.04 percent of total closed-loan volume during the three-year period following closing. Earn-out payments, if any, will be determined annually based on the acquired company's audited financial results for each measurement year.

The acquisition was accounted for under the acquisition method of accounting in accordance with ASC 805, Business Combinations. The purchase price was allocated to the identifiable assets acquired and liabilities assumed based on their estimated fair values at the acquisition date and the probable contingent consideration which was estimated at $298,000. The excess of the purchase price above the fair value of net assets acquired was recorded as goodwill in the amount of $317,000. No value was assigned to any identifiable intangible assets.

The results of operations of VA Wholesale have been included in the Company's consolidated financial statements beginning on August 16, 2025. The acquisition enhances the Bank's mortgage origination capabilities and expands its presence in the Mid-Atlantic market area.

NOTE 9 – SUBSEQUENT EVENTS

None.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report, including information included or incorporated by reference in this report, contains statements which constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements may relate to, among other matters, the financial condition, results of operations, plans, objectives, future performance, and business of our company. Forward-looking statements are based on many assumptions and estimates and are not guarantees of future performance. Our actual results may differ materially from those anticipated in any forward-looking statements, as they will depend on many factors about which we are unsure, including many factors which are beyond our control. The words "may," "approximately," "is likely," "would," "could," "should," "will," "expect," "anticipate," "predict," "project," "potential," "continue," "assume," "believe," "intend," "plan," "forecast," "goal," and "estimate," as well as similar expressions, are meant to identify such forward-looking statements. Potential risks and uncertainties that could cause our actual results to differ materially from those anticipated in our forward-looking statements include, without limitation, those described under the heading "Risk Factors" in our Annual Report on in Form 10-K, for the year ended December 31, 2004 as filed with the U.S. Securities and Exchange Commission (the "SEC") on April 28, 2025, and the following:

- credit losses as a result of, among other potential factors, declining real estate values, increasing interest rates, increasing unemployment, or changes in customer payment behavior or other factors;
- the amount of our loan portfolio collateralized by real estate and weaknesses in the real estate market;
- restrictions or conditions imposed by our regulators on our operations;
- the adequacy of the level of our allowance for credit losses and the amount of credit loss provisions required in future periods;
- examinations by our regulatory authorities, including the possibility that the regulatory authorities may, among other things, require us to increase our allowance for credit losses, write-down assets, or take other actions;
- risks associated with actual or potential information gatherings, investigations or legal proceedings by customers, regulatory agencies or others;

- reduced earnings due to higher credit impairment charges resulting from additional decline in the value of our securities portfolio, specifically as a result of increasing default rates, and loss severities on the underlying real estate collateral;
- increases in competitive pressure in the banking and financial services industries;
- changes in the interest rate environment, which are affected by many factors beyond our control, including inflation, recession, unemployment, money supply, domestic and international events and changes in the United States and other financial markets, and that could reduce anticipated or actual margins; temporarily reduce the market value of our available-for-sale investment securities and temporarily reduce accumulated other comprehensive income or increase accumulated other comprehensive loss, which temporarily could reduce stockholders' equity;
- enterprise risk management may not be effective in mitigating risk and reducing the potential for losses;
- changes in political conditions or the legislative or regulatory environment, including governmental initiatives affecting the financial services industry, including as a result of the presidential administration and congressional elections;
- general economic conditions resulting in, among other things, a deterioration in credit quality;
- changes occurring in business conditions and inflation, including the impact of inflation on us, including a decrease in demand for new mortgage loan and commercial real estate loan originations and refinancings, an increase in competition for deposits, and an increase in non-interest expense, which may have an adverse impact on our financial performance;
- changes in access to funding or increased regulatory requirements with regard to funding, which could impair our liquidity;
- FDIC assessment which has increased, and may continue to increase, our cost of doing business;
- cybersecurity risk related to our dependence on internal computer systems and the technology of outside service providers, as well as the potential impacts of third-party security breaches, which subject us to potential business disruptions or financial losses resulting from deliberate attacks or unintentional events;
- changes in deposit flows, which may be negatively affected by a number of factors, including rates paid by competitors, general interest rate levels, regulatory capital requirements, and returns available to customers on alternative investments;
- changes in technology, including the increasing use of artificial intelligence;
- our current and future products, services, applications and functionality and plans to promote them;
- changes in monetary and tax policies, including potential changes in tax laws and regulations;
- changes in accounting standards, policies, estimates and practices as may be adopted by the bank regulatory agencies, the Financial Accounting Standards Board, the Securities and Exchange Commission and the Public Company Accounting Oversight Board;
- our assumptions and estimates used in applying critical accounting policies, which may prove unreliable, inaccurate or not predictive of actual results;
- the rate of delinquencies and amounts of loans charged-off;
- the rate of loan growth in recent years and the lack of seasoning of a portion of our loan portfolio;
- our ability to maintain appropriate levels of capital, including levels of capital required under the capital rules implementing Basel III;
- our ability to successfully execute our business strategy;
- our ability to attract and retain key personnel;
- our ability to retain our existing customers, including our deposit relationships;
- our use of brokered deposits may be an unstable and/or an expensive deposit source to fund earning asset growth;
- our ability to obtain brokered deposits as an additional funding source could be limited;
- adverse changes in asset quality and resulting credit risk-related losses and expenses;
- the potential effects of events beyond our control that may have a destabilizing effect on financial markets and the economy, such as epidemics and pandemics, war or terrorist activities, such as the war in Ukraine, the Middle East conflict, and the conflict between China and Taiwan, disruptions in our customers' supply chains, disruptions in transportation, essential utility outages or trade disputes and related tariffs, and disruptions caused by widespread cybersecurity incidents;
- the impact of an extended government shutdown upon employment and delinquency in our local markets;

- the ability to generate sufficient taxable income before tax loss carryforwards expire under application of current tax laws, and in addition, certain deferred tax assets are limited for regulatory capital purposes under banking regulations, and any disallowance could negatively affect our capital ratios;
- disruptions due to flooding, severe weather or other natural disasters; and
- other risks and uncertainties described under "Risk Factors" below.

Because of these and other risks and uncertainties, our actual future results may be materially different from the results indicated by any forward-looking statements. In addition, our past results of operations do not necessarily indicate our future results. Therefore, we caution you not to place undue reliance on our forward-looking information and statements.

All forward-looking statements in this report are based on information available to us as of the date of this report. Although we believe that the expectations reflected in our forward-looking statements are reasonable, we cannot guarantee that these expectations will be achieved. We undertake no obligation to publicly update or otherwise revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable law.

OVERVIEW

The following discussion describes our results of operations for the three and nine months ended September 30, 2025, as compared to the three and nine months ended September 30, 2024 and analyzes our financial condition as of September 30, 2025 as compared to December 31, 2024. Like most community banks, we derive most of our income from interest we receive on our loans and investments. Our primary sources of funds for making these loans and investments are our deposits and borrowings, on which we pay interest. Consequently, one of the key measures of our success is our amount of net interest income, or the difference between the income on our interest-earning assets, such as loans and investments, and the expense on our interest-bearing liabilities, such as deposits and borrowings. Another key measure is the spread between the yield we earn on our interest-earning assets and the rate we pay on our interest-bearing liabilities. There are risks inherent in all loans, so we maintain an allowance for credit losses to absorb our estimate of expected credit losses on existing loans that may become uncollectible. We establish and maintain this allowance by recording a provision for or release of credit losses against our earnings. In the following section, we have included a detailed discussion of this process.

In addition to earning interest on our loans and investments, we earn income through fees and other expenses we charge to our customers. We describe the various components of this non-interest income, as well as our non-interest expense, in the following discussion.

