

Main Street Financial Services Corp. Achieves New Record Profit Milestone for Third Quarter of 2025

Business Highlights

- Net income increased for the third quarter by 32%, totaling \$4.5 million, or \$0.58 per common share, compared to \$3.4 million, or \$0.44 per common share, for the third quarter of 2024.
- Return on average assets (ROA) improved 25 basis points to 1.25%, compared to 1.00% in the third quarter of 2024.
- Return on average common tangible equity (ROCTE) increased 209 basis points to 16.63%, compared to 14.54% in the third quarter of 2024.
- Deposit growth of \$51.4 million, or 16.6% annualized, for the quarter ended September 30, 2025
- Loan growth of \$29.5 million, or 10.2% annualized, for the quarter ended September 30, 2025
- Continued reduction of wholesale funding by \$34 million during the third quarter of 2025. The wholesale funding balance decreased to \$20 million, or 1.4% of assets, as of September 30, 2025.
- Expanded market presence with the opening of a new full-service branch in St. Clairsville, Ohio, during August 2025
- Declared cash dividend of \$0.14 per share on October 10, 2025

Wooster, Ohio, October 23, 2025 – Main Street Financial Services Corp. (OTCQX: MSWV), (the “Company”), the holding company parent of Main Street Bank Corp. reported net income (unaudited) of \$4.5 million, or \$0.58 per common share, for the three months ended September 30, 2025, an increase of \$1.1 million, or 31.7%, when compared to \$3.4 million, \$0.44 per common share, for the quarter ended September 30, 2024. On a non-GAAP basis, which excludes nonrecurring items and represents the Company’s earnings from ongoing operations, return on average assets increased to 1.16% from 0.89%, and return on average equity rose to 14.06% from 11.17%. The Company’s efficiency ratio improved to 56.91%, compared to 66.01% in the third quarter of 2024, as revenue growth outpaced expense levels.

“Our third quarter results reflect the collective strength of our people, customers, and the communities we serve,” said Mark Witmer, Chairman, President, and CEO of Main Street Financial Services Corp. “Growth in loans and deposits continues to be driven by the relationships our bankers have built. Even as we deliver strong financial results, our focus remains on supporting local families, small businesses, and community partners who are the foundation of our success. The year-over-year improvement in key performance metrics further underscores Main Street’s enhanced operating leverage, disciplined cost structure, and sustained profitability following the merger integration.”

Third Quarter 2025 Financial Results

Net interest income was \$12.7 million for the quarter ended September 30, 2025, an increase of 19.8% from \$10.6 million for the quarter ended September 30, 2024. The net interest margin of 3.73% for the third quarter of 2025 increased 45 basis points from 3.28% for the third quarter of 2024. Loan yields were 6.56% for the quarter ended September 30, 2025, an increase of 39 basis points when compared to 6.17% for the quarter ended September 30, 2024. During the third quarter of 2025, \$134.9 million of the existing loan portfolio repriced and the bank funded \$74.6 million in term loans and lines of credit at current market rates. Investment yields increased 18 basis points to 3.63% as of September 30, 2025, compared to the quarter ended September 30, 2024. The cost of funds for the third quarter of 2025 was 2.54%, a decrease of 10 basis points when compared to the third quarter of 2024. The cost of funds is impacted by the acquisition of new deposit accounts in the local market at rates lower than wholesale funding, such as FHLB advances. The cost of deposits was 2.45% for the quarter ended September 30, 2025, a 16-basis point

increase when compared to 2.29% for the quarter ended September 30, 2024. The cost of borrowings for the quarter ended September 30, 2025, totaled 4.90%, a decrease of 47 basis points when compared to the quarter ended September 30, 2024.

A provision for credit losses and unfunded commitments of \$481,000 was recorded for the quarter ended September 30, 2025. During the quarter, the Company recognized \$200,000 in charge-offs and \$5,000 in recoveries, reflecting relatively stable asset quality.

Noninterest income totaled \$1.3 million for the quarter ended September 30, 2025, a decrease of \$296,000, or 18.5%, when compared to the same period in 2024. The decline primarily reflects a \$702,000 gain on sale of investment securities recognized in the prior year quarter when the Company elected to sell approximately \$15 million of acquired securities. This was partially offset in the current quarter by \$337,000 when the Company recognized death benefit proceeds generated on a bank-owned life insurance (BOLI) policy.

