



Navigating Change.

Keeping New Hampshire
strong in a year of rising
financial challenges.

That's **MERRIMACK** Style.



MERRIMACK
COUNTY SAVINGS BANK

To Our Customers, Community, and Employees

In a world where community matters more than ever, The Merrimack remains firmly committed to supporting New Hampshire and the communities we serve. As we enter our 159th year in operation, we continue to live our values as a local community bank that goes above and beyond for the people who count on us.

Throughout 2025, The Merrimack focused on addressing community needs. In response to rising financial challenges, our Retail Team expanded its fraud and financial education efforts, delivering more than 50 fraud awareness and financial literacy seminars throughout our market areas. Collaborating with local businesses, nonprofit organizations, and municipalities, we helped support consumer protection, financial capability, and fraud prevention. It was a rewarding endeavor for everyone involved.

Similarly, our Residential Lending Team hosted several open seminars at our branches to make home purchasing and building more accessible. These initiatives reflect our longstanding commitment to reinvesting in the well-being of our communities.

Our communities are central to our success, as is our dedication to removing barriers, building trust, and strengthening the long-term resilience of our great state.

Putting community first. *That's MERRIMACK Style.*



The Mutual Difference

Merrimack County Savings Bank formally joined Mutuals Matter, a national awareness campaign that highlights the value and impact of mutual banks. The initiative brings together mutual institutions across the country to share a common message: Banking should put people and communities first.

As a mutual bank, The Merrimack operates without the pressure of stockholder demands, free to focus on long-term relationships and sustainable growth. This structure positions us to reinvest in the communities we serve through competitive products, local decision-making, and meaningful support.

Participation in Mutuals Matter reinforces what has guided The Merrimack for more than 158 years — a commitment to responsible banking, financial strength, and community impact. Today, mutual banks represent a small portion of the banking industry, making this model both distinctive and mutually beneficial for all.

Through this partnership, we're proud to stand alongside fellow mutual institutions in raising awareness of the mutual banking difference. Together, we're demonstrating how community-focused financial institutions can help individuals, families, and local economies thrive.



Commercial Lending

In 2025, we experienced increased business development and new loan origination as interest rates stabilized and began to decline. The Merrimack generated approximately \$79 million in new loan volume during the year, compared to approximately \$42 million in 2024. While overall loan performance and asset quality remained satisfactory, management observed some small businesses and larger commercial borrowers experiencing strain from inflation and other economic pressures. Although the number of borrowers facing financial difficulty was limited, we continue to closely monitor delinquencies and the overall financial health of our customers through proactive outreach and ongoing discussions.

We welcomed Maureen Meletis as Senior Vice President of Credit and Administration. Maureen joined the Bank in August and quickly assumed leadership of her role, designing and implementing a comprehensive quality assurance and control program for the commercial loan administration team and lending staff. This program introduced clearly defined checks and balances to reduce documentation risk both before and during the loan closing process. Maureen's leadership strengthens the Bank's ability to grow its commercial lending portfolio with greater confidence and consistency.

Last year brought more team growth with the addition of two new credit analysts and Concord-based lender John Tuten, who brings extensive experience in commercial lending and credit structuring. We also recognized the promotion of Brian Gilmartin from Senior Credit Analyst to Assistant Vice

President, Credit Manager. Since joining The Merrimack in November 2022, Brian has played a key role in underwriting many of the larger credits presented to The Merrimack and NHMB investment committees. With the current team in place, management believes the Bank is well-positioned to achieve its commercial business development goals in 2026.

In 2025, the New Hampshire District Office of the U.S. Small Business Administration (SBA) recognized the Bank's Commercial Lending Team as Emerging Lender of the Year. The Merrimack funded 27 SBA loans last year, totaling \$4.26 million and giving local businesses access to the capital needed to start, grow, and succeed. This recognition reflects the team's commitment to supporting small businesses across our communities. We value our continued partnership with the SBA and the role it plays in strengthening New Hampshire's small business ecosystem.



Retail Banking

2025 marked meaningful progress in expanding access to responsible, accessible banking solutions. During the year, we launched Bank On Certified Checking, providing consumers with a safe, affordable account designed to promote financial stability without overdraft or nonsufficient funds fees.

