



November 2025

Dear Fellow Shareholder:

AmeriServ Financial, Inc. reported third quarter 2025 net income of \$2.5 million or \$0.15 earnings per diluted common share (EPS), which represents a \$1.3 million or 115.0% increase from the third quarter of 2024 when net income totaled \$1.2 million or \$0.07 EPS. For the nine-month period ended September 30, 2025, the Company reported net income of \$4.2 million or \$0.25 EPS. This represents a 56.3% increase in EPS from the first nine months of 2024 when net income totaled \$2.7 million or \$0.16 EPS.

AmeriServ Financial achieved record quarterly earnings in the third quarter of 2025 as our community banking business continued to benefit from diversified revenue streams. The increase in total revenue was caused by meaningful improvement in our net interest income for both the third quarter and first nine months of 2025 because of effective balance sheet management. Specifically, our net interest margin increased by 41- basis points for the first nine months of 2025 leading to a \$4.8 million increase in net interest income which is important since this category represents approximately 70% of our total revenue. Additionally, our non-interest expense has favorably declined for the first nine months of 2025. We will continue to diligently focus on both revenue growth and expense control to further improve the Company's operating efficiency.

In regard to our balance sheet, we also continue to see encouraging new business results as both total loans and deposits experienced growth in 2025. On an average balance basis, total loans for the first nine months of 2025 are up \$36 million or 3.5%. We experienced consistent loan funding opportunities in the first six months of this year but did notice a slow-down in new loan fundings and increased loan payoffs in the third quarter of 2025. We currently expect loans to display positive growth in the fourth quarter. Our deposit performance has been better with total deposits growing by \$69 million or 6.0% in the first nine months of 2025 due to successful business development efforts. The growth in deposits has allowed us to pay down higher cost short-term borrowings. It is important to note that we do not use brokered deposits in any manner as all our deposits are from core customers in our markets. Overall, this growth in both loans and deposits demonstrates the strength and loyalty of our customer base and has helped to drive seven consecutive quarters of net interest income improvement.

AmeriServ Financial Bank is the union bank in Pennsylvania with approximately 47% of our employees being members of the United Steelworkers of America (USW). We are pleased to report that the bank and USW Local 2635-06 agreed on a new four -year contract on October 12, 2025. Financial terms of the new contract, which runs through October 16, 2029, include annual wage increases of 4% for each of the first three years and 3% for the fourth year. Key provisions of existing health care coverage and retirement benefits remain unchanged for union employees. The timely ratification of the new contract is positive news for AmeriServ and the community as the new agreement allows us to continue focusing on our banking for life strategy while enhancing our unique labor partnerships to further advance our strategically important union business development program.

Earlier this year, we announced the signing of a new consulting agreement with SB Value Partners L.P. (SBV) to help grow and optimize the \$2.6 billion assets under administration in our trust and wealth management business. The first phase of the engagement is ending with meaningful restructuring, including cost savings, to improve the efficiency of this important business.

Another critically important outcome from this engagement was our recent announcement of a new strategic alliance that we have formed with Federated Hermes Inc., a leading global investment management company headquartered in Pittsburgh. By forming this alliance with Federated Hermes, we can now offer our individual and institutional wealth management customers best in class investment research and options, strengthening our ability to meet their long-term financial goals. We look forward to updating you on this exciting development in 2026.

We are also pleased to continue some important community initiatives that we are deeply committed to. On October 30, 2025, AmeriServ Financial Bank presented our third free Security Summit, held on the University of Pittsburgh at Johnstown campus. This seminar included presentations on Artificial Intelligence, Cybersecurity, Fraud Awareness, and Cryptocurrency from experts in their respective fields. The goal of these presentations was to educate our customers - both consumers and businesses - on how cyber criminals may use these tools as a means to extort information or money from their victims. Seminar attendance was again excellent, and we received favorable comments from the audience regarding the educational value. For those who have difficulty finding time to attend in-person events, we also have continued to provide a wealth of information on financial education, information security, and current economic events via our Bank Chats podcast. The podcast provides the general public with this information from a trusted source, delivered in a relatable way.

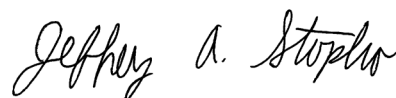
Additionally, on October 16, 2025, the Board of Directors declared a \$0.03 per share quarterly common stock cash dividend. The cash dividend is payable November 17, 2025, to shareholders of record on November 3, 2025. This cash dividend represents a 3.9% annualized yield using an October 31st closing stock price of \$3.05 and a 36% payout ratio based upon 2025 year to date earnings. The Board of Directors believes that the consistent payment of a common stock cash dividend is an important component of total shareholder return. Our dividend strategy is supported by the Company's strong capital position and earnings improvement in 2025.

As we move towards the end of 2025, the Federal Reserve just announced a 25-basis point reduction in the federal funds rate. This was the second such reduction in their last two meetings meaning that they now have reduced the federal funds rate by 50 basis points in 2025. There is currently uncertainty in the markets as to whether there will be any further reductions in the federal funds rate as inflation remains above their 2% target, but employment data appears weaker. We will continue to diligently focus on maintaining a safe bank with sound asset quality, strong capital and good liquidity. Our Board of Directors and management team believe this focus is critical to creating long-term value for all our key stakeholders – including you, our shareholders, as well as customers, employees and the communities in which we operate.

We deeply appreciate your support and thank you for your investment in AmeriServ Financial!



J. Michael Adams, Jr.
Chairman



Jeffrey A. Stopko
President & CEO