

Main Street Financial Services Corp. Posts Record Quarter, Capping a Record-Setting Year

Business Highlights

- Net income hit a record \$16.7 million for the twelve months ended December 31, 2025.
- Return on average common tangible equity (ROCTE) increased 364 basis points to 17.10%, compared to 13.46% in the fourth quarter of 2024.
- Net income increased for the fourth quarter by 53.9%, totaling \$4.9 million, or \$0.63 per common share, compared to \$3.2 million, or \$0.41 per common share, for the fourth quarter of 2024.
- Return on average assets (ROA) improved 42 basis points to 1.32%, compared to 0.90% in the fourth quarter of 2024.
- Deposit growth of \$43.1 million, or 12.9% annualized, for the quarter ended December 31, 2025
- Loan growth of \$19.0 million, or 6.2% annualized, for the quarter ended December 31, 2025
- Declared a cash dividend of \$0.15 per share on January 9, 2026, representing a 7% increase, following strong quarterly operating results.

Wooster, Ohio, January 28, 2025 – Main Street Financial Services Corp. (OTCQX: MSWV), (the “Company”), the holding company parent of Main Street Bank Corp. reported net income (unaudited) of \$4.9 million, or \$0.63 per common share, for the three months ended December 31, 2025, an increase of \$1.7 million, or 53.9%, when compared to \$3.2 million, \$0.41 per common share, for the quarter ended December 31, 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 1.32% from 0.91%, and return on average equity rose to 16.41% from 11.78%. The Company’s efficiency ratio improved to 53.86%, compared to 67.32% in the fourth quarter of 2024, as revenue growth outpaced expense levels.

“This was a truly outstanding year for our organization, highlighted by the achievement of record net income,” said Mark R. Witmer, Chairman, President, and CEO of Main Street Financial Services. Corp. “Our results were fueled by strong loan production, continued growth in our deposit base, and market expansion into St. Clairsville, which together demonstrate the depth of our customer relationships. These results reflect the dedication of our employees and our ongoing commitment to serving the communities we call home. We are proud of what we accomplished and excited about the opportunities ahead.”

Fourth Quarter 2025 Financial Results

Net interest income was \$13.7 million for the quarter ended December 31, 2025, an increase of 29.5% from \$10.6 million for the quarter ended December 31, 2024. The net interest margin of 3.93% for the fourth quarter of 2025 increased 73 basis points from 3.20% for the fourth quarter of 2024. Loan yields for the quarter ended December 31, 2025 were 6.75%, an increase of 62 basis points compared to the quarter ended December 31, 2024. Excluding purchase accounting accretion, the core loan portfolio generated a yield of approximately 6.43%, reflecting disciplined pricing and favorable portfolio mix. Purchase accounting accretion on acquired loans contributed 32 basis points to overall loan yield during the fourth quarter of 2025, compared to approximately 9 basis points during the fourth quarter of 2024. During the fourth quarter of 2025, \$179.8 million of the existing loan portfolio repriced and the bank funded \$58.4 million in term loans and lines of credit at current market rates. Investment yields increased 8 basis points to 3.67% as of December 31, 2025, compared to the quarter ended December 31, 2024. The cost of funds for the fourth quarter of 2025 was 2.49%, a decrease of 17 basis points when compared to the fourth 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 2.44% for the quarter ended December 31, 2025, a 19-basis point increase when compared to 2.25% for the quarter ended December

31, 2024. The cost of borrowings for the quarter ended December 31, 2025, totaled 6.01%, a decrease of 7 basis points when compared to the quarter ended December 31, 2024.

A provision for credit losses and unfunded commitments of \$476,000 was recorded for the quarter ended December 31, 2025. The provision increase primarily reflects growth in the loan portfolio during the quarter, while charge-offs of \$74,000 and recoveries of \$35,000 indicate relatively stable asset quality.

Noninterest income totaled \$930,000 for the quarter ended December 31, 2025, a decrease of \$235,000, or 20.2%, when compared to the same period in 2024.

Noninterest expense totaled \$7.9 million for the quarter ended December 31, 2025, a slight decrease of \$16,000, 0.2%, compared to \$7.9 million for the same period in 2024. The decrease was driven by merger related expenses, advertising and marketing, and franchise taxes expense. These decreases 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 by \$57,000 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 December 31, 2025, was \$1.4 million, reflecting an effective tax rate of 22.1%.

December 31, 2025 Financial Condition

As of December 31, 2025, the Company had total assets of \$1.50 billion with net loan balances totaling \$1.21 billion. Loan balances grew by \$19.0 million, or 6.2% annualized, during the fourth quarter of 2025. The increase is primarily attributed to \$13.6 million growth in the commercial loan portfolio.

The allowance for credit losses was \$13.1 million at December 31, 2025, compared to \$11.8 million at December 31, 2024. The allowance for credit losses as a percent of total loans was 1.07% for December 31, 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 \$5.4 million at December 31, 2025, a decrease from \$6.1 million at December 31, 2024. The NPL to net loan receivable ratio was 0.45% as of December 31, 2025. Past due loan balances of 30 days and more decreased from \$13.8 million at December 31, 2024, to \$5.0 million, or 0.41% of net loans outstanding, at December 31, 2025.

