### INVESTOR INFORMATION

# Stock Listing - DIMC

# **Transfer Agent**

Equiniti Trust Company, LLC PO Box 500 Newark, NJ 07101 800-278-4353 e-mail: HelpAST@equiniti.com Internet address: equiniti.com/us/ast-access/

## **Dividend Reinvestment Plan**

The Company offers a plan for stockholders to automatically reinvest their dividends in shares of common stock along with the opportunity to purchase additional stock. There are no brokerage commissions or fees imposed. For more information, contact the Transfer Agent listed above.

## Dimeco, Inc. Stock Market Makers

Janney Montgomery Scott, LLC 215-665-6000
Raymond James & Associates 800-543-5304
Stifel, Nicolaus & Company, Inc. 866-299-8507

### **Directors**

John S. Kiesendahl, Chairman Todd J. Stephens, Vice Chairman Peter Bochnovich, President John F. Spall, Secretary

Gary C. Beilman
Lorraine Collins
Gregory J. Frigoletto
Barbara J. Genzlinger
Brian T. Kelly
Michael Peifer
David D. Reynolds, M.D.
Aimee M. Skier

e-mail: dimeco@thedime.bank www.thedime.bank 888-4MY-DIME





CONSOLIDATED FINANC	CIA	L HIG	HL	IGHTS	(unaudited)		
(dollars in thousands, except per share)	_	2025 2024			% Increase (decrease)		
Performance for the nine months ended September	30,						
Interest income	\$	49,658	\$	43,131	15.1%		
Interest expense	\$	16,413	\$	15,381	6.7%		
Net interest income	\$	33,245	\$	27,750	19.8%		
Net income	\$	12,676	\$	9,296	36.4%		
Shareholders' Value (per share)							
Net income – basic	\$	5.00	\$	3.68	35.9%		
Net income – diluted	\$	4.99	\$	3.67	36.0%		
Dividends	\$	1.26	\$	1.20	5.0%		
Book value	\$	47.58	\$	42.65	11.6%		
Market value	\$	39.00	\$	37.39	4.3%		
Market value/book value ratio		82.0%		87.7%	(6.5%)		
*Price/earnings multiple		5.9X		7.6X	(22.4%)		
*Dividend yield		4.31%		4.28%	.7%		
Financial Ratios							
*Return on average assets		1.52%		1.21%	25.6%		
*Return on average equity		15.02%		12.29%	22.2%		
Efficiency ratio		55.49%		62.02%	(10.5%)		
Net interest margin		4.20%		3.95%	6.3%		
Shareholders' equity/asset ratio		10.64%		10.12%	5.1%		
Dividend payout ratio		25.20%		32.61%	(22.7%)		
Nonperforming assets/total assets		1.04%		.87%	19.5%		
Allowance for credit losses as a % of loans		1.56%		1.53%	2.0%		
Net charge-offs/average loans		-		-	-		
Allowance for credit losses/nonaccrual loans		113.81%		139.23%	(18.3%)		
Allowance for credit losses/nonperforming loans		110.50%		134.68%	(18.0%)		
Financial Position at September 30,							
Assets	\$	1,136,394	\$1	,068,743	6.3%		
Loans	\$	819,344	\$	774,477	5.8%		
Deposits	\$	935,838	\$	882,301	6.1%		
Stockholders' equity	\$	120,944	\$	108,148	11.8%		

\*annualized

#### Dear Shareholders:

I am excited to report the results for Dimeco, Inc. as of the third quarter of 2025. The momentum from the first half of the year continued into the most recent quarter. Both loan and deposit growth are stronger than projected and prudent management of the balance sheet produced a net income of \$12.7 million as of September 30, 2025! This resulted in a return on average assets (ROAA) of 1.52% and a return on average equity (ROAE) of 15.02%, an increase of 25.6% and 22.2% over prior year, respectively.

Total assets of \$1.1 billion increased \$67.7 million or 6.3% from the third quarter of 2024. Loans and investments drove most of the balance sheet growth. Loan balances of \$819.3 million at the end of the quarter were \$44.9 million or 5.8% greater than September 30, 2024. As was the case for the previous quarters, commercial and residential mortgages and consumer loans all showed increases which were offset with minor declines in business loans and other loans. Mortgages grew by \$39.7 million while consumer loans expanded by \$8.6 million. Investment securities of \$242.8 million were \$20.8 million or 9.4% greater than the third quarter of last year. Management added bonds throughout the year that supported our strategic plan and met our policy guidelines before expected additional rate cuts by the Federal Reserve (Fed).

Deposit balances of \$935.8 million were an increase of \$53.5 million or 6.1% over the previous year. Noninterest bearing deposits grew by \$18.1 million while interest-bearing deposits added \$35.4 million. Personal and business noninterest bearing accounts continued to show increases over previous year. Certificates of deposit (CD) specials are the main driver of interest-bearing growth. Brokered deposits decreased as the rates offered on these deposits remained elevated throughout the quarter; instead, management used short-term borrowings at more favorable rates.

Short-term borrowings decreased by \$1.7 million or 4.3% over September 30, 2024. Due to the seasonality of our deposit base, the bank does typically borrow from the Federal Home Loan Bank of Pittsburgh in this quarter each year. Other borrowed funds increased slightly by \$757 thousand or 2.6%. Term borrowings in the fourth quarter of 2024 of \$19.3 million and \$9M in the first quarter of 2025 were deployed while payment and maturities offset these borrowings. No new term borrowings were added in the third quarter.

