

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) January 5, 2026

NORWOOD FINANCIAL CORP

(Exact name of registrant as specified in its charter)

Pennsylvania
(State or other jurisdiction
of incorporation)

0-28364
(Commission
File Number)

23-2828306
(IRS Employer
Identification No.)

717 Main Street, Honesdale, Pennsylvania
(Address of principal executive offices)

18431
(Zip Code)

Registrant's telephone number, including area code: (570) 253-1455

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)).

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 \$0.10 per share	NWFL	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

INFORMATION TO BE INCLUDED IN THE REPORT

Item 2.01. Completion of Acquisition or Disposition of Assets.

On January 5, 2026, Norwood Financial Corp (the “Company”) completed its acquisition of PB Bankshares, Inc. (“PB Bankshares”) pursuant to the terms of the Agreement and Plan of Merger, dated July 7, 2025, by and among the Company, Wayne Bank, PB Bankshares and Presence Bank (the “Merger Agreement”). As of September 30, 2025, PB Bankshares had total assets of \$456.4 million, deposits of \$355.0 million and shareholders’ equity of \$51.3 million. As a result of the merger, Norwood and Wayne Bank will extend its market footprint into Chester and Lancaster Counties in Pennsylvania. The combined company will have approximately \$2.9 billion in assets and 33 office locations.

Pursuant to the terms of the Merger Agreement, PB Bankshares was merged with and into the Company, with the Company as the surviving corporation of the merger (the “Merger”). At the effective time of the Merger on January 5, 2026, each outstanding share of the common stock of PB Bankshares was converted into, at the election of the holder but subject to the limitations and allocation and proration provisions set forth in the Merger Agreement, either \$19.75 in cash or 0.7850 of a share of common stock, par value \$0.10 per share, of the Company. In the aggregate, the merger consideration paid to PB Bankshares shareholders will consist of approximately \$10.5 million in cash and approximately 1,670,000 shares of common stock of the Company. Immediately following the Merger, Presence Bank was merged with and into Wayne Bank, a wholly-owned subsidiary of the Company, with Wayne Bank as the surviving entity.

The foregoing description of the Merger is qualified in its entirety by reference to the Merger Agreement which is filed as Exhibit 2.1 hereto and is incorporated by reference herein.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

In accordance with the Merger Agreement, Norwood and Wayne Bank appointed Joseph W. Carroll and Spencer J. Andress as directors of Norwood and Wayne Bank, effective as of January 5, 2026. Immediately prior to the effective time of the Merger, Messrs. Carroll and Andress were directors of PB Bankshares and Presence Bank. Mr. Carroll was appointed for a term ending at the 2028 annual meeting of shareholders and Mr. Andress was appointed for a term ending at the 2029 annual meeting of shareholders. Messrs. Carroll and Andress will be entitled to receive the same compensation paid to other non-employee directors of the Company and will be eligible for stock option and restricted stock awards under the Company’s 2024 Equity Incentive Plan. There are no understandings or arrangements between Mr. Carroll or Mr. Andress and any other person pursuant to which they were selected as directors. Such individuals have not yet been assigned to serve on committees of the boards of directors of Norwood or Wayne Bank.

In accordance with the Merger Agreement, Norwood and Wayne Bank appointed Janak M. Amin as Executive Vice President and Chief Operating Officer of Norwood and Wayne Bank, effective as of January 5, 2026. In connection with the Merger, Norwood and Wayne Bank entered into an employment agreement and a non-competition and non-solicitation agreement with Mr. Amin.