The following discussion and analysis identifies significant factors that have affected our financial position and operating results during the periods included in the accompanying financial statements. We encourage you to read this discussion and analysis in conjunction with the financial statements and the related notes and the other statistical information also included in this report.

Unless the context requires otherwise, references to the "Company," "we," "us," "our," or similar references mean Glen Burnie Bancorp. References to the "Bank" mean Bank of Glen Burnie.

RECENT INDUSTRY EVENTS

Effect of Governmental Monetary Policies. Our earnings are affected by domestic economic conditions and the monetary and fiscal policies of the United States government and its agencies. The Federal Reserve's monetary policies have had, and are likely to continue to have, an important impact on the operating results of commercial banks through its power to implement national monetary policy in order, among other things, to curb inflation or combat a recession. The monetary policies of the Federal Reserve have major effects upon the levels of bank loans, investments, deposits and borrowings through its open market operations in United States government securities and through its regulation of the discount rate on borrowings of member banks and the reserve requirements against member banks' deposits. It is not possible to predict the nature or impact of future changes in monetary and fiscal policies. In September 2024 the Federal

Reserve Bank began lowering interest rates in response to easing inflation and slowing growth. While lower rates can support loan demand, they may also compress net interest margins. The Federal Reserve has announced ending balance sheet reduction, which may contribute to some funding and market volatility. Changes in market interest rates can have a significant impact on the level of income and expense recorded on a large portion of our interest-earning assets and interest-bearing liabilities, and on the market value of all interest-earning assets, other than those possessing a short term to maturity. Furthermore, changes in market interest rates can have a significant impact on the level of mortgage originations and related mortgage banking income.

Recent Tax Legislation. On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into law. The OBBBA extends or makes permanent a number of provisions originally enacted in the 2017 Tax Cuts and Jobs Act and introduces new items affecting both individuals and businesses. Topic 740, Income Taxes, of the FASB Accounting Standards Codification requires the effects of newly enacted tax law to be recognized in the period of enactment. We are continuing to evaluate OBBBA's impact on our deferred tax assets and liabilities, effective tax rate, and tax-related processes (e.g., payroll reporting for qualifying wage items). Based on preliminary analysis, we do not currently expect the OBBBA to have a material impact on our 2025 estimated annual effective tax rate or on our consolidated financial statements, but our evaluation is ongoing.

FDIC Assessment Changes. In 2025, the FDIC proposed and, in some cases, implemented changes to the assessment base and methodology for deposit insurance premiums. These changes are intended to ensure the continued strength of the Deposit Insurance Fund and to reflect evolving risk profiles in the banking industry. While our FDIC assessment expense declined modestly during the period, we are closely monitoring ongoing regulatory developments and proposals that could impact the calculation or level of future assessments. Any material changes to the FDIC assessment framework could affect our cost of funds and overall operating expenses.

Community Reinvestment Act (CRA) Developments. Federal banking regulators have proposed rescinding the 2023 CRA modernization rule and reinstating the prior 1995 framework, with certain technical updates. If finalized, this rollback could affect how we assess and report our CRA activities and obligations in our markets. We are actively monitoring the rulemaking process and will evaluate and implement any required changes to our CRA compliance program to ensure continued alignment with regulatory expectations.

COMPARISON OF RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025, TO THE THREE MONTHS ENDED SEPTEMBER 30, 2024

Net Income

Glen Burnie Bancorp, a Maryland corporation (the "Company"), through its subsidiary, The Bank of Glen Burnie, a Maryland banking corporation (the "Bank"), operates a commercial bank with six offices in Anne Arundel County Maryland. The Company reported net income attributable to common stockholders for the three-month period ended September 30, 2025, of $125,000, or $0.04 per basic and diluted share compared to net income of $129,000, or $0.04 per basic and diluted share for the three-month period September 30, 2024. When compared to the third quarter of 2024, there were a number of offsetting differences that resulted in a net decrease of $4,000.

- Net interest income increased in the third quarter of 2025 by $10,000 while provision for credit loss expense improved by $61,000.

- Non-interest income increased by $217,000 which was primarily due to mortgage fees, in the amount of $192,000, from the recently acquired VAWM, and increases in service charges and other fees and commissions of $25,000.

- Total non-interest expenses increased by $280,000, of which $139,000 were attributable to increased salary and employee benefits from VAWM and $72,000 from new hires and commissions, $211,000 from increased legal, accounting, and professional fees, offset by $78,000 of reduced costs in occupancy and equipment expense and the net reduction in all other expenses of $63,000.

- During the three-month period ended September 30, 2025, the Company recorded an income tax benefit of $38,000 compared to a tax benefit of $50,000 for the same period in 2024. The higher rate of tax benefits are caused by the high amount of tax-exempt income in proportion to our pre-tax book income.

Net Interest Income

Net interest income is our primary source of revenue. Net interest income is the difference between income earned on assets and interest paid on deposits and borrowings used to support such assets. Net interest income is determined by the rates earned on our interest-earning assets and the rates paid on our interest-bearing liabilities, the relative amounts of interest-earning assets and interest-bearing liabilities, and the degree of mismatch and the maturity and repricing characteristics of our interest-earning assets and interest-bearing liabilities.

Net interest income increased $10,000, or 0.4%, to $2.8 million for the three months ended September 30, 2025, from $2.8 million for the three months ended September 30, 2024. Our net interest margin, on a taxable equivalent basis, was 3.24% for the three months ended September 30, 2025, compared to 3.14% for the three months ended September 30, 2024. Average earning assets were $354.9 million for the three months ended September 30, 2025, and $366.2 million in the same period of 2024.

- The $10,000 increase in net interest income was due to $22,000 less in total interest income offset by $32,000 less in the total cost of funds between the two periods.

- Total average interest-bearing deposits and investments were down by $24.2 million with $240,000 less in interest income and 25 basis points less in yield between the two periods. Federal funds rates were down 100 basis points in the third quarter of 2025 when compared to the third quarter of 2024. Total average investments were down by $14.8 million as the Company strategically began to allow the securities portfolio to decrease while growing loans in the marketplace. The Company does not intend to sell or buy any securities in the near future.

- Total average loans increased $12.9 million with $218,000 more in interest income and 4 basis points more in yield between the two periods.

- Total average interest-bearing deposits increased $17.1 million with $314,000 more in interest expense and 46 basis points more in yield between the two periods. This increase was offset by the total average borrowed funds which decreased $24.7 million with $346,000 less in interest expense and 77 basis points less in yield between the two periods. Total average non-interest-bearing deposits were slightly down by $2.1 million. The total average cost of funds were down by $32,000 while there was no change in the average cost of funds yield of 1.32%.

- The increase in earning asset yield of 10 basis points between the two periods was due to a change in the mix of our earning assets from cash and securities to loans, and the improvement in the total liabilities mix and lower interest expense. In the third quarter of 2024, loans represented 56% of our average earning assets; in the third quarter of 205, loans represented 61% of our average earning assets.

The following tables set forth, for the periods indicated, information regarding the average balances of interest-earning assets and interest-bearing liabilities, the amount of interest income and interest expense and the resulting yields on average interest-earning assets and rates paid on average interest-bearing liabilities.

