



***ANNUAL SHAREHOLDERS' MEETING***  
***May 2025***

## Safe Harbor Statement

*This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, that are based on current expectations, estimates and projections about the Company's and the Bank's industry, and management's beliefs and assumptions. Words such as anticipates, expects, intends, plans, believes, estimates and variations of such words and expressions are intended to identify forward-looking statements. Such statements are not a guarantee of future performance and are subject to certain risks, uncertainties and assumptions that are difficult to forecast. Therefore, actual results may differ materially from those expressed or forecast in such forward-looking statements. The Company and Bank undertake no obligation to update publicly any forward-looking statements, whether as a result of new information or otherwise.*

*There are risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from the results expressed or implied by such forward-looking statements. Information on factors that could affect the Company's business and results is discussed in the Company's periodic reports filed with the Securities and Exchange Commission, including in the section "Risk Factors". Forward looking statements speak only as of the date they are made. The Company undertakes no obligation to publicly update or revise forward looking information, whether as a result of new, updated information, future events or otherwise.*

## **Agenda**

- Call to Order – Kevin M. Sanvidge, Chairman
- Introduction of Directors and Director Nominees
- Secretary's Report
- Presentation of Proposals
- Executive Management Report to Shareholders
- Vote Report
- Adjournment

## Board of Directors

	Director Since
Kevin M. Sanvidge, Chairman of the Board, Loan and Compensation Committee Member	2012
Sharon E. Brautigam, Vice Chairperson of the Board, Nominating and Governance Committee Chairperson, Compensation Committee Member	2004
Michelle M. DeBergalis, Compensation and Nominating and Governance Committee Member	2022
Kim C. Liddell, President and Chief Executive Officer, Loan Committee Chairman	2023
John P. McGrath, Audit, Enterprise Risk, and Loan Committee Member	2019
John (“Jack”) L. Mehlretter, Enterprise Risk Committee Chairman, Audit and Loan Committee Member	2016
Ronald J. Passafaro, Compensation Committee Chairman, Nominating and Corporate Governance and Loan Committee Member	2019
Ann M. Segarra, Audit Committee Chairperson, Enterprise Risk Committee Member	2023

## **Business of Annual Shareholders' Meeting**

### **1. Election of Directors:**

Elect three Class Two directors to serve until the 2028 annual meeting:

#### **Class Two Directors**

- Kevin M. Sanvidge
- Sharon E. Brautigam
- Ann M. Segarra

## **Business of Annual Shareholders' Meeting (Continued)**

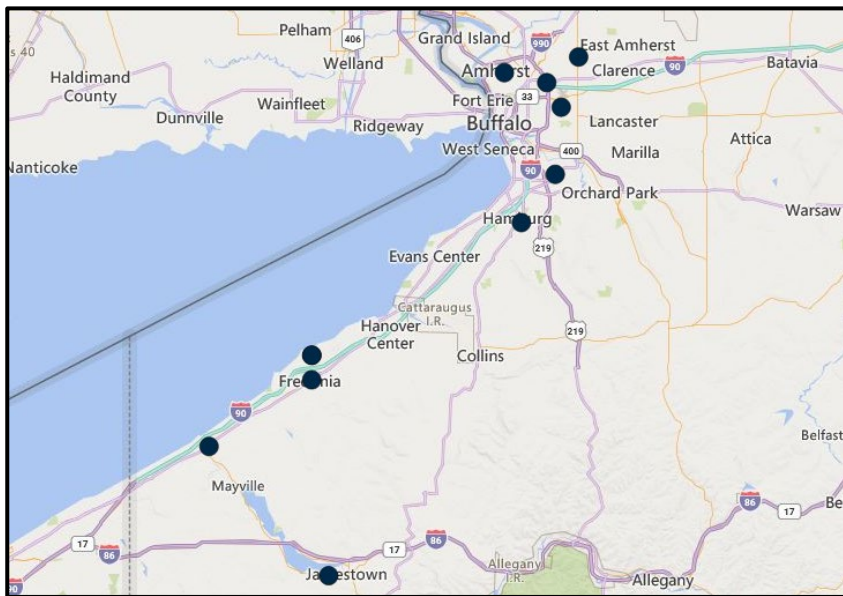
- 2. Say on Pay Proposal:** A non-binding “say on pay” proposal to approve the compensation of our named executive officers.
- 3. Appointment of Independent Registered Public Accounting Firm:** Ratify the appointment of Yount, Hyde & Barbour, P.C. as the Company’s independent registered public accounting firm for the year ending December 31, 2025.