Employment Agreement. Mr. Amin entered into a three-year employment agreement with Norwood and Wayne Bank, which will supersede Mr. Amin's current employment agreement with Presence Bank as of the effective time of the Merger. In accordance with this employment agreement, Mr. Amin will serve as Executive Vice President and Chief Operating Officer of the combined companies following the completion of the merger with an annual base salary of \$400,000. In addition, Mr. Amin will receive a stay bonus payable on the six-month anniversary date of the effective time of the Merger equal to \$250,000 (the "Initial Stay Bonus"), a stay bonus of \$175,000 payable on the first anniversary date of the Initial Stay Bonus payment and a stay bonus of \$115,000 payable on the second anniversary date of the Initial Stay Bonus Payment. The Executive will receive an additional stay bonus payment of \$26,000 payable on December 1, 2027. During the term of the agreement, Mr. Amin will be eligible to receive annual and long-term incentive awards on a discretionary basis. If Mr. Amin's employment is terminated without cause or if Mr. Amin terminates his employment for good reason (as defined in the employment agreement), he would be entitled to receive a lump sum payment equal to his then annual base salary, plus any unpaid portion of the stay bonuses under the employment agreement. If such termination of employment occurs in connection with a future change in control of Norwood or Wayne Bank, Mr. Amin would receive a severance payment equal to two times his base salary plus a pro rata annual bonus payment. The employment agreement includes non-competition and non-solicitation provisions for the benefit of Norwood and Wayne Bank which expire at the later of three years after termination of employment or the expiration date of the three-year Non-Competition and Non-Solicitation Agreement among Mr. Amin, Norwood and Wayne Bank, which commences on the effective date of the Merger. The employment agreement also includes the provision for Wayne Bank to implement a salary continuation agreement ("Wayne SERP") which will provide Mr. Amin with a supplemental retirement payment upon retirement from Wayne Bank following continuous employment with the Bank on a full-time basis as the Bank's Executive Vice President and Chief Operating Officer for the period from the Merger completion through Mr. Amin's attainment of age 65 years of age or thereafter in an amount equal to \$74,000 per year for ten (10) years thereafter, payable in 120 monthly payments ("Wayne SERP Benefit"). The Wayne SERP will provide that Mr. Amin will be vested in the annual financial reporting accrual amounts applicable to such Wayne SERP, which will then be payable as a monthly benefit beginning at age 65 for 120 monthly payments thereafter, in the event that he retires or otherwise terminates service as an employee of the Bank prior to his attainment of age 65, other than in the event of termination for Just Cause (as defined in the Employment Agreement) and provided that Mr. Amin complies with the non-compete and non-solicitation limitations as set forth in such Wayne SERP. In the event of Mr. Amin's death, the Wayne SERP Benefit otherwise payable to him will be paid to his designated beneficiary.

The foregoing summary is qualified in its entirety by reference to the employment agreement which is filed herewith as Exhibit 10.1 to this Report and by the Addendum to such agreement which is filed herewith as Exhibit 10.4 to this Report, and each of which is incorporated herein by reference

Non-Competition and Non-Solicitation Agreement. Mr. Amin entered into a three-year Non-Competition and Non-Solicitation Agreement with Norwood and Wayne Bank effective as of July 7, 2025 and as amended by the Addendum to such agreement dated December 31, 2025 ("the Addendum"). Such agreement provides that, for a period of three-years following the Merger, Mr. Amin will not, within a defined geographic area, associate (including as a director, officer, employee, partner, consultant, agent or advisor) with a Competitive Enterprise, as defined in the agreement, and in connection with his associations, engage, manage, operate, control, consult with or advise, or directly or indirectly consult with, advise, manage or supervise personnel engaged in any activity that is substantially similar to any activity in which he was engaged with PB Bankshares or Presence Bank prior to the Merger, or that is substantially similar to any activity for which he had direct or indirect managerial or supervisory responsibility with PB Bankshares or Presence Bank prior to the Merger. Such defined geographic area is the market areas of the Commonwealth of Pennsylvania within the counties of Chester, Cumberland, Dauphin, Lackawanna, Lancaster, Lebanon, Luzerne, Monroe, Pike and Wayne, or within the State of New York within the counties of Delaware, Sullivan, Ontario, Otsego and Yates, or any future market areas of Norwood or its subsidiaries (defined as the geographic area within fifty (50) miles of any newly established branch office