We also expanded our product suite with the introduction of consumer and business credit cards and the launch of ZSuite sub-accounting. Together, these enhancements increased payment flexibility, strengthened cash management capabilities, and improved access to credit, supporting both household financial needs and the operational efficiency of small businesses and community organizations.

As part of our continued focus on security, we enhanced tools designed to help customers monitor activity and reduce fraud risk. Services such as eStatements, Manage Cards, and Positive Pay provide convenient, real-time visibility and control, making it easier for our customers to bank with confidence.

eStatements allow customers to securely access account activity any time through online banking, reducing paper use and eliminating delays associated with mailed statements.

Manage Cards gives customers greater control over their debit cards by enabling spending limits, real-time alerts, travel notifications, and the ability to temporarily disable or re-enable a card as needed.

For business customers, Positive Pay provides an added layer of protection through automated fraud detection. By matching presented checks and ACH transactions against authorized activity, this service helps identify suspicious items and prevent unauthorized payments before funds leave an account.



Consumer and Indirect Lending

We intentionally began the year with a conservative approach, using pricing strategies to manage loan volume. By midyear, market conditions and strategic priorities shifted, leading to more competitive pricing and increased production. As a result, we ended the year with \$38.7 million in new loan originations, exceeding our \$25 million budgeted target. This total does not include an additional \$5.2 million in indirect marine loans that were sold to Vermont-based Passumpsic Bank, generating \$52,000 in gains on sale fee income.

On a consolidated basis, The Merrimack accounted for approximately 50 percent of total indirect volume in 2025. In 2026, we plan to continue selling approximately \$1 million per month of indirect production from The Merrimack to Passumpsic Bank, while actively pursuing relationships with additional buyers to further diversify our distribution strategy.

Although direct consumer loans through The Merrimack branches represent a smaller share of overall volume, we made significant progress in 2025 to enhance both staff expertise and the customer experience. The Consumer Lending team launched several initiatives focused on education and process improvement, including participation in retail staff meetings, delivery of targeted training sessions, and revisions to loan and closing checklists. We designed these efforts to improve consistency, efficiency, and service quality throughout the indirect lending process.



Mortgage Lending

The Residential Mortgage Team navigated a year of meaningful change with a strong focus on building a best-in-class lending platform. The Bank made significant progress in the government lending space by adding trusted business partners, which strengthened our FHA, USDA, and VA lending capabilities and positioned us for sustainable growth.

The Merrimack continued to lead in construction lending, supported by the launch of the Accessory Dwelling Unit (ADU) second-lien construction program. This new offering reinforced our commitment to improving housing affordability across New Hampshire and expanded the solutions available to homeowners and builders throughout the state.

Community education remained a core priority in 2025. The team delivered classes for first-time homebuyers and construction lending, helping borrowers better understand their financing options. The addition of the ADU product also created new opportunities for collaboration with industry partners, resulting in two well-attended ADU lending seminars in the Concord and Nashua markets.

Market conditions remained mostly stable throughout the year. Toward the end of 2025, interest rates began to decline, leading to an increase in refinance applications that we hadn't seen in the prior two years. This shift helped improve affordability by reducing monthly payments for many borrowers. While challenges such as limited housing supply and elevated home prices continue statewide, The Merrimack remains committed to identifying and delivering practical housing solutions for our communities.



Community Recognition



Business of the Year

Greater Nashua Chamber of Commerce

Emerging Lender of the Year

by the New Hampshire District Office of the U.S. Small Business Administration (SBA)

The Merrimack was honored with Business of the Year recognitions that reflect our commitment to community leadership and local impact. We were proud to receive the Granite State Independent Living Award for Business of the Year and the Nashua Chamber of Commerce Eminence Award for Business of the Year, in addition to our award for Emerging Lender by the NH District Office of the U.S. SBA.

The Merrimack was also featured in the December issues of *Forbes and Fortune* as one of New Hampshire's Best Banks. We were honored to use this national platform to highlight the benefits of our ADU loan program and its role in housing accessibility across the state. We extend our sincere thanks to Jaime Frederes, Senior Vice President, Residential Lending Officer, for representing The Merrimack so well.