**Executive Management Presentation**

Kim C. Liddell, President and Chief Executive Officer

# LS LAKE SHORE BANCORP, INC.

## An Overview of Lake Shore Bancorp, Inc.



County	Market Rank	Branches	Company Deposits in Market (\$'000)	Deposit Market Share (%)	2025 Population	2025 Median HH Income	'25-'30 Proj. Change Pop.	'25-'30 Proj. Change HH Income
Chautauqua	#3	4	\$330,214	15.23%	124,168	\$58,566	-1.0%	9.0%
Erie	#11	6	\$264,242	0.46%	943,908	\$72,166	0.2%	8.5%
<b>Total</b>		<b>10</b>	<b>\$594,456</b>					
<b>New York Franchise</b>						<b>\$64,611</b>	<b>-0.5%</b>	<b>8.8%</b>
<b>State of New York</b>						<b>\$82,657</b>	<b>-0.4%</b>	<b>5.6%</b>
<b>National</b>						<b>\$78,770</b>	<b>2.4%</b>	<b>8.8%</b>

- Lake Shore Savings Bank, the wholly-owned subsidiary of Lake Shore Bancorp, Inc., is a federally chartered, community-oriented financial institution headquartered in Dunkirk, New York, with a longstanding history of community banking since 1891
- Current focus on organic growth of its loan portfolio primarily through commercial real estate and commercial business loans
  - Since going public, net loans have increased from \$205.3 million on June 30, 2006 to \$551.6 million as of March 31, 2025
- Operates 10 full-service branch locations in two counties within Western New York
- Ranks 3<sup>rd</sup> in deposit market share in Chautauqua County with 4 branches; ranks 11<sup>th</sup> in Erie County with 6 branches
- Converted to MHC structure on April 4, 2006, raising \$29.8 million in gross proceeds and trades on NASDAQ under the symbol “LSBK”
- On January 30, 2025, announced plans to undertake a “second-step” conversion whereby Lake Shore will reorganize from the two-tier mutual holding company structure to the fully-public stock holding company structure

# LS LAKE SHORE BANCORP, INC.

## An Overview of Lake Shore Bancorp, Inc. (Continued)

Stockholder Information (NASDAQ: LSBK)			
Ownership		Market Information as of 05/19/25	
Mutual Holding Company	63.1%	Total Market Cap (mm)	\$87.8
Institutional	9.1%	Minority Market Cap (mm)	\$32.4
Insider*	7.3%	Book Value Per Share**	\$15.74
		Price / Tangible Book	96.9%
		Price / Trailing 12-Month EPS	17.3x

## Financial Highlights

<i>Dollars in Thousands (except for per share amounts)</i>			
	2025 FQ1	2024 FQ1	QoQ Change
<b>Assets</b>	\$688,996	\$717,582	(4.0%)
<b>Net Loans</b>	\$551,640	\$555,455	(0.7%)
<b>Deposits</b>	\$582,730	\$594,704	(2.0%)
<b>Net Income</b>	\$1,057	\$1,014	4.2%
<b>Basic &amp; Diluted Earnings Per Share</b>	\$0.19	\$0.17	11.8%
<b>Book Value Per Share</b>	\$15.74	\$15.22	3.4%
<b>ROAA, Annualized</b>	0.62%	0.57%	8.8%
<b>Efficiency Ratio*</b>	79%	86%	(8.1%)
<b>Non-Performing Assets</b>	\$3,472	\$3,973	(12.6%)

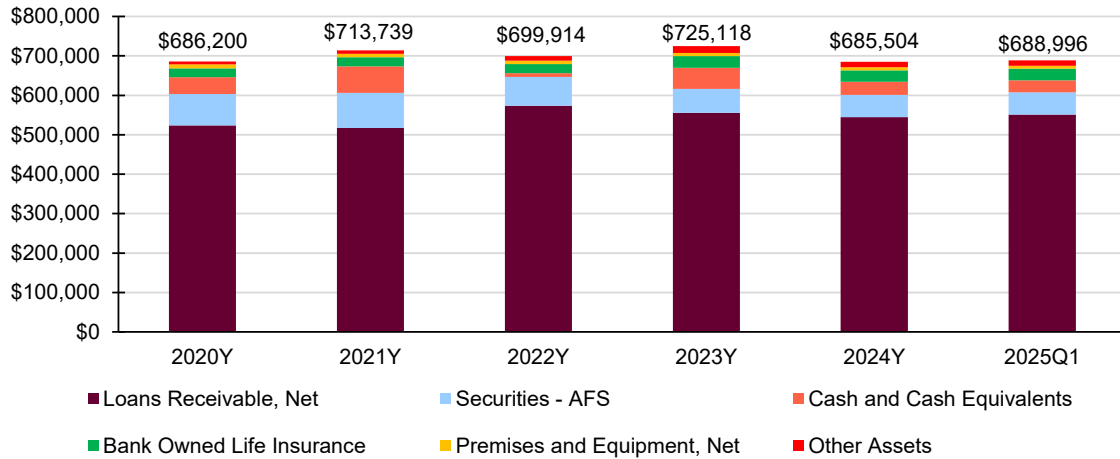
<i>Dollars in Thousands (except for per share amounts)</i>			
	FY 2024Y	FY 2023Y	YoY Change
<b>Assets</b>	\$685,504	\$725,118	(5.5%)
<b>Net Loans</b>	\$544,620	\$555,828	(2.0%)
<b>Deposits</b>	\$572,978	\$590,924	(3.0%)
<b>Net Income</b>	\$4,931	\$4,820	2.3%
<b>Basic &amp; Diluted Earnings Per Share</b>	\$0.88	\$0.82	7.3%
<b>Book Value Per Share</b>	\$15.67	\$15.17	3.3%
<b>ROAA</b>	0.70%	0.67%	4.5%
<b>Efficiency Ratio*</b>	82%	81%	2.5%
<b>Non-Performing Assets</b>	\$3,804	\$3,381	12.5%