or loan production office) opened by Norwood or its subsidiaries during the three-year restriction period (the “Non-Competition Restrictions”). In consideration of Mr. Amin’s obligations, agreements and covenants under this agreement, Norwood agreed to pay to Mr. Amin the aggregate sum of \$1,218,701.00 (the “Consideration”) payable simultaneous with the closing of the Merger. Such payment shall be subject to applicable tax withholding as may be deemed necessary by Norwood. Mr. Amin has irrevocably waived any compensation which might otherwise become due and payable from PB Bankshares, Presence Bank, Norwood or Wayne Bank to him in accordance with the employment agreement between him and Presence Bank, dated March 1, 2021, with regard to any possible severance payments associated with any future termination of his employment with PB Bankshares, Presence Bank, Norwood or Wayne Bank upon or following the merger. Further, Mr. Amin agrees that the Consideration shall be reduced in such manner and to such extent, but not below zero dollars, so that no such payments made in good faith hereunder, when aggregated with all other payments to be made to Mr. Amin by Norwood or Wayne Bank, shall be deemed an “excess parachute payment” for purposes of Section 280G of the Internal Revenue Code of 1986, as amended (“Code”), thereby subjecting Mr. Amin to liability for the payment of the excise tax provided at Section 4999(a) of the Code.

The foregoing summary is qualified in its entirety by reference to the non-competition and non-solicitation agreement which is filed herewith as Exhibit 10.2 to this Report and by the Addendum to such agreement which is filed herewith as Exhibit 10.3 to this Report, and each of which is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

Biographical Information for Mr. Amin

Janak M. Amin, age 60, was appointed Executive Vice President and Chief Operating Officer of Norwood and Wayne Bank effective January 5, 2025. Previously, he was the President, Chief Executive Officer and a director of Presence Bank and PB Bankshares. Mr. Amin led the team at Presence Bank with values-driven principles that he has cultivated throughout two decades of executive leadership experience in the banking industry in Pennsylvania and Florida. Prior to joining Presence Bank, from 2018 to 2019, Mr. Amin served as Chief Executive Officer at LeTort Trust, an Independent Trust Company that provides personalized financial solutions to individuals, businesses and institutions. From 2016 to 2018, Mr. Amin served in various roles at Sunshine Bank, including most recently as Co-President. Mr. Amin served as a consultant to Sunshine Bank in 2015 and previously held the position of Market Chief Executive Officer for the Pennsylvania region for Susquehanna Bank from 2012 to 2014. Mr. Amin has also served in various executive positions at other financial institutions since 1997, including Tower Bancorp, Graystone Tower Bank, Graystone Financial, Sovereign Bank and Waypoint Bank. Mr. Amin is a graduate of Liverpool University (U.K.), obtained his MBA from The Pennsylvania State University and is a graduate of the Wharton School Advance Management Program. Mr. Amin provides Norwood and Wayne Bank with more than 25 years of banking experience in the Pennsylvania market.

Item 8.01 Other Events.

On January 5, 2026, the Company issued a press release announcing the completion of the acquisition of PB Bankshares and the results of elections made by the shareholders of PB Bankshares as to the form of consideration to be received in the merger. A copy of the press release is filed herewith as Exhibit 99.1, and is incorporated in its entirety by reference herein.

Item 9.01 Financial Statements and Exhibits.

(a) Financial statements of businesses acquired.

The financial statements required by this item will be filed by amendment to this Current Report on Form 8-K as soon as practicable, but no later than 71 calendar days after the date this Current Report on Form 8-K is required to be filed.

(b) Pro forma financial information.

The pro forma financial information required by this item will be filed by amendment to this Current Report on Form 8-K as soon as practicable, but no later than 71 calendar days after the date this Current Report on Form 8-K is required to be filed.

(d) Exhibits.

The following exhibits are filed with this report.

<u>Number</u>	<u>Description</u>
2.1	<u>Agreement and Plan of Merger, dated as of July 7, 2025, by and among Norwood Financial Corp, Wayne Bank, PB Bankshares, Inc. and Presence Bank (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the Commission on July 7, 2025).</u>
10.1	<u>Employment Agreement dated July 7, 2025, by and among Norwood Financial Corp, Wayne Bank and Janak M. Amin (incorporated by reference to Exhibit 10.2 to the Company's Registration Statement on Form S-4 (File No. 333-290392) filed with the Commission on September 19, 2025).</u>
10.2	<u>Non-Competition and Non-Solicitation Agreement dated July 7, 2025, by and among Norwood Financial Corp, Wayne Bank and Janak M. Amin (incorporated by reference to Exhibit 10.3 to the Company's Registration Statement on Form S-4 (File No. 333-290392) filed with the Commission on September 19, 2025).</u>
10.3	<u>Addendum to Non-Competition and Non-Solicitation Agreement by and among Norwood Financial Corp, Wayne Bank and Janak M. Amin dated December 31, 2025.</u>
10.4	<u>Addendum to Employment Agreement dated July 7, 2025, by and among Norwood Financial Corp, Wayne Bank and Janak M. Amin dated December 31, 2025.</u>
99.1	<u>Press Release dated January 5, 2026.</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