Giving Back to Our Communities

The Merrimack has enjoyed a long tradition of corporate citizenship. We were proud to champion our community with \$504,084.65 in donations and sponsorship support in 2025. Our employees also gave thousands of hours of their time in volunteer efforts.

We also purchased \$200,000 in tax credits through the NH Community Development Finance Authority (CDFA) from the following organizations:

- YMCA of Greater Nashua
- Coalition to End Homelessness
- Family Promise of Southern NH
- NH Community Loan Fund
- White Birch Community Center
- Farmsteads of New England, Inc.
- NH Historical Society
- Mark Stebbins Community Center
- Greater Nashua Habitat for Humanity
- Second Start



Grant Funding

Established in 1997, the Merrimack County Savings Bank Foundation remains committed to providing financial support to organizations that enrich and improve the quality of life for residents in our service areas. In 2025, The Merrimack awarded \$64,050 in grants to these 26 local nonprofits:

- Best Buddies New Hampshire - \$1,500
 - Boys and Girls Club of Central NH - \$3,500
 - Boys and Girls Club of Greater Nashua - \$1,400
 - CATCH Neighborhood Housing - \$2,500
 - Catholic Charities New Hampshire (*NH Food Bank*) - \$5,000
 - Circle Program - \$3,000
 - Coalition for Open Democracy - \$1,400
 - Connor's Climb Foundation - \$5,000
 - Families in Transition - \$2,500
 - Family Promise of Greater Concord - \$2,500
 - The Friendly Kitchen - \$2,500
 - Friends of Concord Crew - \$2,400
 - Friends of Forgotten Children - \$1,300
 - Girls Inc. of New Hampshire - \$2,500
 - The Granite YMCA (YMCA of Concord) - \$4,545
 - Marguerite's Place - \$1,500
 - Meals on Wheels of Hillsborough County - \$1,000
 - Nashua Police Athletic League - \$2,500
 - New Hampshire Campaign for Legal Services - \$3,000
 - New Hampshire Career Academy - \$1,700
 - Overcomers Refugee Services - \$2,000
 - Pittsfield Youth Workshop - \$2,500
 - Salem Family Resources - \$2,500
 - Scouts BSA Troop 292 - \$2,205
 - Waypoint - \$2,500
 - YMCA of Greater Nashua - \$1,100
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Staying Innovative with New Products and Services

Innovation remained a key focus for The Merrimack as we continued to introduce products and services designed to improve efficiency, enhance the customer experience, and support long-term sustainability.



E-SIGNATURES AND DIGITAL DISCLOSURES

To modernize our technology and reduce both operating costs and environmental impact, we expanded the use of electronic signatures across our branch network. In collaboration with our Information Technology team, we introduced iPads to streamline in-branch transactions, creating a more efficient and seamless experience for customers and staff. We also increased the availability of digital disclosures, significantly reducing paper consumption.

FINANCIAL LITERACY RESOURCES

We strengthened our commitment to financial education through a partnership with Banzai, an interactive platform focused on financial literacy and fraud prevention. Through Banzai, customers can access educational content on topics such as budgeting, homeownership, retirement planning, and personal financial security.

SECURITY CENTER

Recognizing the growing importance of fraud awareness and prevention, we launched a dedicated Security Center on our website. This resource provides customers with educational materials, practical guidance, and tools to help identify and respond to potential fraud, reinforcing our commitment to protecting our customers and their financial well-being.

LOCKBOX SERVICES

Our lockbox services improve payment processing efficiency for business customers by accelerating cash conversion, reducing administrative burden, and enhancing security. Payments are directed to a designated post office box and processed on behalf of the customer, with funds deposited directly into their account.

BANK ON CHECKING

In partnership with the Cities for Financial Empowerment Fund, we introduced Bank On Certified Checking to expand access to safe and affordable banking services. The account features no monthly service charges and no courtesy pay or overdraft coverage, which helps customers avoid unintended overdrafts and build greater financial stability.

SUB-ACCOUNTING (ZSUITE)

The launch of sub-accounting through ZSuite enhanced our cash management capabilities by allowing customers to organize funds into designated sub-accounts for expenses such as payroll, taxes, escrow, and operating costs. This functionality enhances financial organization, visibility, and control.