\* Efficiency Ratio represents non-interest expense divided by the sum of net interest income and non-interest income

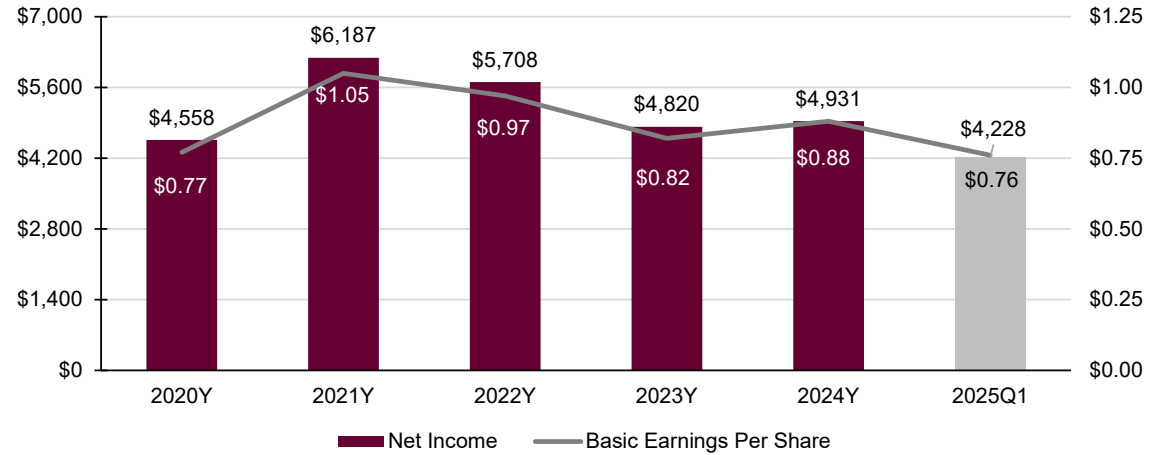
Note: Financial data is presented for Lake Shore Bancorp's Fiscal Year Ended December 31 for each respective year or for Lake Shore Bancorp's quarter ended March 31 for each respective quarter