Forward-Looking Statements

This communication contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, with respect to Norwood’s and PB Bankshares’ beliefs, plans, goals, expectations, and estimates. Forward-looking statements are not a representation of historical information, but instead pertain to future operations, strategies, financial results or other developments. The words “believe,” “expect,” “anticipate,” “intend,” “estimate,” “should,” “is likely,” “will,” “going forward” and other expressions that indicate future events and trends identify forward-looking statements.

Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those in such statements. Factors that may cause actual results or earnings to differ materially from such forward-looking statements include, among others, the following: the merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events; the integration of PB Bankshares’ business and operations with those of Norwood may take longer than anticipated, may be more costly than anticipated and may have unanticipated adverse results relating to PB Bankshares’ or Norwood’s existing businesses; the anticipated cost savings and other synergies of the merger may take longer to be realized or may not be achieved in their entirety, and attrition in key client, partner and other relationships relating to the merger may be greater than expected; the ability to achieve anticipated merger-related operational efficiencies; the ability to enhance revenue through increased market penetration, expanded lending capacity and product offerings; changes in monetary and fiscal policies of the Federal Reserve Board and the U. S. Government, particularly related to changes in interest rates; changes in general economic conditions, especially the effects of current fluctuations in tariff policies, impacts of workforce deportations, the proliferation of legal actions challenging government policies, and substantial reductions in force of government and non-government organization employees, all of which may put pressure on supply chains and exacerbate market volatility; occurrence of natural or man-made disasters or calamities, including health emergencies, the spread of infectious diseases, pandemics or outbreaks of hostilities, or the effects of climate change, and the ability of Norwood, PB Bankshares and their respective customers to deal effectively with disruptions caused by the foregoing; legislative or regulatory changes; downturn in demand for loan, deposit and other financial services in our market area; increased competition from other banks and non-bank providers of financial services; technological changes and increased technology-related costs; and changes in accounting principles, or the application of generally accepted accounting principles. Additional factors that could cause actual results to differ materially from those expressed in the forward-looking statements are discussed in Norwood’s and PB Bankshares’ reports (such as the Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K) filed with the Securities and Exchange Commission (the “SEC”) and available at the SEC’s Internet website (www.sec.gov). All subsequent written and oral forward-looking statements concerning the proposed transaction or other matters attributable to Norwood or PB Bankshares or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above. Except as required by law, Norwood and PB Bankshares do not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statement is made. We caution that the foregoing list of important factors that may affect future results is not exhaustive.

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 hereunto duly authorized.

NORWOOD FINANCIAL CORP

Date: January 5, 2026

By: /s/ John M. McCaffery

John M. McCaffery

Executive Vice President and Chief Financial Officer

(Duly Authorized Representative)

**ADDENDUM TO
NON-COMPETITION AND NON-SOLICITATION AGREEMENT**

This ADDENDUM TO THE NON-COMPETITION AND NON-SOLICITATION AGREEMENT (this “Addendum”) is made and entered into as of this 31st day of December, 2025 (“Effective Date”), by and among NORWOOD FINANCIAL CORP, a Pennsylvania corporation (“NWFL”), Wayne Bank (“Wayne”), a Pennsylvania chartered bank and Janak M. Amin (the “Executive”) (collectively, the “Parties”). All capitalized terms used but not defined herein shall have the meaning set forth in the Agreement.

WITNESSETH:

WHEREAS, the Parties previously enter into a NON-COMPETITION AND NON-SOLICITATION AGREEMENT (“Agreement”) dated July 7, 2025; and

WHEREAS, the Parties intend that the determination of the Consideration provided for at Section 1 of the Agreement be based upon the calculations and conclusions set forth in the Business Valuation Report received by PB Bankshares, Inc. from South Park Advisors, LLC (“Business Valuation Report”) regarding such Non-Competition and Non-Solicitation provisions applicable to the Executive; and

WHEREAS, the Parties have received an update to the Business Valuation Report initially dated June 26, 2025 on December 29, 2025 with respect to the Appraised Value as referenced at Section 14(b) of the Agreement with regard to the fair value of the non-competition and non-solicitation restrictions under Section 3 of the Agreement, revising such Appraised Value from \$1,244,398.00 to \$1,218,701.00.