Noninterest expense totaled \$7.8 million for the quarter ended September 30, 2025, a slight decrease of \$69,000, or 0.9%, compared to \$7.9 million for the same period in 2024. The decrease was driven by lower net occupancy and equipment expense and reduced professional fees, reflecting the prior-year impact of merger-related and integration costs. These reductions were partially offset by higher FDIC insurance premiums, franchise taxes and ATM network expenses as a result of increased transaction volume and regulatory assessment rates. Salaries and employee benefits increased modestly by \$86,000 due to merit increases and higher deposit and loan production incentive compensation, partially offset by savings from employee attrition following merger integration. Overall, the Company maintained disciplined expense management while absorbing higher regulatory and operating costs associated with growth.

Provision for income taxes for the quarter ended September 30, 2025, was \$1.2 million, reflecting an effective tax rate of 21.2%.

September 30, 2025 Financial Condition

As of September 30, 2025, the Company had total assets of \$1.47 billion with net loan balances totaling \$1.19 billion. Loan balances grew by \$29.5 million, or 10.2% annualized, during the third quarter of 2025. The increase is primarily attributed to \$35.1 million growth in the commercial loan portfolio.

The allowance for credit losses was \$12.7 million at September 30, 2025, compared to \$11.8 million at December 31, 2024. The allowance for credit losses as a percent of total loans was 1.06% for September 30, 2025, and 1.05% for December 31, 2024. The allowance for credit losses and the related provision for credit losses is based on management's judgment and evaluation of the loan portfolio. Management believes the current allowance for credit losses is adequate, however, changing economic and other conditions may require future adjustments to the allowance for credit losses.

Total nonperforming loans (NPLs) was \$5.0 million at September 30, 2025, a decrease from \$6.1 million at December 31, 2024. The NPL to net loan receivable ratio was 0.42% as of September 30, 2025. Past due loan balances of 30 days and more decreased from \$13.8 million at December 31, 2024, to \$7.5 million, or 0.63% of net loans outstanding, at September 30, 2025.

Improvement in Asset Quality Since Merger Announcement: The combined level of classified loans for Legacy Wayne Savings Bancshares, Inc. and Main Street Financial Services, Corp. was \$24.4 million as of December 31, 2022. Since the merger announcement on February 23, 2023, the management teams of both Main Street and Wayne invested a great deal of time ensuring our combined organization utilizes strong underwriting standards and proactively monitors credit quality. Main Street sold approximately \$15.2 million

of loans in August 2023 and April 2024, of which approximately \$12.7 million were classified loans. As of September 30, 2025, the resultant Company has \$11.1 million of classified loans.

Total liabilities were \$1.35 billion at September 30, 2025, with deposits totaling \$1.29 billion and wholesale funding totaling \$20.0 million. Deposits grew by \$51.4 million, or 16.6% annualized, during the third quarter of 2025, mainly attributed to growth from Maximize Money Market accounts and the Short-Term Relationship Certificates of Deposits. The Company primarily utilizes FHLB advances as the primary source of wholesale funding due to their accessibility and alignment with prevailing market rates. During the third quarter of 2025, the Company reduced the reliance on FHLB advances by \$34 million.

Total stockholders' equity was \$123.6 million at September 30, 2025, an increase of \$13.0 million when compared to the December 31, 2024 balance. Total stockholders' equity increased during the second quarter of 2025 primarily from net income of \$4.5 million, an increase in accumulated other comprehensive income of \$3.5 million and partially offset by dividends of \$1.1 million.

Main Street Financial Services Corp. is a holding company headquartered in Wooster, Ohio. Its primary subsidiary, Main Street Bank Corp. was founded in 1899 and provides full-service banking, commercial lending, and mortgage services across its branch infrastructure. Today, Main Street Bank Corp. operates twenty branch locations in Wooster, Ohio, Wheeling, West Virginia and other surrounding communities in Ohio and West Virginia. Additional information about Main Street Bank Corp. is available at www.mymainstreetbank.bank.

Merger and Impact on Financial Statements Disclosure

The Company announced a merger of equals transaction with Wayne Savings Bancshares, Inc. ("Legacy Wayne"), and on May 31, 2024 (the "Merger Date"), the Company completed the transaction. On the Merger Date, Legacy Wayne merged with and into Main Street, with Main Street surviving the merger (the "Merger"). Immediately following the Merger, Main Street's wholly owned bank subsidiary, Main Street Bank Corp., merged with and into Wayne Savings Community Bank, with Wayne Savings Community Bank surviving the merger. Upon completion of the Merger, Wayne Savings Community Bank was renamed Main Street Bank Corp.