# LS LAKE SHORE BANCORP, INC.

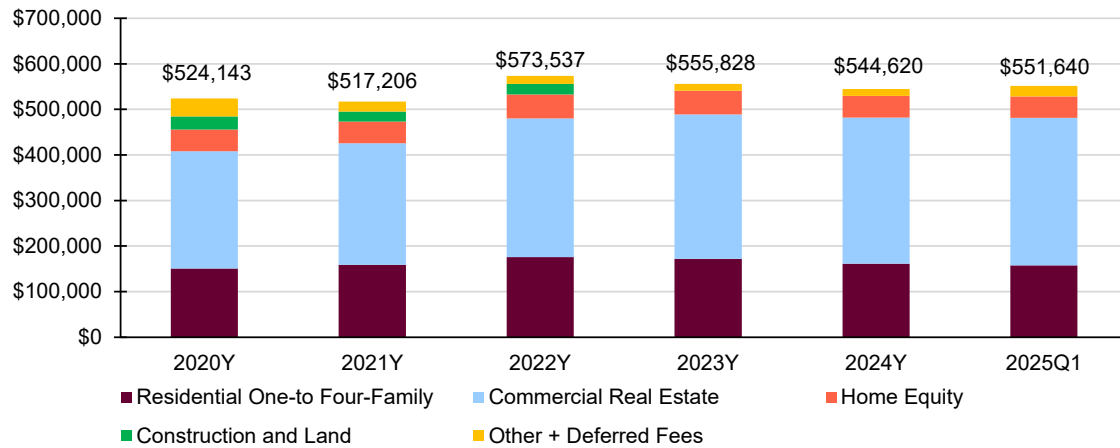
## Total Assets



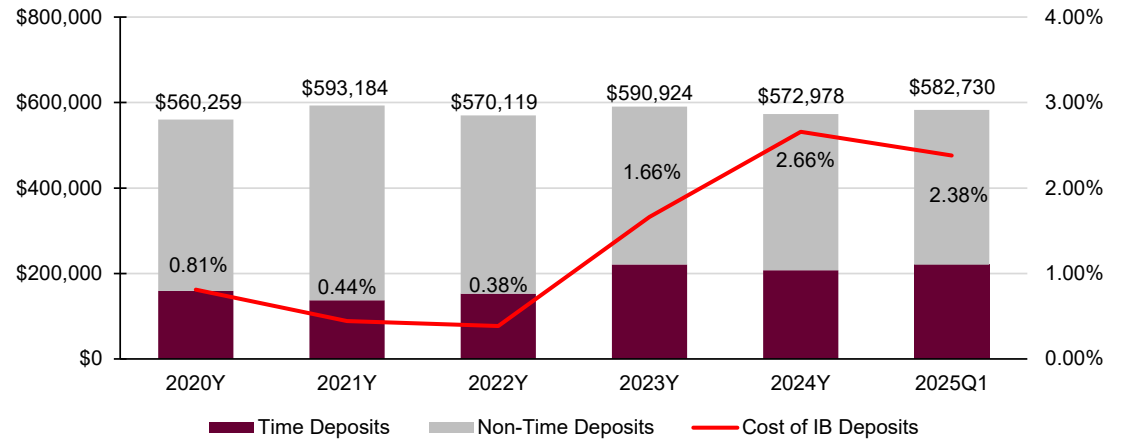
## Net Income\*



## Loan Portfolio<sup>(1)</sup>



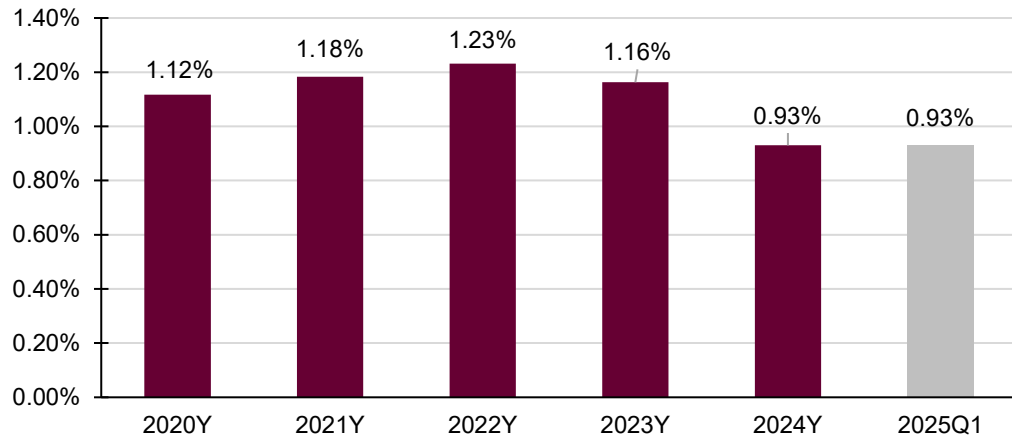
## Deposit Trends



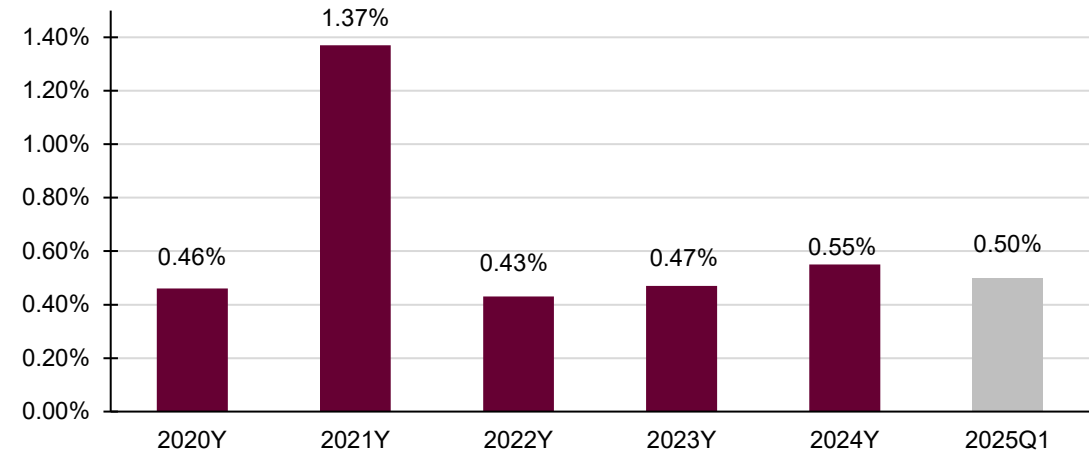
\*Net income annualized for the quarter ended March 31, 2025 | (1) Construction loans are included in one-to-for family and commercial loan categories beginning in 2023