	Three Months Ended September 30,					
	2025			2024		
(dollars in thousands)	Average Balance	Interest	Yield/ Cost	Average Balance	Interest	Yield/ Cost
ASSETS:						
Interest-earning assets:						
Interest-bearing deposits w/ banks & fed funds	$ 10,207	$ 84	3.26 %	$ 19,696	$ 231	4.67 %
Investment securities available for sale	127,918	719	2.23	142,972	814	2.28
Restricted equity securities	502	8	6.33	246	6	9.15
Total interest-bearing deposits/investments	138,627	811	2.32	162,914	1,051	2.57
Loans Secured by Real Estate						
Construction and land	4,754	109	9.13	6,939	163	9.35
Farmland	309	4	5.04	318	4	5.06
Single-family residential	103,504	1,328	5.09	100,401	1,360	5.42
Multi-family	4,921	61	4.88	5,091	62	4.89
Commercial	49,485	888	7.12	46,061	669	5.78
Total loans secured by real estate	162,973	2,390	5.82	158,810	2,258	5.66
Commercial and Industrial						
Commercial and industrial	23,306	296	5.04	15,373	247	6.39
SBA guaranty	5,461	106	7.72	5,740	122	8.43
Total commercial and industrial loans	28,767	402	5.55	21,113	369	6.95
Consumer Loans						
Consumer credit cards	23	1	0.54	—	—	—
Consumer	2,720	7	1.07	3,308	4	0.49
Automobile	21,780	326	5.95	20,085	277	5.52
Total consumer loans	24,523	334	5.40	23,393	281	4.78
Total loans	216,263	3,126	5.73	203,316	2,908	5.69
Total interest-earning assets	354,890	3,937	4.40	366,230	3,959	4.30
Cash	2,118			2,199		
Allowance for credit losses	(2,576)			(2,714)		
Market valuation	(24,572)			(24,887)		
Other assets	23,791			23,299		
Total non-earning assets	(1,239)			(2,103)		
Total assets	$ 353,651			$ 364,127		
LIABILITIES AND STOCKHOLDER'S EQUITY:						
Interest-bearing deposits:						
Interest-bearing checking and savings	$ 92,102	$ 23	0.10 %	$ 105,246	$ 25	0.09 %
Money market	99,226	906	3.62	67,708	635	3.73
Certificates of deposit	25,969	115	1.76	27,270	70	1.10
Total interest-bearing deposits	217,297	1,044	1.91	200,224	730	1.45
Borrowed Funds:						
FHLB advances	5,286	62	4.64	—	—	—
Bank Term Funding Program				30,000	408	5.41
Federal Funds Purchased	—	—	—	1	—	—
Total borrowed funds	5,286	62	4.64	30,001	408	5.41
Total interest-bearing liabilities	222,583	1,106	1.97	230,225	1,138	1.97
Non-interest-bearing deposits	109,609			111,795		
Total cost of funds	332,192	1,106	1.32	342,020	1,138	1.32
Other liabilities and accrued expenses	2,007			2,548		
Total liabilities	334,199			344,568		
Stockholder's equity	19,452			19,559		
Total liabilities and equity	$ 353,651			$ 364,127		
Net interest income		$ 2,831			$ 2,821	
Net interest income - FTE		$ 2,899			2,890	
Yield on earning assets			4.40 %			4.30 %
Cost of interest-bearing liabilities			1.97 %			1.97 %
Net interest spread			2.43 %			2.33 %
Net interest margin			3.17 %			3.06 %
Net interest margin - FTE *(1)*			3.24 %			3.14

(1) Based on a 21% marginal tax rate.

Provision and Allowance for Credit Losses

The total allowance for credit losses (ACL) is composed of two parts: the ACL for loans and the ACL for unfunded commitments. The ACL for loans is further composed of the allowance for individually assessed loans, the allowance for collectively assessed expected losses, the allowance for collectively assessed qualitative adjustments, and the allowance for collectively assessed additional allowance. For the third quarter of 2025, the provision for credit loss allowance was $44,000 comprised of $74,000 provision for ACL for loans and $30,000 release of ACL for unfunded commitments. This compared to a provision for credit loss allowance of $105,000 for the third quarter of 2024 comprised of $78,000 provision of ACL for loans and $27,000 provision of ACL for unfunded commitments.

Non-interest Income and Non-interest Expense

Non-interest income during the three-month period ended September 30, 2025, was $571,000, a $217,000 increase from $354,000 during the same period in 2024. The increase was primarily related to mortgage commissions from VAWM in the amount of $192,000 and increased other fees and commissions of $24,000, and a slight increase in service charges of $1,000.

Non-interest expense increased $280,000 during the three months ended September 30, 2025 to $3.3 million compared to $3.0 million during the third quarter of 2024 primarily due to the following:

- Salary and employee benefits increased $212,000 in the third quarter of 2025 when compared to the third quarter of 2024 primarily due to VAWM salaries and benefits of $139,000 and other increases due to new hires and increased commissions.

- Occupancy and equipment expenses decreased $78,000 in the third quarter of 2025 from the third quarter of 2024 primarily due to the closing of two leased offices: Linthicum in January 2025 and Severna Park in May 2025.

- Legal, accounting, and other professional fees increased $211,000 between the two periods due to additional costs related to the acquisition of VAWM and interim finance and accounting help.

- Data processing and item process services decreased $44,000 between the two periods, along with reductions in telephone costs of $21,000, and other expenses of $23,000. These were offset by slight increases in FDIC insurance costs, advertising, and loan collection costs totaling $24,000 above the third quarter of 2024.

Comprehensive Income (Loss)

In accordance with regulatory requirements, the Company reports comprehensive income (loss) in its financial statements. Comprehensive income (loss) consists of the Company's net income (loss), adjusted for unrealized gains and losses on the Bank's portfolio of investment securities. For the third quarter of 2025, the comprehensive income, net of tax, totaled $1.8 million compared to comprehensive income in the amount of $3.8 million for the same period in 2024. The $2.2 million decrease in comprehensive income was due to a $2.2 million net of tax decrease in unrealized losses on securities for the quarter ended September 30, 2025, compared to the amount of after-tax unrealized losses on securities for the comparable prior year period, and to the decrease of $4,000 in reported net income for the third quarter of 2025 over the third quarter of 2024.

COMPARISON OF RESULTS OF OPERATIONS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025, TO THE NINE MONTHS ENDED SEPTEMBER 30,2024

Net Income

Our net income attributable to common stockholders for the nine-month period ended September 30, 2025, of $66,000, or $0.02 per basic and diluted share, compared to a net loss of $72,000, or $(0.02) per basic and diluted share for the nine-month period ended September 30, 2024. The decrease in net loss between the two periods is primarily due to the factors noted below.

- Net interest income decreased in 2025 by $48,000 while provision for credit losses expense improved by $1.4 million.

- Non-interest income increased by $171,000 due to increased mortgage commissions from VAWM of $192,000 offset by decreases in services charges and other fees and commissions.

- Total non-interest expenses increased by $1.1 million, of which $846,000 were attributable to increased salary and employee benefits, $371,000 in legal, accounting and other professional fees, and $92,000 in other expenses, offset by decreases from all other non-interest expense categories of $169,000, primarily lower occupancy costs from office closings.

- During the nine-month period ended September 30, 2025, the Company recorded an income tax benefit of $230,000 compared to a benefit of $470,000 for the same period in 2024, due to the mix of tax-exempt income in proportion to our pre-tax book loss.

Net Interest Income

Net interest income is our primary source of revenue. Net interest income is the difference between income earned on assets and interest paid on deposits and borrowings used to support such assets. Net interest income is determined by the rates earned on our interest-earning assets and the rates paid on our interest-bearing liabilities, the relative amounts of interest-earning assets and interest-bearing liabilities, and the degree of mismatch and the maturity and repricing characteristics of our interest-earning assets and interest-bearing liabilities.

