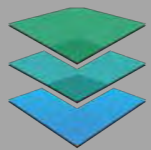


Nasdaq: mnsb
second quarter 2023



MainStreetBancshares, Inc.

July 24, 2023

Forward-looking statements and additional information

Statements in this presentation which are not historical are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. These forward-looking statements may include discussions of the strategic plans and objectives or anticipated future performance and results of MainStreet Bancshares, Inc. or MainStreet Bank (the “Company”).

The information contained in this presentation should be read in conjunction with the Company's most recent Form 10-K and all subsequent Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K, each of which is available on the Securities and Exchange Commission's (“SEC”) website (sec.gov).

Investors are cautioned that forward-looking statements, which are not historical fact, involve risks, assumptions and uncertainties that change

over time, including those detailed in Form 10-K under the section, “Risk Factors”.

As such, actual results could differ materially from those expressed or implied by forward-looking statements made in this presentation. Management believes that the expectations in these forward-looking statements are based upon reasonable assumptions within the bounds of management's current knowledge of the Company's business and operations. The Company disclaims any responsibility to update these forward-looking statements to reflect events or circumstances after the date of this presentation.

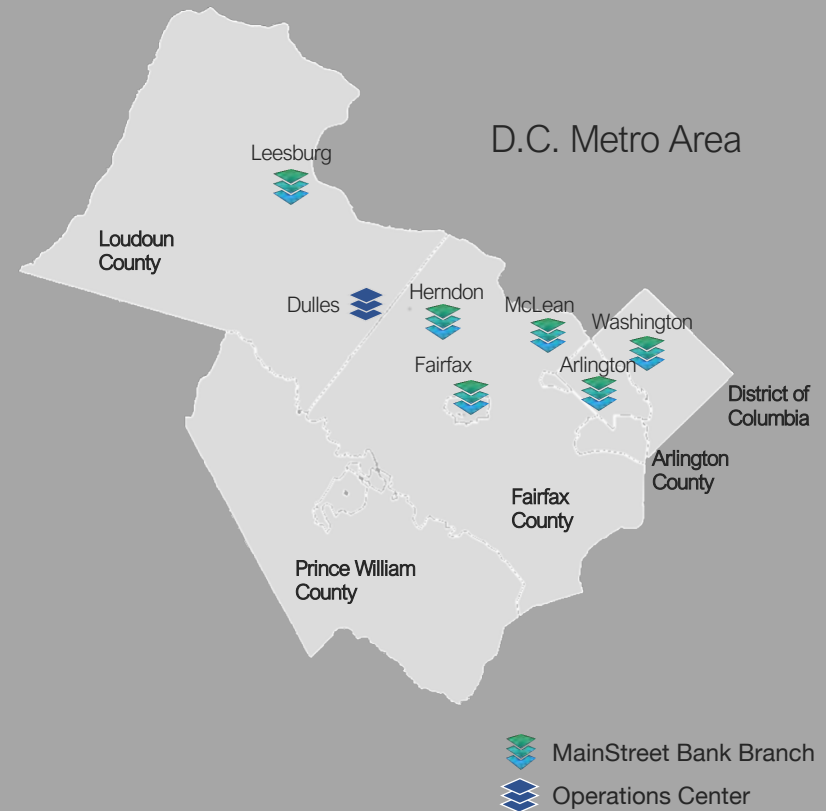
The accounting and reporting policies of the Company conform to U.S. Generally Accepted Accounting Principles (GAAP) and prevailing practices in the banking industry. However, certain non-GAAP measures are used by management to supplement the evaluation of the Company's performance.



About us

Bank established: May 26, 2004
Headquarters: Fairfax, VA
Branches: 6
Full time employees: 179
Assets per employee (\$MM): \$10.9

Holding company established: Feb 11, 2016
Common stock Nasdaq symbol: MNSB
Close common stock price ¹: \$22.66
Common shares outstanding¹: 7,522,297
Market capitalization (\$MM) \$170
Preferred stock Nasdaq symbol: MNSBP
Close preferred stock price¹: \$23.00
Russell 2000 index: June 2023

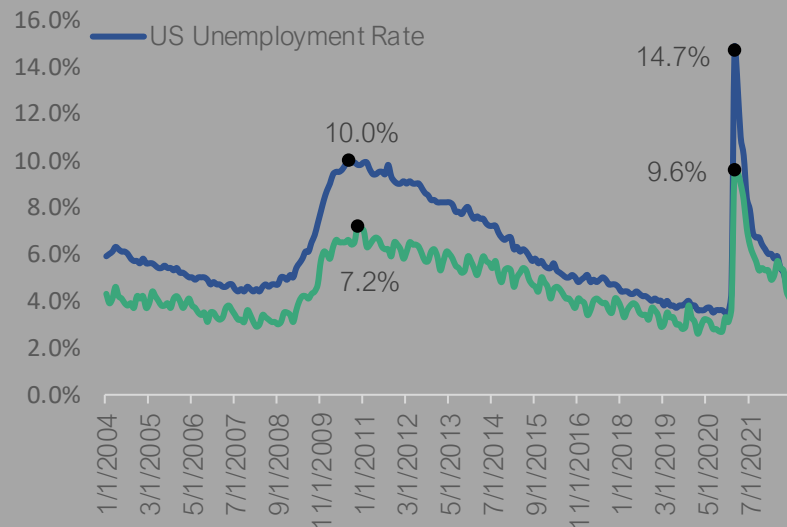


1. As-Of June 30, 2023



The National Capital region is robust

Strong Employment



Historic trend of low unemployment compared to overall U.S., even during downturns