Note: Financial data is presented for Lake Shore Bancorp's Fiscal Year Ended December 31 for each respective year and for the three months ended March 31, 2025; figures in \$000s except basic earnings per share and cost of deposits

## Loan Loss Reserves / Total Net Loans

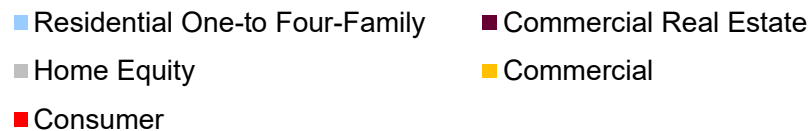
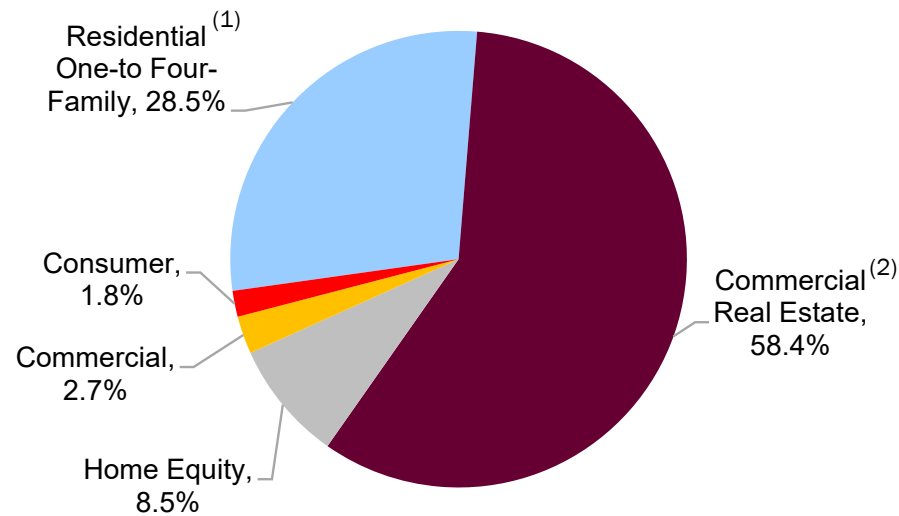


## NPAs / Total Assets

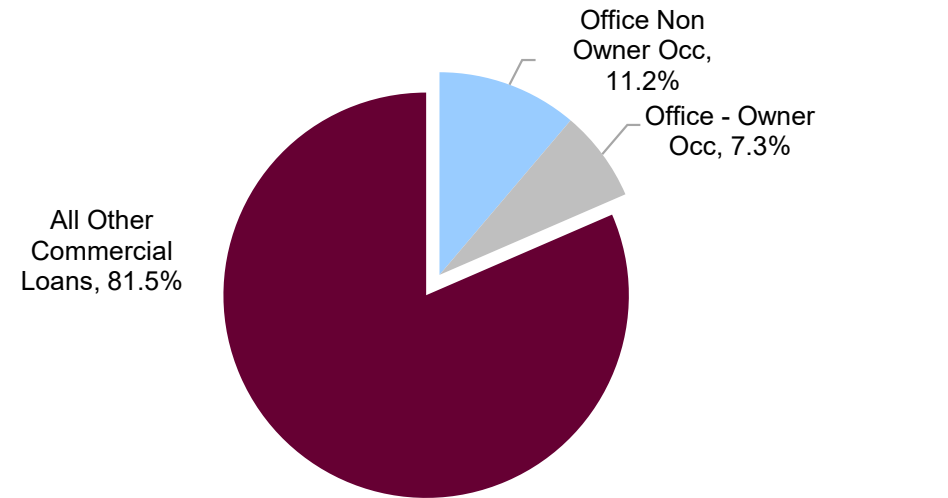


## Gross Loan Portfolio – Office Concentration

Total Loan Portfolio as of 3/31/2025



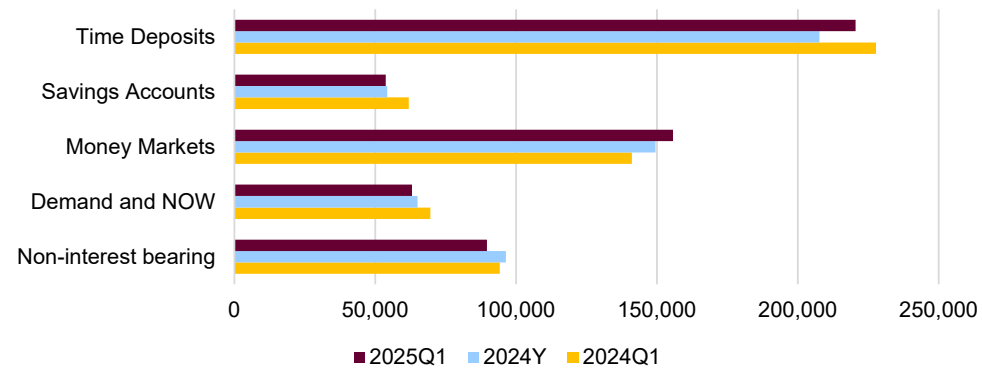
Office Real Estate Portfolio within Total Commercial Loan Portfolio as of 3/31/2025



