

2025

Annual Report

ENRICHING LIVES



Message from our CEO



2025 was a big year for Widget Financial, and the numbers tell a story worth sharing.

Our lending team funded nearly \$103 million in new loans, the most in our history, and grew the overall portfolio by more than 6%.

That kind of growth does not happen by accident. It happens because our team works hard every day to earn your trust. It also happens because you continue to choose Widget Financial as your financial partner, and for that we thank you.

In addition to lending, this year was also about investing in our locations and the tools that shape your experience with us.

"We invested in our branches, our technology, and our people, all to better serve you."

If you have visited our East Lake Road or 38th Street branches recently, you have seen the difference.

Both locations underwent complete design upgrades to modernize the facilities, and both were converted to Interactive Teller Machines.

These iTMs give you face-to-face access to a real person through video, even outside of lobby hours. That means more convenience without giving up the personal connection that makes a credit union different from a bank.

Our Pittsburgh Avenue branch was also converted to iTMs, and we will be adding them to our 26th Street location next.

On the digital side, we completed our conversion to the Alkami online and mobile banking platform.

If you have logged in lately, you have probably noticed the improved navigation, faster performance, and better tools for managing your money.

This new platform has opened the door to capabilities that simply were not possible before, and we are continuing to make performance enhancements to ensure your digital experience keeps getting better.

We also introduced contactless debit cards across our membership. Contactless cards let you tap to pay at checkout, making everyday transactions faster and more secure.

No swiping, no inserting, just tap and go.

It is a small change that makes a real difference in your day-to-day banking experience, and member feedback has been overwhelmingly positive.

Behind the scenes, we are exploring how artificial intelligence can help us serve you better. We are building a governance framework to ensure we adopt AI responsibly, and we are looking at ways it can help our team

provide smarter, more personalized guidance based on your unique financial picture.

Our goal is not to replace the human relationships you value. It is to give our people better tools so those relationships grow even deeper.

Just as importantly, in 2025 our team grew stronger as well. We rolled out new training programs focused on deepening the service skills of every team member.

We also launched our 5 Star Loan Review to proactively help you find opportunities to save money on loans you already have. This reflects our belief that serving you well means looking out for you even after the loan has closed.

Every one of these projects started with the same question: how does this help our members?

That question will continue to guide us in 2026 and beyond.

As we look ahead, we know the environment is changing.

Interest rates, competition, and the overall cost of funds will continue to put pressure on financial institutions across the industry.

But we have positioned Widget Financial to navigate that well by staying disciplined, continuing to invest in the right areas, and keeping our focus exactly where it belongs: on delivering value to our members.

Thank you for your membership. Thank you for showing up at our branches, calling our team, using our app, and trusting us with your financial life. It is a responsibility we take seriously and a privilege we never take for granted.

Matthew Margosian
President & CEO

Loan Report



"We funded nearly \$103 million in new loans, our biggest year ever."



Our loan portfolio grew over 6% by funding nearly \$103 million in loans during 2025, our biggest year for new loans. Our delinquent and net charge-off ratios remain below those of our peers, demonstrating the strength of our lending program.

We have streamlined our online application process because we know your time is limited. We now start online applications with a soft pull credit and show prequalification offers as well as possible refinance scenarios. Check it out and let us help you save some money!

Do you want to walk into the dealership with the confidence that you are pre-approved? Give us a call or apply online! We can give you a Preapproval Certificate to take with you. We have relationships

with over 40 dealerships in our area as well as a network of dealers throughout the state of Pennsylvania.

It is springtime and you may be thinking of home improvement projects. Our Flex home equity line of credit may help. Borrow only what you need, when you need it for up to ten years. You can choose to lock in your balance at a fixed rate based on current rates. Get more details at widgetfinancial.com/heloc/.

Whether you prefer to meet someone face-to-face or do everything

electronically, our mortgage team is here to support you. We have local loan officers, processing, and underwriting combined with the technology options to serve you however works best.

If you are buying a new home this year or want to refinance, don't wait on someone in another time zone to approve your loan. Please reach out to our mortgage team for a free prequalification and some guidance through the process.

We work with First Front Door to offer grants for first-time homebuyers toward downpayment and closing costs and offer Pennsylvania Housing Finance Agency (PHFA) loan programs.