NOW, THEREFORE, for and in consideration of the premises and of the mutual representations, warranties, covenants and agreements contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and upon the terms and subject to the conditions hereinafter set forth, the parties do hereby agree to and approve this Addendum, as follows:

A. Section 1 of the Agreement be revised in its entirety to read as follows (with revisions noted in **BOLD**):

1. Consideration.

(a) For and in consideration of the Executive’s obligations, agreements and covenants set forth in this Agreement, NWFL agrees to pay to the Executive the aggregate sum of **One Million and Two Hundred and Eighteen Thousand and Seven Hundred and One Dollars (\$1,218,701.00)** (the “Consideration”) payable simultaneous with the closing of the Merger. Payment of the Consideration shall be made in accordance with NWFL’s accounting practices and shall be subject to prior receipt of any necessary tax forms as applicable. Such payment shall be subject to applicable tax withholding as may be deemed necessary by NWFL. The Executive acknowledges and agrees that the Consideration provided under this Section 1 shall be compensation to the Executive for the execution and delivery of this Agreement and the terms and conditions set forth herein, including the restrictive covenants included herein at Section 3 herein and the Employment Termination Pay Waiver defined at Section 1(b) hereinafter.

B. Section 14(b) of the Agreement be revised in its entirety to read as follows (with revisions noted in **BOLD**):

(b) With respect to the payments payable pursuant to Section 1(a) herein, the value of the restrictions set forth in Section 3 herein shall be recognized in any calculation with respect to determining the affect, if any, of the parachute payment provisions of Section 280G of the Code, by allocating a portion of any payments, benefits or distributions in the nature of compensation (within the meaning of Section 280G(b)(2) of the Code) to the fair value of the non-competition and non-solicitation restrictions under Section 3 herein (the "Appraised Value"). NWFL, at its expense, shall obtain an independent appraisal to determine the Appraised Value, except to the extent that it may rely on such appraisal furnished by PBBK and Presence Bank dated as of June 26, 2025 **and as updated on December 29, 2025**. The Appraised Value will be considered reasonable compensation for post change in control services within the meaning of Q&A-40 of the regulations under Section 280G of the Code; and accordingly, any aggregate parachute payments, as defined in Section 280G of the Code, will be reduced by the Appraised Value.

C. All other terms and provisions of the Agreement shall remain in full force and effect as previously written.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have duly caused this Addendum to be executed as of the date first above written.

Norwood Financial Corp

By: /s/ James O. Donnelly
James O. Donnelly, President and
Chief Executive Officer

Wayne Bank

By: /s/ James O. Donnelly
James O. Donnelly, President and
Chief Executive Officer

Executive:

/s/ Janak M. Amin
Janak M. Amin

ADDENDUM TO THE EMPLOYMENT AGREEMENT

THIS ADDENDUM TO THE EMPLOYMENT AGREEMENT (the “Addendum”) is entered into this 31st day of December, 2025 (the “Effective Date”), by and among Janak M. Amin (the “Executive”), Wayne Bank (the “Bank”), and Norwood Financial Corp (the “Company”) (collectively, the “Parties”). The Addendum shall amend the EMPLOYMENT AGREEMENT (the “**Agreement**”) by and among the Executive, the Bank and the Company dated July 7, 2025 (the “Agreement”).

WHEREAS, the Company, the Bank, PB Bankshares, Inc. and Presence Bank have previously entered into an Agreement and Plan of Merger, dated July 7, 2025 (the “Merger Agreement”), pursuant to which PB Bankshares, Inc. will merge with and into the Company, and Presence Bank will thereafter merge with and into Bank; and

WHEREAS, the Bank and the Company have previously entered into the Agreement detailing the terms and conditions of employment of the Executive with the Bank and the Company commencing at the Effective Time of the Merger, as defined in the Merger Agreement; and

WHEREAS, the Parties have determined to make certain amendments to such Agreement; and

WHEREAS, the Parties desire by this writing to set forth such additional terms and conditions related to the employment relationship of the Executive with the Bank and the Company.