With sub-accounting, customers benefit from streamlined account management, automated reporting, secure user access, and detailed audit tracking, helping them manage funds more efficiently and with greater confidence.

Financial Highlights

Merrimack County Savings
Bank Executive Summary
December 31, 2025

Balance Sheet (\$000's)

	December 2024	December 2025
Interest Bearing Deposits	14,798	51,770
Intercompany Fed Funds Sold	-	-
Investment Securities	125,434	123,099
Loans	1,149,926	1,154,134
Assets	1,352,829	1,383,061
Deposits	1,120,697	1,134,950
Repurchase Agreements	46,131	53,177
Intercompany Fed Funds Purchased	-	-
Borrowed Funds	61,332	62,264
Equity	115,328	123,150

Balance Sheet Statistics (%):

	December 2024	December 2025
On-Balance Sheet Liquidity	7.46%	8.68%
Basic Surplus (30 Day)	26.94%	27.02%
Loan to Deposit	103.94%	100.82%
Loan to Asset	85.19%	82.32%
ALLL to Loans	1.07%	1.11%
Consumer Loans to Tier 1 Capital	172.71%	161.78%
Leverage Capital	9.44%	9.57%
Leverage Capital Excluding Sub Debt	9.10%	9.23%
Tier 1 Risk Based Capital	12.63%	12.91%
Tier 1 Risk Based Capital Excluding Sub Debt	12.17%	12.46%
Total Risk Based Capital	13.88%	14.16%
Total Risk Based Capital Excluding Sub Debt	13.42%	13.71%

Income Statement (\$000's)

	December 2024	December 2025
Interest Income	61,878	64,713
Interest Expense	26,752	25,883
Net Interest Income	35,126	38,830
Provision for Credit Losses	4,232	3,576
Other Income	4,778	5,322
Other Expense	32,030	36,293
Pre-Tax Income	3,642	4,283
Provision for Taxes	534	626
Net Income	3,108	3,657

Income Statement Statistics

	December 2024	December 2025
Yield on Earning Assets	4.66%	4.92%
Cost of Paying Liabilities	2.17%	2.11%
Net Spread	2.49%	2.80%
Net Interest Margin	2.64%	2.96%
Return on Average Assets	0.23%	0.27%
Operating Expense to Average Assets	2.35%	2.68%
Efficiency Ratio	80.27%	82.20%

2025 Directors and Corporators

DIRECTORS

Chair: Jeffrey S. Kipperman, *Enfield*

Vice Chair: Christiana Thornton, *Pembroke*

Peter G. Bloomfield, *Hollis*

Christopher Brown, *Concord*

James P. Burnett, III, *Concord*

Linda Lorden, *Concord*
(*President of The Merrimack*)

Sarah Mattson Dustin, *Contoocook*

Jessica Prieto, *Henniker*

Jay Stewart, *Franconia*

Gregg R. Tewksbury, *Keene*
(*President & CEO of NHMB*)