Total liabilities were \$1.37 billion at December 31, 2025, with deposits totaling \$1.33 billion and wholesale funding totaling \$0. Deposits grew by \$43.1 million, or 12.9 % annualized, during the fourth 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 fourth quarter of 2025, the Company reduced the reliance on FHLB advances by \$20 million.

Total stockholders' equity was \$128.7 million at December 31, 2025, an increase of \$18.1 million when compared to the December 31, 2024 balance. Total stockholders' equity increased during the fourth quarter of 2025 primarily from net income of \$4.9 million, an increase in accumulated other comprehensive income

of \$4.9 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.

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

(Dollars in thousands, except share data - unaudited)

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
ASSETS		
Cash and cash equivalents	\$ 61,624	\$ 54,422
Securities, net (1)	155,696	163,819
Loans receivable, net	1,209,532	1,113,900
Federal Home Loan Bank stock	1,368	5,924
Premises & equipment, net	7,779	8,013
Bank-owned life insurance	22,327	22,155
Other assets	37,207	41,368
TOTAL ASSETS	<u>\$ 1,495,533</u>	<u>\$ 1,409,601</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposit accounts	\$ 1,332,144	\$ 1,156,327
Other borrowings	22,435	28,399
Federal Home Loan Bank advances	-	100,000
Accrued interest payable and other liabilities	12,234	14,239
TOTAL LIABILITIES	<u>1,366,813</u>	<u>1,298,965</u>
Common stock (\$1.00 par value, 7,829,137 and 7,801,011 shares issued at December 31, 2025 and December 31, 2024, respectively)	7,829	7,801
Additional paid-in capital	57,217	56,387
Retained earnings	69,728	57,356
Accumulated other comprehensive loss	(6,054)	(10,908)
TOTAL STOCKHOLDERS' EQUITY	<u>128,720</u>	<u>110,636</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 1,495,533</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 December 31,		Twelve Months Ended December 31,	
	2025	2024	2025	2024
Interest income	\$ 22,066	\$ 19,136	\$ 83,284	\$ 60,332
Interest expense	\$ 8,325	8,531	32,832	27,665
Net interest income	\$ 13,741	10,605	50,452	32,667
Provision for credit losses	\$ 476	79	1,575	4,782
Net interest income after provision for credit losses	\$ 13,265	10,527	48,877	27,885
Non-interest income	\$ 930	1,165	3,959	4,159
Non-interest expense				
Salaries and employee benefits	\$ 3,880	3,823	15,842	12,511
Net occupancy and equipment expense	\$ 1,471	1,429	5,701	4,399
Federal deposit insurance premiums	\$ 189	198	778	638
Franchise taxes	\$ 284	76	621	434
Advertising and marketing	\$ 205	237	790	645
Legal	\$ 65	143	364	651
Professional fees	\$ 326	260	1,287	1,924
ATM network	\$ 118	83	576	557
Auditing and accounting	\$ 199	130	685	516
Other	\$ 1,164	1,538	4,874	4,163
Total non-interest expense	\$ 7,901	7,918	31,518	26,438
Income before federal income taxes	\$ 6,294	3,773	21,318	5,606
Provision for federal income taxes	\$ 1,392	588	4,569	903
Net income	\$ 4,902	\$ 3,186	\$ 16,749	\$ 4,703
Earnings per share				
Basic	\$ 0.63	\$ 0.41	\$ 2.14	\$ 0.77
Diluted	\$ 0.62	\$ 0.41	\$ 2.14	\$ 0.76