NOW, THEREFORE, for and in consideration of the premises and of the mutual representations, warranties, covenants and agreements contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and upon the terms and subject to the conditions hereinafter set forth, the parties do hereby agree to and approve this Addendum, as follows:

- A. Section 4(ii) of the Agreement be revised in its entirety to read as follows (with revisions noted in **BOLD**):
 - (ii) *Stay Bonus*. Executive will receive a stay bonus payable on the six-month anniversary date of the Effective Time of the Merger equal to \$250,000 (the “Initial Stay Bonus”), a stay bonus of \$175,000 payable on the first anniversary date of the Initial Stay Bonus payment and a stay bonus of \$115,000 payable on the second anniversary date of the Initial Stay Bonus Payment. **The Executive will receive an additional stay bonus payment of \$26,000 payable on December 1, 2027.**
- B. All other terms and provisions of the Agreement shall remain in full force and effect as previously written.

IN WITNESS WHEREOF, the parties have executed this Addendum on the date first hereinabove written.

ATTEST:

Secretary

Secretary

WITNESS:

WAYNE BANK

By: /s/ James O. Donnelly
James O. Donnelly
Its: President and Chief Executive Officer

NORWOOD FINANCIAL CORP

By: /s/ James O. Donnelly
James O. Donnelly
Its: President and Chief Executive Officer

EXECUTIVE

/s/ Janak M. Amin
Janak M. Amin

For further information contact:
James O. Donnelly
President and Chief Executive Officer
Norwood Financial Corp
(570) 253-1455

FOR IMMEDIATE RELEASE
January 5, 2026

**NORWOOD FINANCIAL CORP COMPLETES ACQUISITION
OF PB BANKSHARES, INC.**

Honesdale, Pennsylvania—Norwood Financial Corp (NASDAQ Global Market: NWFL) (“Norwood”), the holding company for Wayne Bank, announced today that it had completed its acquisition of PB Bankshares, Inc. (“PB Bankshares”) and its wholly-owned subsidiary, Presence Bank effective as of January 5, 2026. Presence Bank has been merged into Wayne Bank. At their election, PB Bankshares shareholders are receiving either \$19.75 in cash or 0.7850 shares of Norwood common stock for each share of PB Bankshares common stock held subject to the allocation and proration procedures set forth in the Merger Agreement. In lieu of fractional shares of Norwood common stock, PB Bankshares shareholders will receive cash at the rate of approximately \$29.08 per share of Norwood common stock. PB Bankshares’ shareholders who have not previously surrendered their share certificates will receive information shortly on how to exchange their shares for the merger consideration to which they are entitled.

Approximately 87% of PB Bankshares shares outstanding elected to receive Norwood common stock, approximately 1% elected to receive cash, and approximately 12% submitted elections expressing no preference as to the form of merger consideration, or did not make, or failed to submit, a valid election. Based on this information, PB Bankshares shareholders who made valid elections to receive the cash consideration will receive the cash consideration for all of their shares subject to such election, and PB Bankshares’ shareholders who made valid elections to receive the stock consideration will receive stock consideration for approximately 92% of their shares subject to such election, with the balance of such elections being satisfied with the cash consideration. PB Bankshares shareholders who expressed no preference as to the form of merger consideration to be received or did not make a valid election will receive the cash consideration for all of their shares.

Effective upon completion of the merger, Joseph W. Carroll and Spencer J. Andress, each former directors of PB Bankshares and Presence Bank, were appointed to the boards of directors of Norwood and Wayne Bank.

Janak M. Amin, President and Chief Executive Officer of PB Bankshares and Presence Bank, will join the Norwood team as Executive Vice President and Chief Operating Officer of Norwood and Wayne Bank. In addition, Larry W. Witt, Executive Vice President and Chief Information Officer of PB Bankshares, will join with Norwood as Executive Vice President and Chief Information Officer of Norwood and Wayne Bank, and Douglas L. Byers, Executive Vice President and Chief Banking Officer of PB Bankshares, will join Norwood as Executive Vice President and Market President, Central Pennsylvania, of Norwood and Wayne Bank.