Net interest income decreased $48,000, or 0.6%, to $8.1 million for the nine months ended September 30, 2025, from $8.2 million for the nine months ended September 30, 2024. Our net interest margin, on a taxable equivalent basis, was 3.12% for the nine months ended September 30, 2025, compared to 3.06% for the nine months ended September 30, 2024. Average earning assets were $356.8 million for the nine months ended September 30, 2025, and $366.4 million in the same period of 2024.

- The $48,000 decrease in net interest income was due to $186,000 more in total interest income offset by $234,000 more in the total cost of funds between the two periods.

- Total average interest-bearing deposits and investments were down by $31.3 million with $910,000 less in interest income and 25 basis points less in yield between the two periods. Federal funds rates were down 100 basis points in the third quarter of 2025 when compared to the third quarter of 2024. Total average investments were down by $20.9 million as the Company strategically began to allow the securities portfolio decrease while growing loans in the marketplace. The Company does not intend to sell nor buy any securities in the near future.

- Total average loans increased $21.7 million with $1.1 million more in interest income and 14 basis points more in yield between the two periods.

- Total average interest-bearing deposits increased $17.8 million with $1.1 million more in interest expense and 60 basis points more in yield between the two periods. This increase was offset by the total average borrowed funds which decreased $19.1 million with $877,000 less in interest expense, and 93 basis points less in yield between the two periods. Total average non-interest-bearing deposits were down by $7.4 million. The total cost of funds increased by $234,000 and an overall yield increase of 13 basis points between the two periods.

- The increase in earning asset yield of 19 basis points between the two periods was due to a change in the mix of our earning assets from cash and securities to loans. In the nine-month period ended September 30, 2024, loans represented 51% of our average earning assets where in the nine-month period ended September 30, 2025, loans represented 59% of our average earning assets.

The following tables set forth, for the periods indicated, information regarding the average balances of interest-earning assets and interest-bearing liabilities, the amount of interest income and interest expense, and the resulting yields on average interest-earning assets and rates paid on average interest-bearing liabilities.

(dollars in thousands)	2025 Average Balance	2025 Interest	2025 Yield/ Cost	2024 Average Balance	2024 Interest	2024 Yield/ Cost
	Nine Months Ended September 30,					
ASSETS:						
Interest-earning assets:						
Interest-bearing deposits w/ banks & fed funds	$ 15,138	$ 457	4.04 %	$ 25,555	$ 979	5.11 %
Investment securities available for sale	130,355	2,196	2.25	151,760	2,605	2.29
Restricted equity securities	936	46	6.56	437	25	7.74
Total interest-bearing deposits/investments	146,429	2,699	2.46	177,752	3,609	2.71
Loans Secured by Real Estate						
Construction and land	5,199	407	10.47	5,858	329	7.51
Farmland	312	12	5.04	321	12	5.60
Single-family residential	102,916	3,792	4.93	92,429	3,490	5.30
Multi-family	4,961	181	4.88	5,113	187	4.87
Commercial	48,336	2,331	6.45	42,329	1,902	6.00
Total loans secured by real estate	161,724	6,723	5.56	146,050	5,920	5.41
Commercial and Industrial						
Commercial and industrial	19,826	827	5.57	13,889	614	5.91
SBA guaranty	5,539	317	7.65	5,799	365	8.40
Total commercial and industrial loans	25,365	1,144	5.57	19,688	979	6.64
Consumer Loans						
Consumer, credit cards	8	—	0.54	—	—	—
Consumer	2,652	21	1.05	2,810	19	0.91
Automobile	20,611	856	5.55	20,077	730	4.85
Total consumer loans	23,271	877	5.04	22,887	749	4.37
Total loans	210,360	8,744	5.56	188,625	7,648	5.42
Total interest-earning assets	356,789	11,443	4.29	366,377	11,257	4.10
Cash	1,894			2,137		
Allowance for credit losses	(2,691)			(2,371)		
Market valuation	(24,760)			(26,590)		
Other assets	22,575			23,471		
Total non-earning assets	(2,982)			(3,353)		
Total assets	$ 353,807			$ 363,024		
LIABILITIES AND STOCKHOLDER'S EQUITY:						
Interest-bearing deposits:						
Interest-bearing checking and savings	$ 96,086	$ 65	0.09 %	$ 112,143	$ 73	0.09 %
Money market	91,055	2,460	3.61	52,951	1,434	3.62
Certificates of deposit	25,638	301	1.57	29,889	209	0.93
Total interest-bearing deposits	212,779	2,826	1.78	194,983	1,716	1.18
Borrowed Funds:						
FHLB advances	14,441	486	4.50	3,889	160	5.42
Bank Term Funding Program	—	—	—	29,630	1,203	5.50
Federal Funds Purchased	1	—	—	1	—	—
Total borrowed funds	14,442	486	4.50	33,520	1,363	5.43
Total interest-bearing liabilities	227,221	3,312	1.95	228,503	3,079	1.80
Non-interest-bearing deposits	106,082			113,451		
Total cost of funds	333,303	3,313	1.33	341,954	3,079	1.20
Other liabilities and accrued expenses	1,054			2,387		
Total liabilities	334,357			344,341		
Stockholder's equity	19,450			18,684		
Total liabilities and equity	$ 353,807			$ 363,025		
Net interest income		$ 8,130			$ 8,178	
Net interest income - FTE		$ 8,333			$ 8,386	
Yield on earning assets			4.29 %			4.10 %
Cost of interest-bearing liabilities			1.95 %			1.80 %
Net interest spread			2.34 %			2.30 %
Net interest margin			3.05 %			2.98 %
Net interest margin - FTE *(1)*			3.12 %			3.06 %

(1) Based on a 21% marginal tax rate.

Provision and Allowance for Credit Losses

The total allowance for credit losses (ACL) is composed of two parts: The ACL for loans and the ACL for unfunded commitments. The ACL for loans is further composed of the allowance for individually assessed loans, the allowance for collectively assessed expected losses, the allowance for collectively assessed qualitative adjustments, and the allowance for collectively assessed additional allowance. For the nine months ended September 30, 2025, the release for credit loss allowance was $498,000 comprised of $128,000 release of ACL for loans and $369,000 release of ACL for unfunded commitments. This compared to a provision for credit loss allowance of $897,000 for the nine months ended September 30,2024 comprised of $773,000 provision for ACL for loans and $124,000 provision for ACL for unfunded commitments.

Non-interest Income and Non-interest Expense

Non-interest income increased $171,000 during the nine-month period ended September 30, 2025, to $996,000 from $825,000 during the same period in 2024. The $171,000 increase was primarily related to $192,000 in mortgage commissions from VAWM, offset by lower service charges of $7,000 and lower other fees and commissions of $14,000.

Non-interest expense increased $1.1 million during the nine-months ended September 30, 2025, to $9.8 million compared to $8.6 million for the nine-month period ended September 30, 2024, primarily due to the following:

- Salary and employee benefits increased $846,000 for the first nine months of 2025 compared to the first nine months of 2024 primarily due to new compensation from VAWM, new hires/replacements, and non-recurring additional costs related to early retirement programs, offset by reductions in employee expense due to lower headcount.

- Occupancy and equipment expenses decreased $183,000 in the nine months of 2025 from the first nine months of 2024 primarily due to the closing of two leased offices, one in January 2025 and one in May 2025.

- Legal, accounting, other professional fees increased $371,000 between the two periods due to additional costs related to internal audit and to professional fees associated with the launch of our new credit card program, costs and fees associated with the acquisition of VAWM, and interim finance and accounting help, offset by reductions in data processing and item processing services of $55,000 in the first nine months of 2025 when compared to the same period in 2024.