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

	December 2025	September 2025	June 2025	March 2025
Interest and dividend income	\$ 22,066	\$ 21,122	\$ 20,699	\$ 19,397
Interest expense	8,325	8,394	8,242	7,872
Net interest income	13,741	12,728	12,457	11,525
Provision for credit losses	476	480	374	245
Net interest income after provision for credit losses	13,265	12,248	12,083	11,280
Non-interest income	930	1,304	906	819
Non-interest expense	7,901	7,794	8,308	7,514
Income before federal income taxes	6,294	5,758	4,681	4,585
Provision for federal income taxes	1,392	1,219	1,002	956
Net income	<u>\$ 4,902</u>	<u>\$ 4,539</u>	<u>\$ 3,679</u>	<u>\$ 3,629</u>
Earnings per share - basic	\$ 0.63	\$ 0.58	\$ 0.47	\$ 0.47
Earnings per share - diluted	\$ 0.62	\$ 0.58	\$ 0.47	\$ 0.47
Dividends per share	\$ 0.14	\$ 0.14	\$ 0.14	\$ 0.14
Return on average assets	1.32%	1.25%	1.03%	1.03%
Return on average equity	16.41%	15.19%	13.42%	13.27%
Shares outstanding at quarter end	7,829,137	7,829,137	7,829,137	7,801,011
Book value per share	\$ 16.44	\$ 15.79	\$ 14.89	\$ 14.73
Tangible equity per share	\$ 14.65	\$ 13.94	\$ 12.97	\$ 12.73
Return on common tangible equity	17.10%	16.63%	14.49%	14.62%
	December 2024	September 2024	June 2024	March 2024
Interest and dividend income	\$ 19,136	\$ 18,930	\$ 12,572	\$ 9,694
Interest expense	8,531	8,308	6,185	4,641
Net interest income	10,605	10,622	6,387	5,053
Provision (benefit) for credit losses	79	109	4,720	(126)
Net interest income after provision for credit losses	10,527	10,513	1,666	5,179
Non-interest income	1,165	1,600	716	678
Non-interest expense	7,918	7,863	6,723	3,934
Income (loss) before federal income taxes	3,773	4,251	(4,341)	1,923
Provision (benefit) for federal income taxes	588	804	(873)	384
Net income (loss)	<u>\$ 3,186</u>	<u>\$ 3,446</u>	<u>\$ (3,468)</u>	<u>\$ 1,539</u>
Earnings (loss) per share - basic	\$ 0.41	\$ 0.44	\$ (0.68)	\$ 0.40
Earnings (loss) per share - diluted	\$ 0.41	\$ 0.44	\$ (0.67)	\$ 0.40
Dividends per share	\$ 0.14	\$ 0.14	\$ 0.13	\$ 0.13
Return on average assets	0.90%	1.00%	(1.38%)	0.76%
Return on average equity	11.69%	12.58%	(17.16%)	11.63%
Shares outstanding at quarter end	7,801,011	7,801,011	7,787,055	3,840,575
Book value per share	\$ 14.18	\$ 14.27	\$ 13.60	\$ 13.81
Tangible equity per share	\$ 12.13	\$ 12.15	\$ 11.49	\$ 13.36
Return on common tangible equity	13.46%	14.54%	(15.51%)	12.00%

MAIN STREET FINANCIAL SERVICES CORP.
Non-GAAP reconciliation
(Dollars in thousands, except per share data - unaudited)

	For three months ended December,		For the twelve months ended December,	
	2025	2024	2025	2024
Net Income as reported - GAAP	\$ 4,902	\$ 3,185	\$ 16,749	\$ 4,703
Effect of BOLI death benefit recognition (tax-free)	-	-	(337)	-
Effect of gain on the sale of investments (net of tax benefit)	-	-	-	(555)
Effect of merger related expenses (net of tax benefit)	-	26	-	5,769
Effect of termination expenses (net of tax benefit)	-	-	416	-
Net Income non-GAAP	<u>\$ 4,902</u>	<u>\$ 3,211</u>	<u>\$ 16,828</u>	<u>\$ 9,917</u>
Earnings per share - GAAP	\$ 0.63	\$ 0.41	\$ 2.14	\$ 0.77
Effect of BOLI death benefit recognition (tax-free)	-	-	(0.04)	-
Effect of gain on the sale of investments (net of tax benefit)	-	-	-	(0.09)
Effect of merger related expenses (net of tax benefit)	-	-	-	0.94
Effect of termination expenses (net of tax benefit)	-	-	0.05	-
Earnings per share non-GAAP	<u>\$ 0.63</u>	<u>\$ 0.41</u>	<u>\$ 2.15</u>	<u>\$ 1.62</u>
Return on average assets - GAAP	1.32%	0.90%	1.16%	0.41%
Effect of BOLI death benefit recognition (tax-free)	-	-	(0.02%)	-
Effect of gain on the sale of investments (net of tax benefit)	-	-	-	(0.05%)
Effect of merger related expenses (net of tax benefit)	-	0.01%	-	0.50%
Effect of termination expenses (net of tax benefit)	-	-	0.03%	-
Return on average assets non-GAAP	<u>1.32%</u>	<u>0.91%</u>	<u>1.17%</u>	<u>0.86%</u>
Return on average equity - GAAP	16.41%	11.69%	14.97%	5.58%
Effect of BOLI death benefit recognition (tax-free)	-	-	(0.30%)	-
Effect of gain on the sale of investments (net of tax benefit)	-	-	-	(0.66%)
Effect of merger related expenses (net of tax benefit)	-	0.09%	-	6.84%
Effect of termination expenses (net of tax benefit)	-	-	0.37%	-
Return on average equity non-GAAP	<u>16.41%</u>	<u>11.78%</u>	<u>15.04%</u>	<u>11.76%</u>
Efficiency Ratio - GAAP	53.86%	67.54%	57.92%	71.87%
Effect of BOLI death benefit recognition (tax-free)	-	-	0.36%	-
Effect of gain on the sale of investments (net of tax benefit)	-	-	-	1.10%
Effect of merger related expenses (net of tax benefit)	-	(0.22%)	-	(6.73%)
Effect of termination expenses (net of tax benefit)	-	-	(0.76%)	-
Efficiency Ratio non-GAAP	<u>53.86%</u>	<u>67.32%</u>	<u>57.52%</u>	<u>66.24%</u>