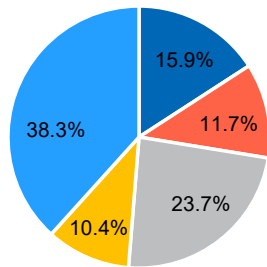
(1) Includes one-to-for family construction loans (2) Includes commercial construction loans

## Change in Deposit Mix

Total Deposits by Deposit Type (\$000s)

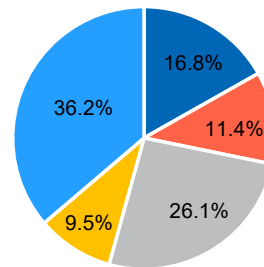


Deposit Mix as of 3/31/2024



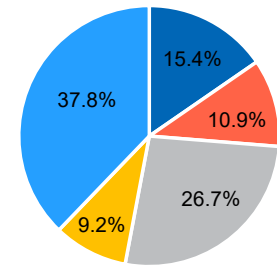
■ Non-interest bearing ■ Demand and NOW ■ Money Markets  
■ Savings Accounts ■ Time Deposits

Deposit Mix as of 12/31/2024



■ Non-interest bearing ■ Demand and NOW ■ Money Markets  
■ Savings Accounts ■ Time Deposits

Deposit Mix as of 3/31/2025

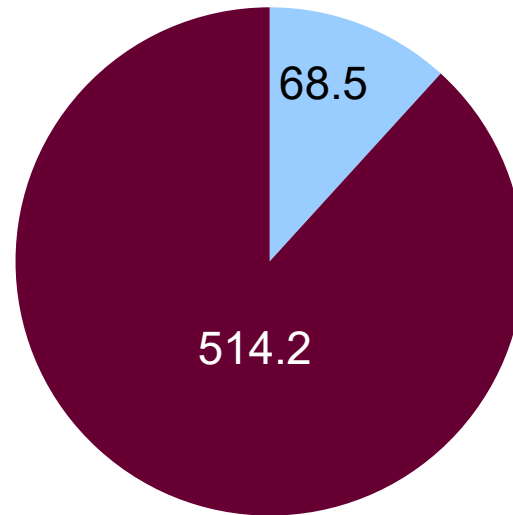


■ Non-interest bearing ■ Demand and NOW ■ Money Markets  
■ Savings Accounts ■ Time Deposits

## Uninsured Deposits

Uninsured Deposits  
as of 3/31/2025 (\$mm)

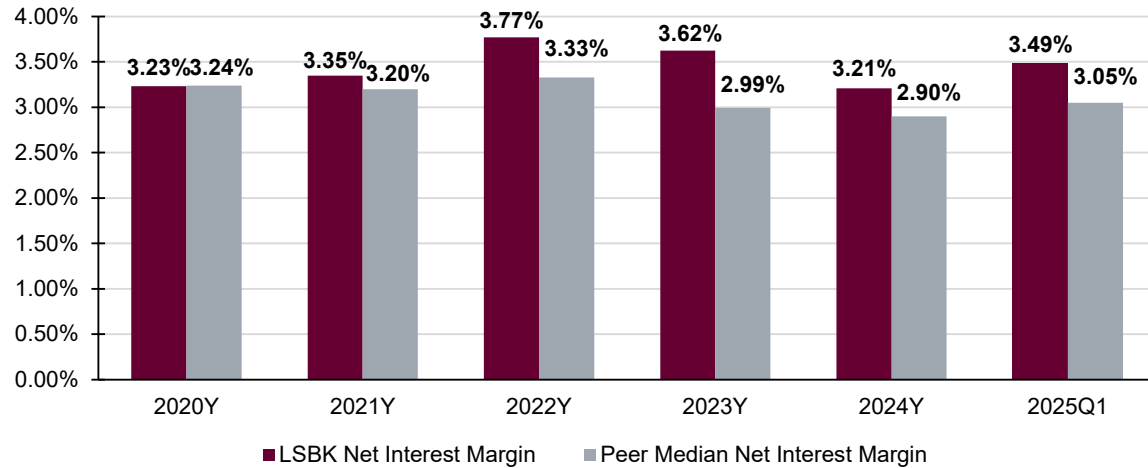
Uninsured  
Deposits make  
up 11.8% of  
overall  
deposits.