- All other expenses increased $161,000 in the third quarter of 2025 when compared to the same quarter of 2024 due to growth, increased loan collection costs, advertising, and inflationary impacts.

Comprehensive Income (Loss)

In accordance with regulatory requirements, the Company reports comprehensive income (loss) in its financial statements. Comprehensive income (loss) consists of the Company's net income (loss), adjusted for unrealized gains and losses on the Bank's portfolio of investment securities. For the first nine months of 2025, the comprehensive income, net of tax, totaled $2.9 million compared to comprehensive income in the amount of $2.6 million for the same period in 2024. The $285,000 improvement between the two periods was due to a $147,000 net of tax increase in unrealized losses on securities for the first nine months of 2025, compared to the amount of after-tax unrealized losses on securities for the comparable prior year period, and to the increase of $138,000 in reported net income for the first nine months of 2025 over the same period in 2024.

FINANCIAL CONDITION

Total assets were $351.8 million on September 30, 2025, a decrease of $7.2 million from December 31, 2024. Cash and cash equivalents decreased by $12.2 million or 50%, during the first nine months of 2025. The Bank's loan portfolio increased by $10.1 million or 4.9%, and investment securities available for sale declined by $5.2 million or 4.8% over the same period. The Company's allowance for credit losses was $2.57 million as of September 30, 2025, compared to $2.84 million at December 31, 2024, a decrease of $271,000, or 9.5%. Total deposits increased $19.9 million, or 6.4%, during the first nine months of 2025 and short-term borrowings decreased by $30.0 million as the Company paid off all borrowings by September 30, 2025. Stockholder's equity was $20.7 million on September 30, 2025, a $2.91 million or 16.3% increase, as compared to $17.8 million on December 31, 2024. The increase was primarily due to unrealized losses, net of taxes, on securities available for sale amounting to $16.2 million on September 30, 2025, compared to $19.0 million at December 31, 2024.

Return on average assets for the three-and nine-month periods ended September 30, 2025, was 0.14% and 0.02% compared to 0.14% and -0.03% for the three- and nine-month periods ended September 30, 2024. Return on average equity for the three- and nine-month periods ended September 30, 2025, was 2.64% and -0.47% compared to -2.75% and -0.52% for the three- and nine-month periods ended September 30, 2024.

The book value per share of Bancorp's common stock was $7.10 on September 30, 2025, as compared to $6.14 per share on December 31, 2024. The increase was the result of lower unrealized losses on the Company's available for sale securities of $16.2 million at September 30, 2025, compared to $19.0 million at December 31, 2024.

As of September 30, 2025, the Bank remained above all "well-capitalized" regulatory requirement levels. The Company has strong liquidity and capital positions that provide ample capacity for future growth. The Bank's total regulatory capital to risk weighted assets was 15.96% on September 30, 2025, as compared to 16.40% on December 31, 2024. The Bank's tier 1 risk-based capital ratio was 14.82% on September 30, 2025, compared to 15.15% on December 31, 2024. The Bank's leverage ratio was 9.67% on September 30, 2025, compared to 9.97% on December 31, 2024.

Loans are placed on nonaccrual status when they are past due 90 days as to either principal or interest or when, in the opinion of management, the collection of all interest and/or principal is in doubt. Placing a loan on nonaccrual status means that we no longer accrue interest or amortize deferred fees or costs on such loans and reverse any interest previously accrued but not collected. Management may grant a waiver from nonaccrual status for a 90 day past due loan that is both well secured and in the process of collection. A loan remains on nonaccrual status until the loan is current as to payment of both principal and interest and the borrower has demonstrated the ability to make payments in accordance with the terms of the loan and remain current.

A loan is considered to be impaired when, based on current information and events, it is probable that we will be unable to collect all amounts due according to the contractual terms of the loan agreement. Impaired loans are measured based on the fair value of the collateral for collateral dependent loans and at the present value of expected future cash flows using the loans' effective interest rates for loans that are not collateral dependent.

At September 30, 2025, impaired loans totaled $2.5 million, net of specific reserves. Included in the impaired loans total was $1.2 million in loans classified as nonaccrual loans. At September 30, 2025, impaired loans included restructured loans to borrowers with financial difficulty totaling $23,000. Borrowers under all other restructured loans are paying in accordance with the terms of the modified loan agreement and have been placed on accrual status after a period of performance with the restructured terms.

The following table presents details of our nonperforming loans and nonperforming assets, as these asset quality metrics are evaluated by management, at the dates indicated:

(dollars in thousands)	**September 30, 2025**	**December 31, 2024**
Nonaccrual loans	$ 1,201	$ 360
Restructured loans to borrowers with financial difficulty, excluding those in nonaccrual loans	-	-
Accruing loans past due 90+ days	-	-
Total nonperforming loans	1,201	360
Total nonperforming assets	$ 1,201	$ 360
Nonperforming assets to total assets	0.34 %	0.10 %

Deposits on September 30, 2025, and December 31, 2024, were as follows:

(dollars in thousands)	September 30, 2025 Amount	September 30, 2025 % of Total	December 31, 2024 Amount	December 31, 2024 % of Total	2025 vs 2024 $ Change	2025 vs 2024 % Change
Noninterest-bearing deposits	$ 107,368	32.5 %	$ 100,747	32.6 %	$ 6,621	6.57 %
Interest-bearing deposits:						
Checking	29,199	8.9 %	25,487	8.2 %	3,712	14.56 %
Savings	67,826	20.6 %	75,444	24.4 %	(7,618)	(10.10)%
Money market	98,581	30.0 %	81,513	26.4 %	17,068	20.94 %
Total interest-bearing checking, savings and money market deposits	195,606	59.5 %	182,444	59.0 %	13,162	7.21 %
Time deposits of $250,000 or less	25,252	7.7 %	24,865	8.0 %	387	1.56 %
Time deposits of more than $250,000	843	0.3 %	1,133	0.4 %	(290)	(25.60)%
Total time deposits	26,095	8.0 %	25,998	8.4 %	97	0.37 %
Total interest-bearing deposits	221,701	67.5 %	208,442	67.4 %	13,259	6.36 %
Total Deposits	$ 329,069	100.0 %	$ 309,189	100.0 %	$ 19,880	6.43 %

Lease Commitments. For leases where the Bank is the lessee, operating leases are included in premises and equipment, net, and accrued expenses and other liabilities on the Consolidated Balance Sheet. The Bank currently does not have any finance leases.

Operating lease Right-of-Use ("ROU") assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. ROU assets also include any initial direct costs incurred and any lease payments made at or before the lease commencement date, less lease incentives received. The Company uses its incremental borrowing rate based on the information available at the commencement date in determining the lease liabilities as the Company's leases generally do not provide an implicit rate. Lease terms may include options to extend or to terminate when the Company is reasonably certain that the option will be exercised.

Future minimum payments of the Bank's operating leases as of September 30, 2025 are as follows:

Year ending December 31,	Amount (dollars in thousands)
2025	$ 63
2026	174
2027	17
2028	11
2029	11
Thereafter	5
Total	$ 281

Pension and Profit-Sharing Plans. The Bank has a defined contribution retirement plan qualifying under Section 401(k) of the Internal Revenue Code that is funded through a profit-sharing agreement and voluntary employee contributions. The plan provides for discretionary employer matching contributions to be determined annually by the Board of Directors. The plan covers substantially all employees.

For the nine months ended September 30, 2025, the Bank accrued $382,000 for its projected 401(k) match contribution as well as other profit-sharing benefits.