As a result of the merger, Norwood will extend its footprint into Chester and Lancaster Counties in Pennsylvania. The combined company will have approximately \$2.9 billion in assets and 33 office locations. At September 30, 2025, PB Bankshares had total assets of \$456.4 million, deposits of \$355.0 million and shareholders’ equity of \$51.3 million.

Norwood's President and CEO, James O. Donnelly, said "We are pleased to welcome PB Bankshares' shareholders, customers and employees to our Norwood family. We expect this combination will allow us to offer expanded products and services to the communities in our combined market areas. PB Bankshares' focus on community and relationship banking aligns well with Norwood's similarly oriented culture, as we all work together to embody 'Every Day Better', creating value for all."

"We will be able to provide more products and services to our customers given Wayne Bank's strength in retail banking. In addition, Wayne Bank's larger capital base will allow us to take better care of commercial customers with growing needs and the increased lending limit will allow us to retain and attract more customers." stated Janak M. Amin, President and Chief Executive Officer of PB Bankshares.

Janney Montgomery Scott LLC acted as financial advisor to Norwood Financial Corp and Stephens Inc. acted as financial advisor to PB Bankshares, Inc. Jones Walker LLP, Washington, DC, and Meeks Butera & Israel PLLC, served as legal counsel for Norwood Financial Corp, and Barley Snyder LLP served as legal counsel for PB Bankshares, Inc.

About Norwood Financial Corp

Norwood Financial Corp is the parent company of Wayne Bank, which operates from fifteen offices throughout Northeastern Pennsylvania and twelve offices in the Southern Tier of New York. The Company's stock trades on the Nasdaq Global Market under the symbol "NWFL".

Forward-Looking Statements

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, with respect to Norwood's and PB Bankshares' beliefs, plans, goals, expectations, and estimates. Forward-looking statements are not a representation of historical information, but instead pertain to future operations, strategies, financial results or other developments. The words "believe," "expect," "anticipate," "intend," "estimate," "should," "is likely," "will," "going forward" and other expressions that indicate future events and trends identify forward-looking statements.

Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those in such statements. Factors that may cause actual results or earnings to differ materially from such forward-looking statements include, among others, the following: the merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events; the integration of PB Bankshares' business and operations with those of Norwood may take longer than anticipated, may be more costly than anticipated and may have unanticipated adverse results relating to PB Bankshares' or Norwood's existing businesses; the anticipated cost savings and other synergies of the merger may take longer to be realized or may not be achieved in their entirety, and attrition in key client, partner and other relationships relating to the merger may be greater than expected; the ability to achieve anticipated merger-related operational efficiencies; the ability to enhance revenue through increased market penetration, expanded lending capacity and product offerings; changes in monetary and fiscal policies of the Federal Reserve Board and the U. S. Government, particularly related to changes in interest rates; changes in general economic conditions, especially the effects of current fluctuations in tariff policies, impacts of workforce deportations, the proliferation of legal actions challenging government policies, and substantial reductions in force of government and non-government organization employees, all of which may put pressure on supply chains and exacerbate market volatility; occurrence

of natural or man-made disasters or calamities, including health emergencies, the spread of infectious diseases, pandemics or outbreaks of hostilities, or the effects of climate change, and the ability of Norwood, PB Bankshares and their respective customers to deal effectively with disruptions caused by the foregoing; legislative or regulatory changes; downturn in demand for loan, deposit and other financial services in our market area; increased competition from other banks and non-bank providers of financial services; technological changes and increased technology-related costs; and changes in accounting principles, or the application of generally accepted accounting principles. Additional factors that could cause actual results to differ materially from those expressed in the forward-looking statements are discussed in Norwood's and PB Bankshares' reports (such as the Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K) filed with the Securities and Exchange Commission (the "SEC") and available at the SEC's Internet website (www.sec.gov). All subsequent written and oral forward-looking statements concerning the proposed transaction or other matters attributable to Norwood or PB Bankshares or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above. Except as required by law, Norwood and PB Bankshares do not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statement is made. We caution that the foregoing list of important factors that may affect future results is not exhaustive.