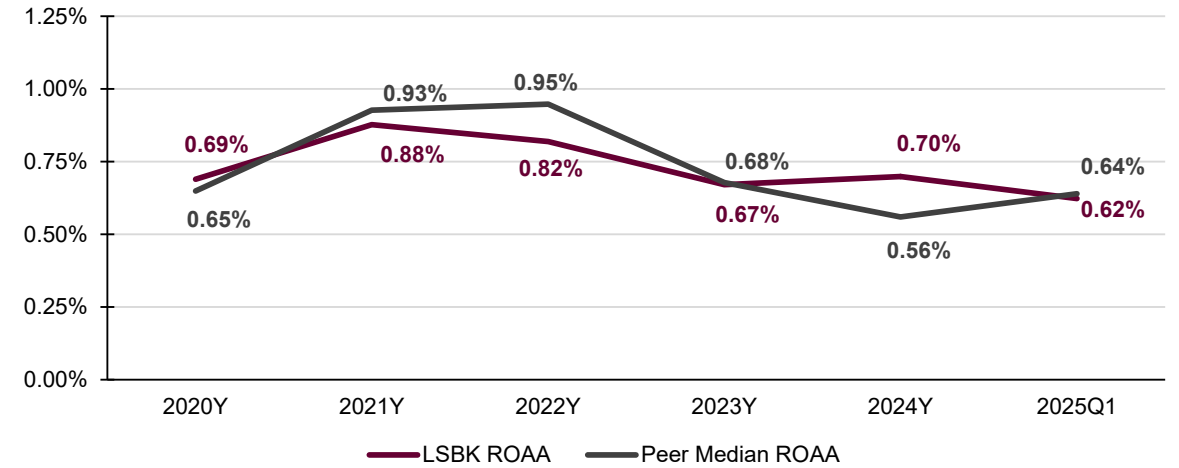
■ Uninsured Deposits ■ Insured Deposits

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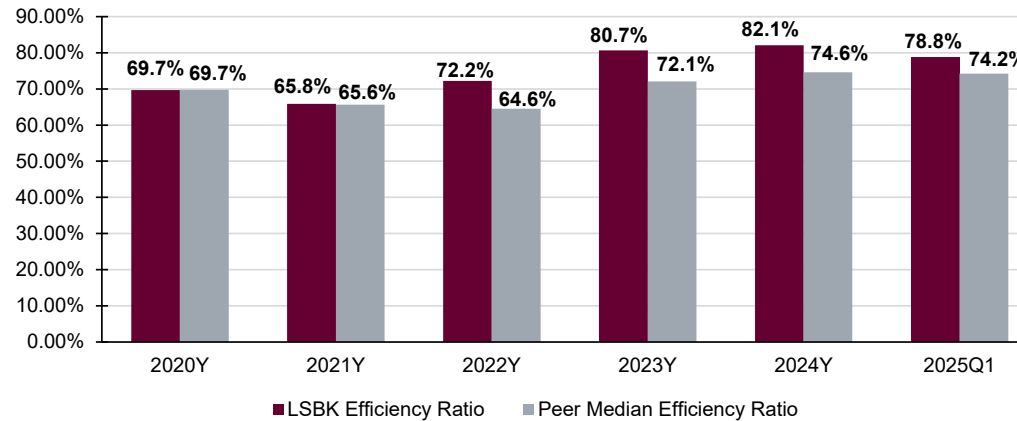
## Net Interest Margin



## Return on Average Assets



## Efficiency Ratio\*



\* Efficiency Ratio represents non-interest expense divided by the sum of net interest income and non-interest income

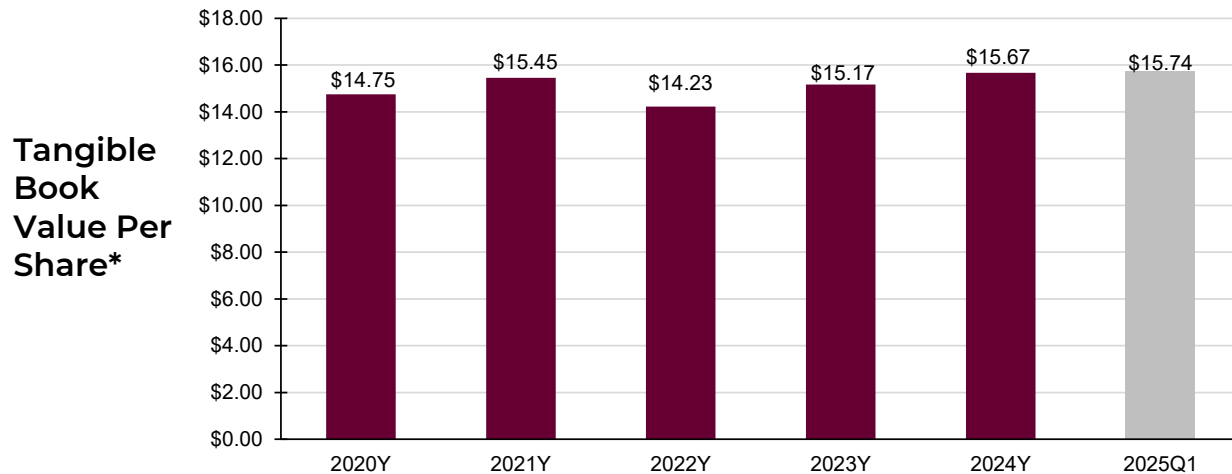
Note: Financial data is presented for Lake Shore Bancorp's Fiscal Year Ended December 31 for each respective year and for the three months ended March 31, 2025; peer group detailed on page 21; peer data shown on a consolidated basis where available, otherwise shown at the bank-level