The Merger was accounted for as a reverse merger using the acquisition method of accounting, therefore, Legacy Wayne was deemed the acquirer for financial reporting purposes, even though Main Street was the legal acquirer. Accordingly, Legacy Wayne's historical financial statements are the historical financial statements of the combined company for all periods before the Merger Date. Our consolidated statements of income for the quarters ended June 30, 2024 and forward, include the results from Main Street on and after May 31, 2024. Results for periods before May 31, 2024, reflect only those of Legacy Wayne and do not include the consolidated statements of income of Main Street. Accordingly, comparisons of our results with those of prior periods may not be meaningful. The number of shares issued and outstanding, earnings per share, dividends paid and all references to share quantities of Main Street have been retrospectively adjusted to reflect the equivalent number of shares issued in the Merger.

Non-GAAP Disclosure

This press release includes disclosures of the Company's return on average equity, return on average assets, net income, and efficiency ratios which exclude amounts the Company views as unrelated to its normalized operations, including securities gains/losses, acquisition costs, restructuring costs, legal settlements, and system conversion costs. The financial measures are not prepared in accordance with generally accepted accounting principles in the United States (GAAP). A non-GAAP financial measure is a numerical measure of historical or future financial performance, financial position or cash flow that excludes or includes amounts that are required to be disclosed by GAAP. The Company believes that these non-GAAP financial measures provide both management and investors a more complete understanding of the underlying

operational results and trends and the Company's marketplace performance. The presentation of this additional information is not meant to be considered in isolation or as a substitute for the numbers prepared in accordance with GAAP.

Forward-Looking Statements

This release contains forward-looking statements that are not historical facts and that are intended to be "forward-looking statements" as that term is defined by the Private Securities Litigation Reform Act of 1995. These forward-looking statements may include, but are not limited to, statements about the Company's plans, objectives, expectations and intentions and other statements contained in this release that are not historical facts and pertain to the Company's future operating results. When used in this release, the words "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and similar expressions are generally intended to identify forward-looking statements. Actual results may differ materially from the results discussed in these forward-looking statements, because such statements are inherently subject to significant assumptions, risks, and uncertainties, many of which are difficult to predict and are generally beyond the Company's control. These include but are not limited to: the possibility of adverse economic developments that may, among other things, increase default and delinquency risks in the Company's loan portfolios; shifts in interest rates; shifts in the rate of inflation; shifts in the demand for the Company's loan and other products; unforeseen increases in costs and expenses; lower-than-expected revenue or cost savings in connection with acquisitions; changes in accounting policies; changes in the monetary and fiscal policies of the federal government; and changes in laws, regulations and the competitive environment. Unless legally required, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contact Information:

Matthew Hartzler

Executive Vice President, Chief Financial Officer

(330) 264-5767

MAIN STREET FINANCIAL SERVICES CORP.**Condensed Consolidated Balance Sheets**

(Dollars in thousands, except share data - unaudited)

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
ASSETS		
Cash and cash equivalents	\$ 51,273	\$ 54,422
Securities, net (1)	156,607	163,819
Loans held for sale	110	-
Loans receivable, net	1,190,980	1,113,900
Federal Home Loan Bank stock	2,627	5,924
Premises & equipment, net	7,859	8,013
Bank-owned life insurance	22,182	22,155
Other assets	39,328	41,368
TOTAL ASSETS	<u>\$ 1,470,966</u>	<u>\$ 1,409,601</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposit accounts	\$ 1,289,022	\$ 1,156,327
Other borrowings	26,669	28,399
Federal Home Loan Bank advances	20,000	100,000
Accrued interest payable and other liabilities	11,652	14,239
TOTAL LIABILITIES	<u>1,347,343</u>	<u>1,298,965</u>
Common stock (\$1.00 par value, 7,829,137 and 7,801,011 shares issued at Sept 30, 2025 and December 31, 2024, respectively)	7,829	7,801
Additional paid-in capital	56,727	56,387
Retained earnings	65,922	57,356
Accumulated other comprehensive loss	(6,855)	(10,908)
TOTAL STOCKHOLDERS' EQUITY	<u>123,623</u>	<u>110,636</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 1,470,966</u>	<u>\$ 1,409,601</u>

(1) Includes available-for-sale and held-to-maturity classifications.