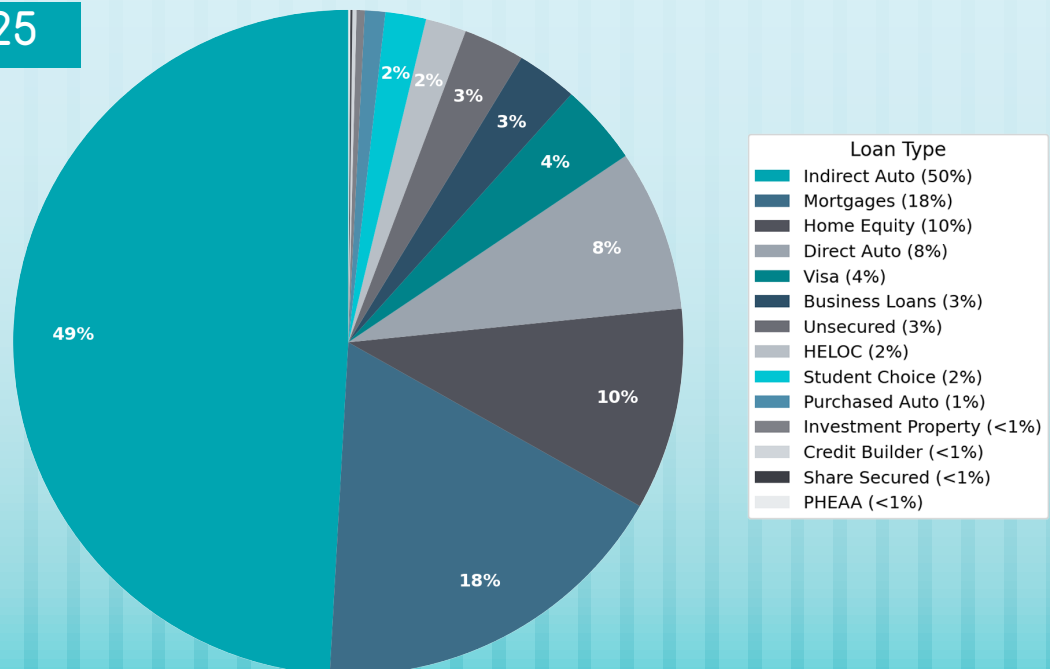
Thank you for your membership. We look forward to continuing to help you achieve your goals in the coming year.

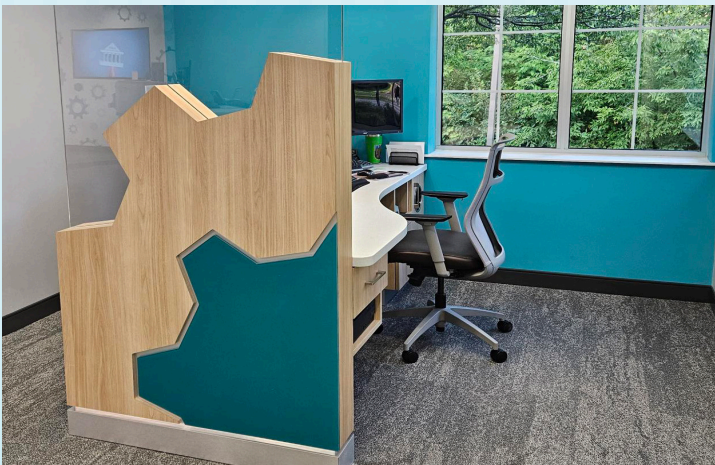
Warm Regards,

Elizabeth Butler
Chief Lending Officer

Our loan portfolio mix at the end of 2025

12-31-2025





Treasurer's Report



"Member dividends increased by over 9%, returning more value to you."



This past year, Widget Financial continued to demonstrate sound and successful financial performance. Year after year, we consistently remain a strong and secure financial institution for you to deposit and borrow funds while undertaking new initiatives and providing innovative products for you, our members.

returning more value to you. The strength of our total assets continues to allow us to leverage economies of scale, contributing to a solid and increasingly profitable bottom line for the credit union. We are a respected entity in our community, and we encourage you to share the benefits of membership with your family and friends.

Thank you for your time, and we eagerly anticipate another financially successful year ahead in 2026!

Greg Fitzgerald, Board Treasurer

In 2025, Widget Financial expanded our membership footprint significantly, reinforcing our role as a trusted partner in your financial well-being.

Loans to members increased by \$15.6 million to approximately \$265.3 million in 2025, a testament to our ongoing commitment to support your financial goals while maintaining outstanding credit quality. This growth directly results from our strategic focus on innovative lending strategies aimed at supporting future loan growth.

Our financial standing remained strong through 2025. Our total assets grew by over 6%, surpassing \$467 million for the first time. Cash and cash equivalents have significantly increased to approximately \$47.4 million, up from \$35.4 million the prior year, reflecting prudent fiscal management and our robust liquidity position. Strategic adjustments in our investment portfolio ensure our foundation remains secure while positioning us to capitalize on opportunities for growth.

Total equity grew by nearly 14% to over \$50 million, demonstrating the continued financial strength and stability of your credit union. Our net gain reached nearly \$3.8 million, an increase of over 18% from the prior year. Total operating income grew by nearly 12% to \$27.9 million, while member dividends increased by over 9%,

Financial Report

STATEMENT OF FINANCIAL CONDITION	2025	2024	\$ Change	% Change
ASSETS				
Loans to Members	265,317,192	249,674,591	15,642,601	6.27%
Less: Allowance for Loan Losses	(1,508,704)	(1,443,959)	(64,745)	-4.48%
Cash & Cash Equivalents	47,366,701	35,437,524	11,929,177	33.66%
Investments	115,425,347	121,570,373	(6,145,026)	-5.05%
Property & Equipment (Net of Depreciation)	16,006,968	11,163,996	4,842,972	43.38%
NCUA Share Insurance Fund	3,966,867	3,813,068	153,799	4.03%
Other Assets	20,635,684	19,160,632	1,475,052	7.70%
TOTAL ASSETS	\$467,210,056	\$439,376,226	\$27,833,830	6.33%