# LS LAKE SHORE BANCORP, INC.

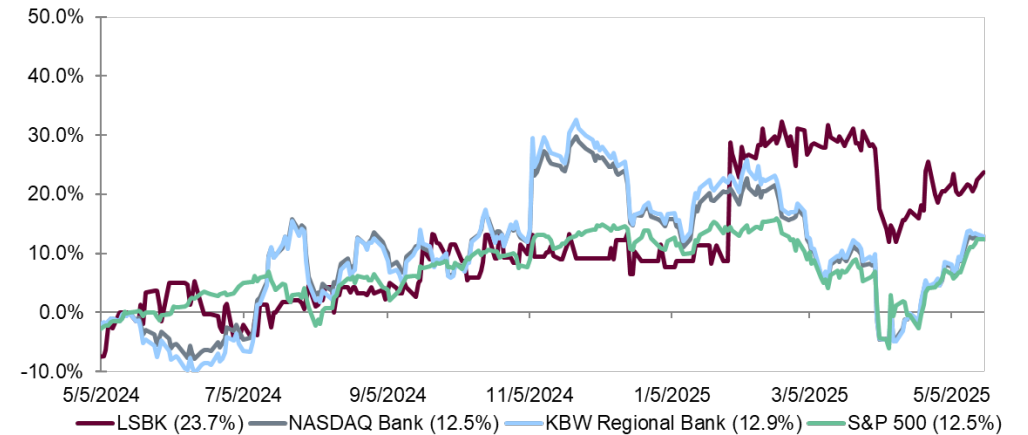
## Creating Shareholder Value

- High capital ratios enable organic growth without diluting shareholder value
- Elected the Community Bank Leverage Ratio effective January 1, 2020

	2020	2021	2022	2023	2024	2025Q1
<b>Tier 1 / Community Bank Leverage Ratio</b>	11.8%	12.0%	12.4%	12.7%	13.8%	14.3%
<b>Equity / Total Assets</b>	12.5%	12.3%	11.6%	11.9%	13.1%	13.2%
<b>Common Shares Outstanding</b>	5,823,786	5,692,410	5,705,225	5,686,288	5,735,226	5,760,272



## Since IPO



\* The tangible book value per share is the same as book value per share for each period presented

Note: Financial data is presented for Lake Shore Bancorp's Fiscal Year Ended December 31 for each respective year and for three three months ended March 31, 2025; market information as of 5/19/2025 Source: S&P Capital IQ Pro

## Summary

- After 134 years in business, we continue to be a local bank that cares about its customers and communities.
- At Lake Shore Savings Bank, that has always meant “Putting People First.”
- We will continue to put our customers, communities, and shareholders **FIRST**, as we adopt new technology, products, and services to meet the future needs of our customers.



# ***QUESTIONS AND ANSWERS***

**LS** Lake Shore Savings  
*Putting People First.™*

## Vote Report

### Adjournment of Annual Shareholder' Meeting

## Appendix: Lake Shore Savings Peer Data

Institution Name	Ticker	City, State	Total Assets (\$mm)
Evans Bancorp, Inc.	EVBN	Williamsville, NY	\$2,187
Esquire Financial Holdings, Inc.	ESQ	Jericho, NY	\$1,954
Pathfinder Bancorp, Inc.	PBHC	Oswego, NY	\$1,495
Bank of Utica	BKUT	Utica, NY	\$1,389
Solvay Bank Corp.	SOBS	Solvay, NY	\$1,193
Ballston Spa Bancorp, Inc.	BSPA	Ballston Spa, NY	\$898
Jeffersonville Bancorp	JFBC	Jeffersonville, NY	\$629
Glenville Bank Holding Company, Inc.	-	Scotia, NY	\$678
ES Bancshares, Inc.	ESBS	Staten Island, NY	\$632
NBC Bancorp, Inc.	NCXS	Coxsackie, NY	\$534
C.C.Bancorp, Inc.	-	Little Valley, NY	\$358
<b>Average</b>			<b>\$1,086</b>
<b>Median</b>			<b>\$898</b>

## Lake Shore, MHC Annual Meeting of Members

- Call to Order
- Introduction of Proposal to Elect Directors
- Tabulation of Votes
- Adjournment