MARKET RISK AND INTEREST RATE SENSITIVITY

Our primary market risk is interest rate fluctuation. Interest rate risk results primarily from the traditional banking activities in which the Bank engages, such as gathering deposits and extending loans. Many factors, including economic and financial conditions, movements in interest rates and consumer preferences affect the difference between the interest earned on our assets and the interest paid on liabilities. Our interest rate risk represents the level of exposure we have to fluctuations in interest rates and is primarily measured as the change in earnings and the theoretical market value of equity that results from changes in interest rates. The Asset Liability Committee ("ALCO") oversees our management of interest rate risk. The objective of the management of interest rate risk is to maximize stockholder value, enhance profitability and increase capital, serve customer and community needs, and protect the Company from any adverse material financial consequences associated with changes in interest rate risk.

Interest rate risk is that risk to earnings or capital arising from movement of interest rates. It arises from differences between the timing of rate changes and the timing of cash flows (repricing risk); from changing rate relationships across yield curves that affect bank activities (basis risk); from changing rate relationships across the spectrum of maturities (yield curve risk); and from interest rate related options embedded in certain bank products (option risk). Changes in interest rates may also affect a bank's underlying economic value. The value of a bank's assets, liabilities, and interest-rate related, off-balance sheet contracts are affected by a change in rates because they represent the value of future cash flows, and in some cases the cash flows themselves, are changed.

We believe that accepting some level of interest rate risk is necessary in order to achieve realistic profit goals. Management and the Board of Directors have chosen an interest rate risk profile that is consistent with our strategic business plan.

The Company's Board of Directors has established a comprehensive interest rate risk management policy, which is administered by our ALCO. The policy establishes limits on risk, which are quantitative measures of the percentage change in net interest income (a measure of net interest income at risk) and the fair value of equity capital (a measure of economic value of equity or "EVE" at risk) resulting from a hypothetical change in U.S. Treasury interest rates. We measure the potential adverse impacts that changing interest rates may have on our short-term earnings, long-term value, and liquidity by employing simulation analysis through the use of computer modeling. The simulation model captures optionality factors such as call features and interest rate caps and floors embedded in investment and loan portfolio contracts. As with any method of gauging interest rate risk, there are certain shortcomings inherent in the interest rate modeling methodology we employ. When interest rates change, actual movements in different categories of interest-earning assets and interest-bearing liabilities, loan prepayments, and withdrawals of time and other deposits, may deviate significantly from assumptions used in the model. Finally, the methodology does not measure or reflect the impact that higher rates may have on adjustable-rate loan customers' ability to service their debts, or the impact of rate changes on demand for loan and deposit products.

We prepare a current base case and alternative simulations at least once a quarter and report the analysis to the ALCO and Board of Directors. In addition, more frequent forecasts are produced when the direction or degree of change in interest rates are particularly uncertain to evaluate the impact of balance sheet strategies or when other business conditions so dictate.

The statement of condition is subject to quarterly testing for alternative interest rate shock possibilities to indicate the inherent interest rate risk. Average interest rates are shocked by +/- 100, 200, 300, and 400 basis points ("bp"), although we may elect not to use particular scenarios that we determine are impractical in the current rate environment. It is our goal to structure the balance sheet so that net interest-earnings at risk over a 12-month period and the economic value of equity at risk do not exceed policy guidelines at the various interest rate shock levels.

At September 30, 2025, the simulation analysis indicated that the Bank is in a modest asset sensitive position in falling rate scenarios but is liability sensitive in the rising rate shock scenarios. Management strives to optimize the level of higher costing fixed rate funding instruments, while seeking to increase assets that are more fluid in their repricing. An asset sensitive position, theoretically, is favorable in a rising rate environment since more assets than liabilities will re-price in a given time frame as interest rates rise. Similarly, a liability sensitive position, theoretically, is favorable in a declining interest rate environment since more liabilities than assets will re-price in a given time frame as interest rates decline. Management works to maintain a consistent spread between yields on assets and costs of deposits and borrowings, regardless of the direction of interest rates.

The foregoing analysis assumes that the Company's assets and liabilities move with rates at their earliest repricing opportunities based on final maturity, while considering optionality such as call features, where applicable. Certificates of deposit and IRA accounts are presumed to be repriced at maturity. NOW and savings accounts are assumed to be repriced within three months although it is the Company's experience that such accounts may be less sensitive to changes in market rates.

	Static Balance Sheet/Immediate Change in Rates			
Estimated Changes in Net Interest Income	**-200 bp**	**-100 bp**	**+100 bp**	**+200 bp**
Policy Limit	(15)%	(10)%	(10)%	(15)%
September 30, 2025	**(1)%**	**(2)%**	**(1)%**	**(5)%**
September 30, 2024	(5)%	(3)%	2 %	1 %

As shown above, measures of net interest income at risk were slightly more favorable in down-rate scenarios and less favorable in up-rate scenarios on September 30, 2025 than on September 30, 2024 over a 12-month modeling period. These measures remained within prescribed policy limits in the up and down interest rate scenarios.

The following table sets forth the Company's interest-rate sensitivity at September 30, 2025.

	0-3 Months	Over 3 to 12 Months	Over 1 Through 5 Years	Over 5 Years	Total
			(dollars in thousands)		
Assets:					
Repricing asset balances	$ 73,776	$ 27,336	$ 122,681	$ 128,001	$ 351,794
Liabilities and Stockholders' Equity					
Repricing liability and equity balances	$ 62,339	$ 27,167	$ 77,075	$ 185,213	$ 351,794
GAP	$ 11,437	$ 169	$ 45,606	$ (57,212)	
Cumulative GAP	$ 11,437	$ 11,606	$ 57,212	$ -	
Cumulative GAP as a % of total assets	3.25 %	3.30 %	16.26 %	0.00 %	

The measures of equity value at risk indicate the ongoing economic value of the Company by considering the effects of changes in interest rates on all of the Company's cash flows, and by discounting the cash flows to estimate the present value of assets and liabilities. The difference between these discounted values of the assets and liabilities is the economic value of equity, which, in theory, approximates the fair value of the Company's net assets.

	Static Balance Sheet/Immediate Change in Rates			
Estimated Changes in Economic Value of Equity (EVE)	**-200 bp**	**-100 bp**	**+100 bp**	**+200 bp**
Policy Limit	(20)%	(10)%	(10)%	(20)%
September 30, 2025	**10 %**	**5 %**	**(7)%**	**(16)%**
September 30, 2024	6 %	3 %	(3)%	(10)%

In an increasing interest rate environment, the Company's interest income increases at a slightly lower rate compared with changes in its total interest expense, thereby resulting in a slightly liability sensitive profile. In a declining interest rate environment, the decreases in the Company's interest income will be greater than decreases in its interest expense, thereby resulting in lower net interest income. Overall, net interest income exhibits limited changes in rates down scenarios. In a rising interest rate environment, the Company is positioned to generate less economic value of equity as the duration of the assets is longer than the duration of the liabilities, with liabilities repricing more quickly than our assets. Conversely, the Company's economic value of equity increases in most falling interest rate environments as the longer duration of the assets benefits the Company in falling rate scenarios. Thus, the economic value of equity increases. Overall, economic value of equity exhibits acceptable changes in rates down scenarios within policy guidelines.

LIQUIDITY AND CAPITAL RESOURCES

The Company currently owns the Bank and a residential mortgage banking and brokerage company and does not currently have any material funding commitments. The Company's principal sources of liquidity are cash on hand and dividends received from the Bank. The Bank is subject to various regulatory restrictions on the payment of dividends and currently must receive prior approval to pay dividends to the Company due to a limit on current and two prior years' retained earnings.