LOCAL NHMB CORPORATORS

Elyssa Alfieri, *Londonderry*

Michael Bourbeau, *Bow*

Jonathan Chorlian, *Concord*

James Corrigan, *Contoocook*

Glenn Currie, *Concord*

Kelli D'Amore, *Deerfield*

Jane Difley, *Webster*

Sabrina Dunlap, *Hopkinton*

William Dunlap, *Hopkinton*

Philip Emma, *Henniker*

Chris Emond, *Epsom*

David Gazaway, Jr., *Bow*

John Gilbert, *Greenland*

Michael Green, *Hopkinton*

William Gurney, *Nashua*

Angie Lane, *Manchester*

Sylvia Larsen, *Concord*

Toutou Marsden, *Chichester*

Stephanie McLaughlin, *Manchester*

Pedro Nunez-Bautista, *Pelham*

Tara Reardon, *Concord*

Emily Ricard, *Concord*

Jonathan Ruggles, *Concord*

Elizabeth Salas, *Weare*

Peggy Senter, *Dunbarton*

Bradford Smith, *Sullivan*

Sally Tanner, *Concord*

Daniel Weeks, *Nashua*

Jeffrey Zellers, *Concord*

Bank Officers

EXECUTIVE

Linda J. Lorden, President

Melissa Stevenson, Executive Assistant & Assistant Corporate Secretary

COMMERCIAL LENDING

James Gallagher, SVP Senior Commercial Lending Officer

Joanne Connelly, SVP Commercial Lending Team Leader

David Peterson, SVP Commercial Lending Team Leader

Maureen Meletis, SVP Credit & Administration

Brian Gilmartin, AVP Credit Manager

Brian Smith, VP Commercial Loan Portfolio Officer

Margot Elise Anderson, VP Commercial Loan Officer

Michael Quinn, VP Commercial Loan Portfolio Officer

John Tuten, VP Commercial Loan Officer 2

Ryan Frazier, VP Commercial Loan Officer 2

Isaac Davis, VP Commercial Loan Officer

Lynda Paquette, VP Commercial Loan Administration

RESIDENTIAL LENDING

Jaime Frederes, SVP Residential Mortgage Lending

Garry Cornelius, VP Residential Mortgage Sales, NMLS #1185487

Brooklyn McBee, Mortgage Loan Officer, NMLS #2300197

Shannon Ketcham, Mortgage Loan Officer, NMLS #2153077

Jake Potter, Mortgage Loan Officer, NMLS #914418

Pamela Starr, Mortgage Loan Officer, NMLS #211840

Mary Tillotson, Mortgage Loan Officer, NMLS #523420

Matthew Thomas, Mortgage Loan Officer, NMLS #523419

Robert Whittaker, Mortgage Loan Officer, NMLS #191114

RETAIL BANKING

Brad Kulacz, SVP Senior Retail Banking Officer

Stephanie Andruss, RVP Branch Manager

Julie Bushaw, VP Retail Administration

Kristin Clark, VP Business Banking Development Officer

Michelle Olivier, RVP Branch Manager

Rachel Perri, RVP Branch Manager

Mark Lester, AVP Branch & Business Development Manager

Brittany Saucier, AVP Branch & Business Development Manager

Shantelle Sutkus, AVP Business Development Officer

Luis Colon, Branch & Business Development Manager

Ella Duggan, Branch & Business Development Officer

Christine Larocque, Branch & Business Development Manager

Ivana Maxwell, Retail Training & Development Officer

Beth Mulleavey, Branch & Business Development Manager

Kathy Powers, Branch & Business Development Manager

Debbie Stoodley, Business Development Officer

CONSUMER LENDING

Arthur Letendre, SVP Consumer Loan Officer

Carol Ritchie, VP Consumer Loan Manager

MARKETING

Diana Johnson, SVP Marketing Officer

Kelly Wright, Marketing Communications Officer

President's Message



As you review this year's annual report, I hope you feel what we feel every day at The Merrimack: a deep pride in serving our neighbors and a responsibility to keep showing up with care, consistency, and local decision-making rooted in what's best for the communities we serve.

In 2025, our teams expanded financial education and fraud prevention outreach, helped customers and businesses navigate a changing economic environment, and continued to invest time and resources in the organizations that make New Hampshire stronger. Those efforts are reflected in the stories and highlights throughout this report, but they're also present in everyday moments — a conversation at the teller line, guidance during a homebuying journey, or a solution that helps a local business grow with confidence.

This year also gave us the chance to celebrate two meaningful milestones in our branch network: the one-year anniversary of our Henniker branch and the two-year anniversary of our Windham branch.

These offices are more than locations. They are an extension of our commitment to being present, accessible, and engaged in the places where our customers live and work. To our customers, thank you for trusting us with your finances and goals. To our community partners, thank you for welcoming collaboration and sharing your mission-driven work with us. And to our employees, thank you for the professionalism, kindness, and dedication you bring to The Merrimack every day.