LIABILITIES				
Accounts Payable	434,406	489,052	(54,646)	-11.17%
Other Liabilities	1,245,908	1,136,884	109,024	9.59%
TOTAL LIABILITIES	\$1,680,314	\$1,625,936	\$54,377	3.34%

SHARES				
Savings	164,060,700	162,583,885	1,476,815	0.91%
Checking	125,454,979	116,112,990	9,341,989	8.05%
Money Market	18,410,015	18,796,293	(386,278)	-2.06%
Individual Retirement Accounts	21,633,531	20,539,642	1,093,888	5.33%
Certificates	85,910,720	75,753,305	10,157,415	13.41%
TOTAL SHARES	\$415,469,945	\$393,786,115	\$21,683,830	5.51%

EQUITY				
Reserves	216,389	216,389	0	0.00%
Undivided Earnings	49,555,812	45,760,748	3,795,065	8.29%
Unrealized Gains/Losses	287,595	(2,012,963)	2,300,558	114.29%
TOTAL EQUITY	\$50,059,797	\$43,964,174	\$6,095,623	13.86%
TOTAL LIABILITIES, SHARE & EQUITY	\$467,210,056	\$439,376,226	\$27,833,830	6.33%

STATEMENT OF INCOME	2025	2024	\$ Change	% Change
OPERATING INCOME				
Interest on Loans	13,796,551	12,525,359	1,271,192	10.15%
Income from Investments	5,405,627	4,177,305	1,228,322	29.40%
Other Income	8,707,143	8,295,262	411,881	4.97%
TOTAL OPERATING INCOME	\$27,909,321	\$24,997,925	\$2,911,396	11.65%

OPERATING EXPENSES				
Compensation & Benefits	9,388,396	8,639,391	749,005	8.67%
Office Operations	3,433,371	2,895,767	537,604	18.57%
Marketing	579,115	606,347	(27,232)	-4.49%
Loan Servicing	658,206	665,450	(7,244)	-1.09%
Professional & Outside Services	3,340,374	2,670,531	669,843	25.08%
Provision for Loan Losses	784,288	944,814	(160,526)	-16.99%
Other Expenses	318,541	263,406	55,135	20.93%
TOTAL OPERATING EXPENSES	\$18,502,291	\$16,685,705	\$1,816,586	10.89%

Member Dividends	5,665,247	5,180,424	484,823	9.36%
Non-Operating Income	53,282	64,086	(10,804)	-16.86%
NET GAIN	\$3,795,065	\$3,195,882	\$599,183	18.75%

Supervisory Committee Report



"Widget Financial continues to operate in full compliance with all known federal financial rules and regulations."



The Supervisory Committee plays an essential role in maintaining the financial security of our credit union by ensuring that each members' funds and interests are protected in every way possible. The Supervisory Committee works in conjunction with the National Credit Union Administration (NCUA) and outside auditors to make certain that all aspects of our members' financial transactions are handled with the utmost sense of fiscal responsibility.

The Committee's duties and responsibilities include:



Reviewing the minutes and actions of the Board of Directors on a monthly basis.



Presenting written findings and recommendations to the Board of Directors.



Ensuring complete regulatory compliance with all state and federal financial regulations.



Assuring that a complete and thorough audit of the credit union's operations and records is conducted at least once per calendar year.



Verifying that adequate controls are in place to safeguard the assets of the credit union and its members.



Overseeing committees and management to assure credit union affairs are within compliance boundaries.

Having verified the results of all audits, reports and independent recommendations, the Supervisory Committee is pleased to report that Widget Financial continues to operate in full compliance with all known financial rules and regulations.

This credit union is one that is financially strong and very well managed.

Karlynn Bernhard
Supervisory Committee Chair

Board of Directors

Officers

Marko Jovanovich - Board Chair

Carl Palotas, Jr. - 1st Chair

Greg Fitzgerald - Treasurer

Ellen Schauerman - Secretary

Board-at-Large

Paul Antolik

Karlynn Bernhard

Larry Brown

Paul Letkiewicz

Vera Newell

Supervisory Committee

Karlynn Bernhard - Chair

Pat Federici

Kathy Koster

Christopher Elliott

Executive Management

Matthew Margosian, President and Chief Executive Officer

Therese Bihler, Chief Financial Officer

Elizabeth Butler, Chief Lending Officer

Andrea Thompson, SVP of Retail Operations

Chris Monaghan, SVP of Human Resources

Steve Dill, SVP of Operations & Processing

Board Elections

"The leadership of our credit union's volunteer Board of Directors plays an integral role in making the credit union successful. Petitions were entered to the nominating committee prior to the Annual Meeting, and the following members are running as incumbents and will be reelected to the Board of Directors: Carl Palotas, Jr. and Paul Antolik."