The Bank's principal sources of funds for investments and operations are net income, deposits from its primary market area, principal and interest payments on loans, interest received on investment securities and proceeds from maturing investment securities. Its principal funding commitments are for the origination or purchase of loans, deposit withdrawals, and the payment of maturing deposits. Deposits are considered a primary source of funds supporting the Bank's lending and investment activities.

The Bank's most liquid assets are cash and cash equivalents, which are cash on hand, amounts due from financial institutions, federal funds sold, certificates of deposit with other financial institutions that have an original maturity of three months or less and money market mutual funds. The levels of such assets are dependent on the Bank's operating, financing, and investment activities at any given time. The variations in levels of cash and cash equivalents are influenced by deposit flows and anticipated future deposit flows. The Bank's cash and cash equivalents (cash due from banks, interest-bearing deposits in other financial institutions, and federal funds sold), as of September 30, 2025, totaled $12.2 million, a decrease of $12.2 million, or 50.0% from $24.5 million at December 31, 2024.

As of September 30, 2025, the Bank was permitted to draw on an $87.7 million line of credit from the FHLB of Atlanta. There were no short-term borrowings outstanding under the line on September 30, 2025 as compared to $30 million of borrowings on the line at December 31, 2024. Borrowings under the line are secured by a floating lien on the Bank's residential mortgage loans and investment securities. As of September 30, 2025, and December 31, 2024, the Bank had $0 in outstanding short-term borrowings from the Federal Reserve Bank ("FRB") discount window. Borrowings under the line are secured by qualifying collateral.

In addition, the Bank has two unsecured federal funds lines of credit in the amount of $9.0 million and $8.0 million, respectively, of which $0 was outstanding as of September 30, 2025.

The Company's stockholders' equity increased $2.9 million, or 16.3% during the nine-month period ended September 30, 2025. The increase in equity was primarily due to a $2.8 million decrease in the after-tax net unrealized holding loss on securities available for sale, the $66,000 net income in the nine-month period, and $17,000 of stock-based compensation expense during the nine-month period ended September 30, 2025.

The Federal Reserve Board and the FDIC have established guidelines with respect to the maintenance of appropriate levels of capital by bank holding companies and state non-member banks, respectively. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on our financial condition. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of assets, liabilities, and certain off-balance sheet items as calculated under regulatory accounting practices. The Bank's capital amounts, and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

The Bank is subject to the Basel III Capital Rules. The Basel III Capital Rules define the components of capital and address other issues affecting the numerator in banking institutions' regulatory capital ratios. The Basel III Capital Rules also address risk weights and other issues affecting the denominator in banking institutions' regulatory capital ratios and replace the existing risk-weighting approach with a more risk-sensitive approach. The Basel III Capital Rules also implements the requirements of Section 939A of the Dodd-Frank Act to remove references to credit ratings from the federal banking agencies' rules.

Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Company's financial statements. The Bank must meet specific capital guidelines that involve quantitative measures of its assets, liabilities, and certain off-balance sheet items as calculated under regulatory accounting principles. The Bank's capital amounts, and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

The rules include a common equity Tier 1 capital to risk-weighted assets minimum ratio of 4.5%, a minimum ratio of Tier 1 capital to risk-weighted assets from 4.0% to 6.0%, require a minimum ratio of Total Capital to risk-weighted assets of 8.0%, and require a minimum Tier 1 leverage ratio of 4.0%. The rules establish a capital conservation buffer above the regulatory minimum capital requirements. Since 2019, this capital conservation buffer is 2.5%. The capital conservation buffer is designed to absorb losses during periods of economic stress and as detailed above, effectively increases the minimum required risk-weighted capital ratios. The rules also implemented strict eligibility criteria for regulatory capital instruments.

The rules also revised the definition and calculation of Tier 1 capital, Total Capital, and risk-weighted assets. The Common Equity Tier 1, Tier 1 and Total Capital ratios are calculated by dividing the respective capital amounts by risk-weighted assets. Risk-weighted assets are calculated based on regulatory requirements and include total assets, with certain exclusions, allocated by risk weight category, and certain off-balance-sheet items, among other things. The leverage ratio is calculated by dividing Tier 1 capital by adjusted quarterly average total assets, which exclude goodwill and other intangible assets, among other things.

The regulations impose several sets of capital adequacy requirements: minimum leverage rules, which require bank holding companies and banks to maintain a specified minimum ratio of capital to total assets, and risk-based capital rules, which require the maintenance of specified minimum ratios of capital to "risk-weighted" assets. In addition, there are requirements to maintain a capital conservation buffer which raised the minimum required common equity Tier 1 capital ratio to 7.00%, the Tier 1 capital ratio to 8.50% and the total capital ratio to 10.50%. At September 30, 2025, the Bank was in full compliance with these guidelines with a Tier 1 leverage ratio of 9.67%, a Tier 1 risk-based capital ratio of 14.82%, a common equity Tier 1 risk-based capital ratio of 14.82%, and a total risk-based capital ratio of 15.96%.

The Company's capital amounts and ratios at September 30, 2025 and December 31, 2024 were as follows:

September 30, 2025	Actual		To Be Considered Adequately Capitalized		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
			(dollars in thousands)			
Common equity tier 1	$ 36,204	14.82 %	$ 10,995	4.50 %	$ 15,882	6.50 %
Total capital	$ 38,987	15.96 %	$ 19,547	8.00 %	$ 24,434	10.00 %
Tier 1 capital	$ 36,204	14.82 %	$ 14,660	6.00 %	$ 19,547	8.00 %
Tier 1 leverage	$ 36,204	9.67 %	$ 14,981	4.00 %	$ 18,726	5.00 %

December 31, 2024	Actual		To Be Considered Adequately Capitalized		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
			(dollars in thousands)			
Common equity tier 1	$ 36,481	15.15 %	$ 10,837	4.50 %	$ 15,653	6.50 %
Total capital	$ 39,496	16.40 %	$ 19,265	8.00 %	$ 24,082	10.00 %
Tier 1 capital	$ 36,481	15.15 %	$ 14,449	6.00 %	$ 19,265	8.00 %
Tier 1 leverage	$ 36,481	9.97 %	$ 14,640	4.00 %	$ 18,300	5.00 %

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The Company's accounting policies are fully described in its Annual Report on Form 10-K for the fiscal year ended December 31, 2024 and are essential to understanding Management's Discussion and Analysis of Financial Condition and Results of Operations. As discussed there, the preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions about future events that affect the amounts reported in the financial statements and accompanying notes. Since future events and their effects cannot be determined with absolute certainty, the determination of estimates requires the exercise of judgment. Management has used the best information available to make the estimations necessary to value the related assets and liabilities based on historical experience and on various assumptions which are believed to be reasonable under the circumstances. Actual results could differ from those estimates, and such differences may be material to the financial statements. The Company reevaluates these variables as facts and circumstances change. Historically, actual results have not differed significantly from the Company's estimates. The following is a summary of the more judgmental accounting estimates and principles involved in the preparation of the Company's financial statements, including the identification of the variables most important in the estimation process:

Allowance for Credit Losses. The allowance for credit losses ("ACL") consists of the allowance for credit losses and the reserve for unfunded commitments. In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses ("ASC 326"). The ASC, as amended, is intended to provide financial statement users with more decision useful information about the expected credit losses on financial instruments that are not accounted for at fair value through net income.

As a result of our adoption of ASC 326, our methodology for estimating the ACL changed significantly from December 31, 2020. The standard replaced the "incurred loss" approach with an "expected loss" approach known as current expected credit loss ("CECL"). The CECL methodology requires an estimate of the credit losses expected over the life of an exposure (or pool of exposures) and it removes the incurred loss methodology's threshold that delayed the recognition of a credit loss until it was "probable" a loss event was deemed to be "incurred."