Note: The December 31, 2024 Condensed Consolidated Balance Sheet has been derived from the audited Consolidated Balance Sheet as of that date.

MAIN STREET FINANCIAL SERVICES CORP.
Condensed Consolidated Statements of Income
(Dollars in thousands, except share data - unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Interest income	\$ 21,122	\$ 18,930	\$ 61,218	\$ 41,196
Interest expense	8,394	8,308	24,508	19,134
Net interest income	12,728	10,622	36,710	22,062
Provision for credit losses	480	109	1,099	4,703
Net interest income after provision for credit losses	12,248	10,513	35,611	17,359
Non-interest income	1,304	1,600	3,029	2,994
Non-interest expense				
Salaries and employee benefits	3,885	3,799	11,962	8,688
Net occupancy and equipment expense	1,351	1,465	4,231	2,970
Federal deposit insurance premiums	211	118	589	440
Franchise taxes	126	51	336	358
Advertising and marketing	225	190	585	408
Legal	52	195	299	508
Professional fees	238	371	962	1,664
ATM network	246	79	458	474
Auditing and accounting	177	193	485	386
Other	1,283	1,403	3,709	2,625
Total non-interest expense	7,794	7,863	23,616	18,520
Income before federal income taxes	5,758	4,251	15,024	1,833
Provision for federal income taxes	1,219	804	3,177	315
Net income	<u>\$ 4,539</u>	<u>\$ 3,446</u>	<u>\$ 11,847</u>	<u>\$ 1,517</u>
Earnings per share				
Basic	<u>\$ 0.58</u>	<u>\$ 0.44</u>	<u>\$ 1.52</u>	<u>\$ 0.27</u>
Diluted	<u>\$ 0.58</u>	<u>\$ 0.44</u>	<u>\$ 1.51</u>	<u>\$ 0.27</u>

MAIN STREET FINANCIAL SERVICES CORP.
Selected Condensed Consolidated Financial Data
(Dollars in thousands, except share data - unaudited)

	September 2025	June 2025	March 2025	December 2024
Interest and dividend income	\$ 21,122	\$ 20,699	\$ 19,397	\$ 19,138
Interest expense	8,394	8,241	7,872	8,531
Net interest income	12,728	12,457	11,525	10,607
Provision for credit losses	480	374	245	79
Net interest income after provision for credit losses	12,248	12,083	11,280	10,528
Non-interest income	1,304	906	819	1,165
Non-interest expense	7,794	8,308	7,514	7,950
Income before federal income taxes	5,758	4,681	4,585	3,744
Provision for federal income taxes	1,219	1,002	956	558
Net income	<u>\$ 4,539</u>	<u>\$ 3,679</u>	<u>\$ 3,629</u>	<u>\$ 3,186</u>
Earnings per share - basic	\$ 0.58	\$ 0.47	\$ 0.47	\$ 0.41
Earnings per share - diluted	\$ 0.58	\$ 0.47	\$ 0.47	\$ 0.41
Dividends per share	\$ 0.14	\$ 0.14	\$ 0.14	\$ 0.14
Return on average assets	1.25%	1.03%	1.03%	0.90%
Return on average equity	15.19%	13.42%	13.27%	11.69%
Shares outstanding at quarter end	7,829,137	7,829,137	7,801,011	7,801,011
Book value per share	\$ 15.79	\$ 14.89	\$ 14.73	\$ 14.18
Tangible equity per share	\$ 13.94	\$ 12.97	\$ 12.73	\$ 12.13
Return on common tangible equity	16.63%	14.49%	14.62%	13.46%
	September 2024	June 2024	March 2024	December 2023
Interest and dividend income	\$ 18,930	\$ 12,572	\$ 9,694	\$ 9,545
Interest expense	8,308	6,185	4,641	4,330
Net interest income	10,622	6,387	5,053	5,215
Provision (benefit) for credit losses	109	4,720	(126)	4
Net interest income after provision for credit losses	10,513	1,666	5,179	5,211
Non-interest income	1,600	716	678	1,017
Non-interest expense	7,863	6,723	3,934	3,748
Income (loss) before federal income taxes	4,251	(4,341)	1,923	2,480
Provision (benefit) for federal income tax	804	(873)	384	443
Net income (loss)	<u>\$ 3,446</u>	<u>\$ (3,468)</u>	<u>\$ 1,539</u>	<u>\$ 2,037</u>
Earnings (loss) per share - basic	\$ 0.44	\$ (0.68)	\$ 0.40	\$ 0.53
Earnings (loss) per share - diluted	\$ 0.44	\$ (0.67)	\$ 0.40	\$ 0.53
Dividends per share	\$ 0.14	\$ 0.13	\$ 0.13	\$ 0.13
Return on average assets	1.00%	(1.38%)	0.76%	1.02%
Return on average equity	12.58%	(17.16%)	11.63%	16.90%
Shares outstanding at quarter end	7,801,011	7,787,055	3,840,575	3,839,702
Book value per share	\$ 14.27	\$ 13.60	\$ 13.81	\$ 13.80
Tangible equity per share	\$ 12.15	\$ 11.49	\$ 13.36	\$ 13.35
Return on common tangible equity	14.54%	(15.51%)	12.00%	15.90%

