MULTI-BANK SECURITIES, INC.®

FOR IMMEDIATE RELEASE

MULTI-BANK SECURITIES, INC. CLOSES $7.5MM SUBORDINATED NOTE OFFERING FOR FARMERS STATE FINANCIAL CORP.

VICTOR, Mont., Aug. 28, 2026 – Farmers State Financial Corp. (the Company), the holding company for Farmers State Bank, recently completed an offering of $7.5 million in aggregate principal amount of subordinated notes to qualified institutional investors through a private placement offering. The Company intends to use the proceeds from the offering to repay extant debt.

Multi-Bank Securities, Inc. served as the sole financial adviser and placement agent for this offering. Gerrish Smith Tuck, PC, served as the Company's legal counsel in this offering.

The subordinated notes were issued on August 26, 2026, and will mature on September 1, 2036. The Notes will bear interest at an annual fixed rate of 6.75%, payable semi-annually in arrears on March 1st and September 1st of each year from March 1, 2027 to September 1, 2031. From and including September 1, 2031 to September 1, 2036, interest will accrue at a floating rate per annum equal to a benchmark rate, which is expected to be Three-Month Term SOFR (as defined in the subordinated notes), plus a spread of 266 basis points, payable quarterly in arrears on March 1, June 1, September 1, and December 1 of each year. Click here for more details about the transaction.

"Our team was delighted to see the breadth and depth of interest among investors in our subordinated debt offering" stated Ryan Clevidence, CEO and Chief Operating Officer of Farmers State Bank. "As a result, we are able to repay extant debt while continuing to support our customers in Western Montana."

Multi-Bank Securities, Inc. is an independent, veteran-owned fixed-income securities broker-dealer that has been serving institutional investors for nearly 40 years. The Firm's Investment Banking group is dedicated to helping its clients achieve their strategic and financial goals through capital raising, mergers and acquisitions (M&A) and other strategic transactions. Our team has decades of experience and an established track record of providing successful execution and enhancing franchise value. Learn more on our website at www.mbssecurities.com.

MBS is registered with the SEC and MSRB and is a member of FINRA and SIPC. Visit www.finra.org to review our FINRA broker-dealer status – CRD number 22098.

Farmers State Financial Corp. is a bank holding company headquartered in Victor, MT and is the holding company of **Farmers State Bank**, which was established in 1907 and currently serves the community through 10 banking centers across Western Montana. Additional information is available on the bank's website at www.farmersebank.com.

Contact the Multi-Bank Securities, Inc. Team

For more information on the transaction or to discuss how Multi-Bank Securities, Inc. can help achieve your financial and strategic objectives, please contact the team below:

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