The estimate of expected credit losses under the CECL methodology is based on relevant information about past events, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts. Historical loss experience is generally the starting point for estimating expected credit losses. We then consider whether the historical loss experience should be adjusted for asset-specific risk characteristics or current conditions at the reporting date that did not exist over the period from which historical experience was based. Finally, we consider forecasts about future economic conditions or changes in collateral values that are reasonable and supportable.

Management's determination of the amount of the ACL is a critical accounting estimate as it requires significant reliance on the credit risk we ascribe to individual borrowers, the use of estimates and significant judgment as to the amount and timing of expected future cash flows on criticized loans, significant reliance on historical loss rates on homogenous portfolios, consideration of our quantitative and qualitative evaluation of past events, current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amounts.

Going forward, the impact of utilizing the CECL methodology to calculate the ACL will be significantly influenced by the composition, characteristics, and quality of our loan portfolio, as well as the prevailing economic conditions and forecasts utilized. Material changes to these and other relevant factors may result in greater volatility to the allowance for credit losses, and therefore, greater volatility in our reported earnings. For further information regarding the Bank's allowance for credit losses, see "Allowance for Credit Losses," above.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is a "smaller reporting company" and, as such, disclosure pursuant to this Item 3 is not required.

ITEM 4. CONTROLS AND PROCEDURES

The Company maintains a system of disclosure controls and procedures that is designed to provide reasonable assurance that information, which is required to be disclosed by the Company in the reports that it files or submits under the Securities and Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission, and is accumulated and communicated to management in a timely manner.

In connection with the preparation of the Company's financial statements for the fiscal year ended December 31, 2024, the Company evaluated the effectiveness of disclosure controls and procedures and identified material weaknesses in the Company's internal control over financial reporting. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

The Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were not effective as of September 30, 2025. The Company did not design and maintain effective disclosure controls and procedures because of the following material weakness in internal control over financial reporting:

- Management has not fully implemented a comprehensive control framework to ensure key CECL model inputs, assumptions, and results are appropriately validated, documented, and assessed for reasonableness through the financial statement issuance date. Additionally, third-party data was relied upon without appropriately verifying the information.

The material weakness did not result in a material misstatement to the Company's consolidated financial statements, however, the control deficiency described above created a reasonable possibility that a material misstatement to the consolidated financial statements would not be prevented or detected on a timely basis.

Notwithstanding such material weaknesses, the Chief Executive Officer and Chief Financial Officer have concluded that the Company's consolidated financial statements included in the Quarterly Report are fairly stated in all material respects in accordance with generally accepted accounting principles in the United States of America for each of the periods presented.

Remediation Plan and Status

Since identifying the material weakness described above, management, with oversight from the Audit Committee, has:

- Hired an experienced Chief Credit Officer, effective March 31, 2025.
- Implemented numerous controls to remediate the material weakness surrounding the CECL control gap. Management feels these additional controls will alleviate the material weakness, if operating effectively moving forward.

Remediation of Previously Reported Material Weakness

As previously reported in Part II, Item 9A. "Controls and Procedures" of our Annual Report on Form 10-K for the year ended December 31, 2024, in connection with our assessment of the effectiveness of internal control over financial reporting as of December 31, 2024, we identified control deficiencies with respect to controls over the segregation of duties to prevent unauthorized or erroneous journal entries. The Company had not implemented system restrictions or compensating controls to require secondary review and approval of journal entries before they are posted.

This material weakness did not result in a misstatement of the Company's financial statements; however, it could have resulted in misstatements of interim or annual consolidated financial statements and disclosures that would result in a material misstatement that would not be prevented or detected.

In response to the material weakness with respect to controls over the segregation of duties to prevent unauthorized or erroneous journal entries, management has taken the required steps to implement system-based controls that require a second person review and approve journal entries before allowing journal entries to be posted.

Changes in Internal Control over Financial Reporting

Management of the Company has evaluated, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, changes in the Company's internal controls over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) of the Exchange Act) during the third quarter of 2025.

Other than the implementation of CECL controls and the completed remediation efforts described above, there have been no changes to the Company's internal control over financial reporting that occurred since the beginning of the Company's third quarter of 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

In the normal course of business, we are party to litigation arising from the banking, financial, and other activities we conduct. Management, after consultation with legal counsel, does not anticipate that the ultimate liability, if any, arising from these matters will have a material effect on the Company's financial condition, operating results, or liquidity.

ITEM 1A. RISK FACTORS

Not applicable.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit No.	
3.1	Articles of Incorporation (incorporated by reference to Exhibit 3.1 to Amendment No. 1 to the Registrant's Form 8-A filed December 27, 1999, File No. 0-24047)
3.2	Articles of Amendment, dated October 8, 2003 (incorporated by reference to Exhibit 3.2 to the Registrant's Quarterly Report on Form 10-Q for the Quarter ended September 30, 2003, File No. 0-24047)
3.3	Articles Supplementary, dated November 16, 1999 (incorporated by reference to Exhibit 3.3 to the Registrant's Current Report on Form 8-K filed December 8, 1999, File No. 0-24047)
3.4	By-Laws (incorporated by reference to Exhibit 3.4 to the Registrant's Quarterly Report on Form 10-Q for the Quarter ended September 30, 2003, File No. 0-24047)
4.1	Description of Registrant's Securities (incorporated by reference to "Description of Common Stock" set forth in Amendment No. 1 to the Registrant's Form 8 A filed December 27, 1999, File No. 0 24047)
10.1	Glen Burnie Bancorp Director Stock Purchase Plan (incorporated by reference to Exhibit 99.1 to Post-Effective Amendment No. 1 to the Registrant's Registration Statement on Form S-8, File No.33-62280)
10.2	The Bank of Glen Burnie Employee Stock Purchase Plan (incorporated by reference to Exhibit 99.1 to Post-Effective Amendment No. 1 to the Registrant's Registration Statement on Form S-8, File No. 333-46943)
10.3	Amended and Restated Change-in-Control Severance Plan (incorporated by reference to Exhibit 10.3 to the Registrant's Annual Report on Form 10-K for the Fiscal Year Ended December 31, 2001, File No. 0-24047)
10.4	The Bank of Glen Burnie Executive and Director Deferred Compensation Plan (incorporated by reference to Exhibit 10.4 to the Registrant's Annual Report on Form 10-K for the Fiscal Year Ended December 31, 1999, File No. 0-24047)
31.1	Rule 15d-14(a) Certification of Chief Executive Officer (filed herewith)
31.2	Rule 15d-14(a) Certification of Chief Financial Officer (filed herewith)
32	Section 1350 Certifications: Certification by the Principal Executive Officer and Principal Accounting Officer of the periodic financial reports, required by Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
101.INS	Inline XBRL Instance Document (filed herewith)
101.SCH	Inline XBRL Taxonomy Extension Schema Document (filed herewith)
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document (filed herewith)
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document (filed herewith)
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document (filed herewith)
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document (filed herewith)
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GLEN BURNIE BANCORP
(Registrant)

Date: November 14, 2025

By: /s/ Mark C. Hanna
Mark C. Hanna
President, Chief Executive Officer

By: /s/ Mark C. Hanna
Mark C. Hanna
Chief Financial Officer

XBRL-Only Content Section

Element	Value
EntityCentralIndexKey#	0000890066
CurrentFiscalYearEndDate	--12-31
DocumentFiscalYearFocus	2025
DocumentFiscalPeriodFocus	Q3
AmendmentFlag	True/false