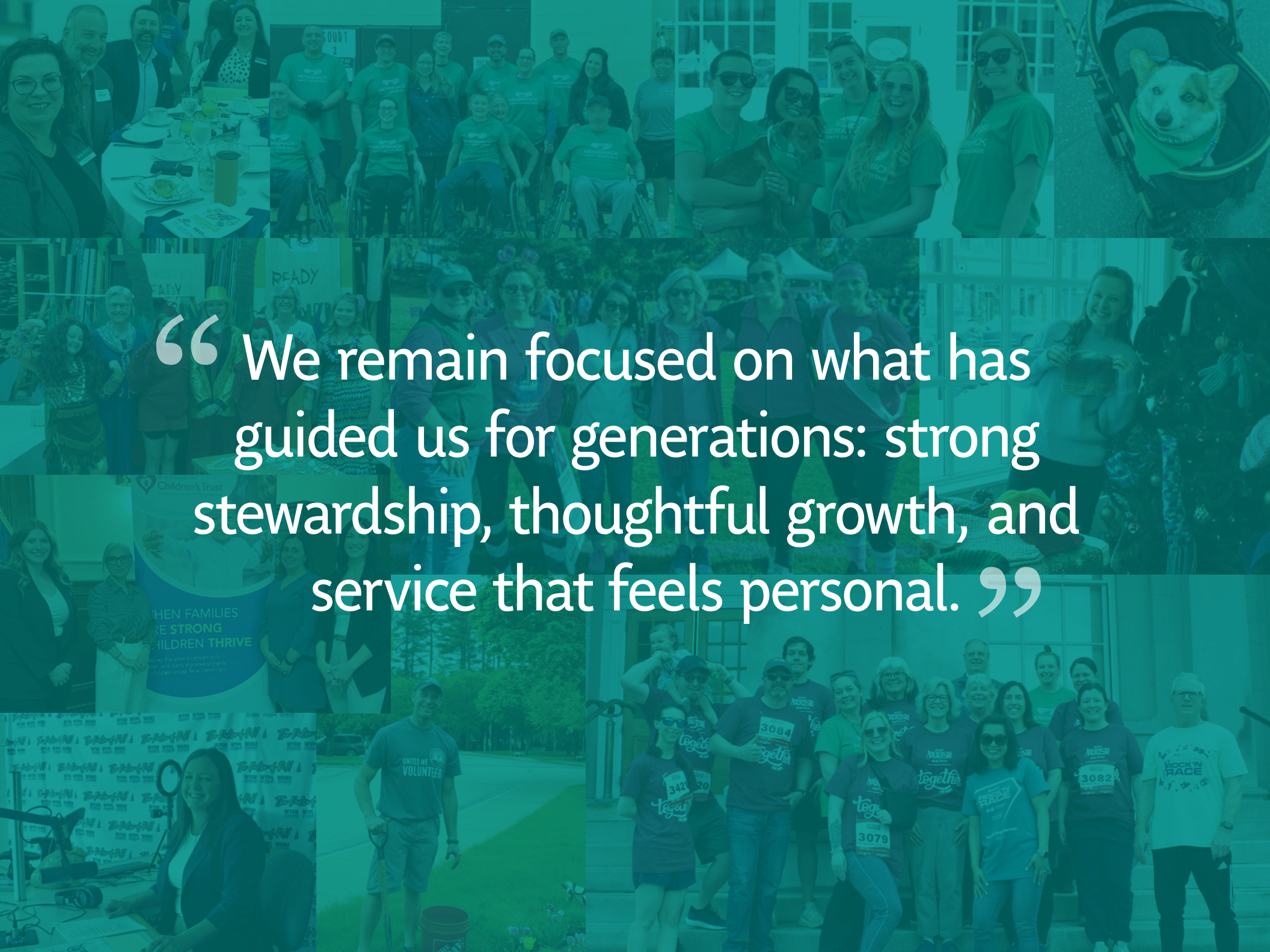
We remain focused on what has guided us for generations: strong stewardship, thoughtful growth, and service that feels personal. Thank you for being part of our Merrimack family.

Warmly,

A handwritten signature in black ink, appearing to read 'L. Lorden'. The signature is fluid and cursive, written in a professional style.

Linda J. Lorden
President





“ We remain focused on what has guided us for generations: strong stewardship, thoughtful growth, and service that feels personal. ”



MERRIMACK
COUNTY SAVINGS BANK

NMLS #433938

Member
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