MAIN STREET FINANCIAL SERVICES CORP.

Non-GAAP reconciliation

(Dollars in thousands, except per share data - unaudited)

	For three months ended		For the nine months ended	
	September,		September,	
	2025	2024	2025	2024
Net Income as reported - GAAP	\$ 4,539	\$ 3,446	\$ 11,847	\$ 1,518
Effect of BOLI death benefit recognition (tax-free)	(337)	-	(337)	-
Effect of gain on the sale of investments (net of tax benefit)	-	(555)	-	(555)
Effect of merger related expenses (net of tax benefit)	-	170	-	5,743
Effect of termination expenses (net of tax benefit)	-	-	416	-
Net Income non-GAAP	<u>\$ 4,202</u>	<u>\$ 3,061</u>	<u>\$ 11,926</u>	<u>\$ 6,706</u>
Earnings per share - GAAP	\$ 0.58	\$ 0.44	\$ 1.52	\$ 0.27
Effect of BOLI death benefit recognition (tax-free)	(0.04)	-	(0.04)	-
Effect of gain on the sale of investments (net of tax benefit)	-	(0.07)	-	(0.10)
Effect of merger related expenses (net of tax benefit)	-	0.02	-	1.03
Effect of termination expenses (net of tax benefit)	-	-	0.05	-
Earnings per share non-GAAP	<u>\$ 0.54</u>	<u>\$ 0.39</u>	<u>\$ 1.53</u>	<u>\$ 1.20</u>
Return on average assets - GAAP	1.25%	1.00%	1.10%	0.19%
Effect of BOLI death benefit recognition (tax-free)	(0.09%)	-	(0.03%)	-
Effect of gain on the sale of investments (net of tax benefit)	-	(0.16%)	-	(0.07%)
Effect of merger related expenses (net of tax benefit)	-	0.05%	-	0.72%
Effect of termination expenses (net of tax benefit)	-	-	0.04%	-
Return on average assets non-GAAP	<u>1.16%</u>	<u>0.89%</u>	<u>1.11%</u>	<u>0.84%</u>
Return on average equity - GAAP	15.19%	12.58%	10.59%	2.66%
Effect of BOLI death benefit recognition (tax-free)	(1.13%)	-	(0.30%)	-
Effect of gain on the sale of investments (net of tax benefit)	-	(2.03%)	-	(0.97%)
Effect of merger related expenses (net of tax benefit)	-	0.62%	-	10.06%
Effect of termination expenses (net of tax benefit)	-	-	0.37%	-
Return on average equity non-GAAP	<u>14.06%</u>	<u>11.17%</u>	<u>10.66%</u>	<u>11.75%</u>
Efficiency Ratio - GAAP	55.54%	64.34%	59.43%	73.92%
Effect of BOLI death benefit recognition (tax-free)	1.37%	-	0.51%	-
Effect of gain on the sale of investments (net of tax benefit)	-	3.06%	-	1.67%
Effect of merger related expenses (net of tax benefit)	-	(1.39%)	-	(9.90%)
Effect of termination expenses (net of tax benefit)	-	-	(1.05%)	-
Efficiency Ratio non-GAAP	<u>56.91%</u>	<u>66.01%</u>	<u>58.89%</u>	<u>65.69%</u>