Stockholders' equity grew by \$12.8 million or 11.8% from September 30, 2024, to \$120.9 million. Retained earnings accounted for most of this growth at \$12.1 million or 10.8%. A slight increase in capital surplus with a recovery in the accumulated other comprehensive losses contributed to the remaining growth.

Interest income increased \$6.5 million or 15.1% over the third quarter of 2024. Loan income and fees accounted for \$4.3 million of this growth, investment income added \$1.6 million and other interest income grew by \$569 thousand primarily from interest-bearing deposits at the Fed. Interest expense of \$16.4 million was \$1 million or 6.7% greater than the same period last year. Deposits contributed \$889 thousand of this greater expense which is due to the growth from our CD specials as rates continue to be elevated. Borrowings made up the remaining difference. Non-interest income grew by \$597 thousand or 10.7%, with the largest component coming from a gain on the sale of our downtown Hawley building of \$350 thousand. This sale reduced our non-earning assets while still maintaining our branch presence within the downtown area with the signing of a long-term lease. Non-interest expenses grew by \$1.2 million or 5.7%, mostly due to salaries and employee benefits, computer software maintenance and certain other operating expenses. The provision for credit losses increased by \$686 thousand to adjust the allowance required by our Current Estimated Credit Losses (CECL) calculation. This adjustment was primarily due to the growth in the loan portfolio. Tax expense increased by \$840 thousand as certain tax credits expired and increased income. Year to date net income of \$12.7 million was \$3.4 million or 36.4% greater than September 30, 2024.

While there is still one quarter to go for 2025, I am optimistic of the possible outcomes. Management will continue to look for strategic opportunities for your Company while balancing sound banking principles. As always, we thank you for your continued support and commitment. Please take any opportunity to refer family and friends to Dimeco, Inc. I welcome your comments.

Peter Bochnovich

President and Chief Executive Officer

### CONSOLIDATED BALANCE SHEET

(unaudited)

				(
(in thousands)				
Assets	9/30/2025	6/30/2025	3/31/2025	9/30/2024
Cash and cash equivalents	\$ 15,644	\$ 30,271	\$ 24,198	\$ 13,498
Investment securities available for sale	242,845	243,052	240,371	222,026
Loans, net of allowance for credit losses	806,592	771,852	771,979	762,656
Premises and equipment Accrued interest receivable	18,467 4,623	18,909 4,385	19,069 4,424	19,499 4,292
Other real estate owned	4,023 224	4,365	224	224
Other assets	47,999	45,526	46,311	46,548
TOTAL ASSETS	\$ <u>1,136,394</u>	<b>\$</b> 1,114,219	\$ <u>1,106,576</u>	\$ <u>1,068,743</u>
Liabilities Deposits: Noninterest-bearing Interest-bearing	\$ 206,033 729,805	\$ 208,383 744,316	\$ 192,833 741,120	\$ 187,914 694,387
Total deposits	935,838	952,699	933,953	882,301
Short-term borrowings Other borrowed funds Accrued interest payable Other liabilities	33,717 29,580 955 	33,473 866 13,694	47,323 977 13,415	35,430 28,823 976 13,065
TOTAL LIABILITIES	1,015,450	1,000,732	995,668	960,595
TOTAL STOCKHOLDERS' EQUITY	120,944	113,487	110,908	108,148
TOTAL LIABILITIES AND				
STOCKHOLDERS' EQUITY	\$ <u>1,136,394</u>	\$ <u>1,114,219</u>	\$ <u>1,106,576</u>	\$ <u>1,068,743</u>

# CONSOLIDATED STATEMENT OF INCOME

(unaudited)

(in thousands, except per share data)	Three months ended							Nine months ended				
Interest Income Loans, including fees Investment securities Other	<u>9</u> ,	/30/2025 14,420 2,630 200	<u>6</u> \$	/30/2025 13,682 2,529 411	<u>3</u> ,	/31/2025 12,992 2,430 364	<u>9</u> \$	/30/2024 12,995 2,245 108	<u>9</u> / \$	/30/2025 41,094 7,589 975	\$	36,772 5,953 406
Total interest income		17,250		16,622	_	15,786	_	15,348	l _	49,658		43,131
Interest Expense Deposits Short-term borrowings Other borrowed funds	_	4,405 539 354	_	4,939 - 476	_	5,233 - 467	_	4,509 523 304		14,577 539 1,297	_	13,688 734 959
Total interest expense		5,298		5,415		5,700		5,336		16,413		15,381
Net Interest Income		11,952		11,207		10,086		10,012		33,245		27,750
Provision (credit) for credit losses		811		(32)		958		218		1,737		1,051
Net Interest Income, After Provision for Credit Losses		11,141		11,239		9,128		9,794		31,508	-	26,699
Noninterest income Noninterest expense Income before income taxes Income taxes NET INCOME		2,430 7,613 5,958 1,109 4,849	_ \$	1,947 7,475 5,711 1,121 4,590	-	1,810 7,037 3,901 664 3,237		2,059 7,106 4,747 882 3,865	_ _ \$	6,187 22,125 15,570 2,894 12,676	-	5,590 20,939 11,350 2,054 9,296
Earnings per share-basic Earnings per share-diluted Average shares outstanding-basic Average shares outstanding-diluted	\$ \$	1.91 1.91 2,538,790 2,540,306	\$ \$	1.81 1.81 2,536,743 2,537,227	\$ \$	1.28 1.28 2,534,173 2,535,398	\$ \$	1.53 1.53 2,530,335 2,531,876	\$ \$	5.00 4.99 2,536,877 2,537,939	\$ \$	3.68 3.67 2,529,438 2,529,626