Market Analysis

- Home to >10% of all federal employees
- Data Center Alley ¹
 - More than 70 data centers
 - Sustains 70% of U.S. internet traffic
- High Median Household Income ²
 - Loudoun County ranked #1
 - Fairfax County ranked #4
- 16 Fortune 500 companies
- DC MSA population up ~10% in ten years ³
- Companies Transitioning to the Region
 - Amazon's HQ2 in Crystal City
 - Boeing's HQ moving to Arlington
 - Raytheon's HQ moving to Arlington

1. Per DigitalTech.com

2. Median Household Income, FRED

3. 2010 to 2020 population change, FRED



Financial metrics are excellent

| | | 2Q23 YTD | 2Q23 | 1Q23 | 2Q22 |
|---------------|---------------------------------------|-------------|-------------|-------------|-------------|
| Profitability | EPS | \$1.86 | \$0.85 | \$1.01 | \$0.71 |
| | Efficiency Ratio | 53.48% | 54.04% | 52.97% | 54.61% |
| | ROAA ² | 1.60% | 1.46% | 1.75% | 1.39% |
| | ROAE ² | 14.87% | 13.40% | 16.40% | 12.59% |
| | ROATCE ² | 18.13% | 16.44% | 19.82% | 13.38% |
| | Net Interest Margin ^{1 2} | 4.45% | 4.21% | 4.69% | 3.95% |
| <hr/> | | | | | |
| Balance Sheet | Net Loans (\$000) | \$1,637,484 | \$1,637,484 | \$1,617,275 | \$1,416,875 |
| | Total Deposits (\$000) | \$1,593,383 | \$1,593,383 | \$1,632,288 | \$1,500,127 |
| | Total Assets (\$000) | \$1,949,351 | \$1,948,429 | \$2,055,008 | \$1,793,379 |
| | ACL / Gross Loans | 1.04% | 1.01% | 0.94% | 0.91% |
| | NCOs / Avg Loans | 0.00% | 0.00% | 0.00% | 0.00% |
| | Total Equity/Tangible Assets non-GAAP | 10.87% | 10.87% | 10.02% | 10.53% |

1. Tax-Equivalent Yield

2. Annualized



Risk metrics reflect strong management

| | | 2Q23 | 1Q23 | 2Q22 |
|----------------------|---|-----------|-----------|-----------|
| Liquidity | Liquidity Coverage Ratio (LCR) ¹ | 124% | 118% | 185% |
| | Loan-to-Deposit Ratio | 104% | 100% | 95% |
| | Core Deposit Ratio | 74% | 71% | 72% |
| | FDIC Insured / Total Deposits ² | 76% | 73% | 57% |
| | Secured Line Available Balance | \$494M | \$436M | \$421M |
| | Unsecured Line Available Balance | \$99M | \$129M | \$104M |
| | | | | |
| Capital ² | Tier 1 Capital | \$284,558 | \$278,227 | \$246,183 |
| | Worst-case stress results ³ | -\$32,539 | -\$30,889 | -28,690 |
| | CET1 Capital after worst-case stress | \$252,019 | \$247,338 | \$217,493 |
| | CET1 Ratio after worst-case stress | 14.02% | 13.77% | 13.62% |
| | CET1 Ratio (regulatory min. is 7%) | 15.37% | 15.06% | 15.01% |

1. LCR = High-Quality Liquid Assets / Total net 30-day cash outflow amount. Target is > 100%

2. Bank-level metric

3. Worst-case stress for earning assets, including loans, Available for Sale (AFS) and Held to Maturity (HTM) securities, among others. Tax-Equivalent



Adjusting interest rate sensitivity



- What we anticipate for the second half of 2023 and beyond
 - Inflation is declining but continues above the Fed's target. Fed signaling another rate rise - likely will only see one more 25 bp increase in July. Rates should remain flat into mid-2024.
 - Contraction of consumer spending and tightening of commercial credit will assist the economic slowdown.
- What are we doing
 - adjusting interest rate sensitivity (e.g., fixing rates on new & renewed loans or increasing floors on floating rate loans, pursuing adjustable-rate deposits or offering call features on deposits.)



Assumptions for second half of 2023

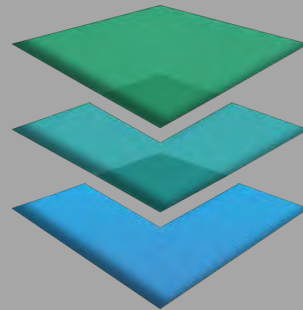
Projections:

- Monthly expense rate between 2.5 - 3.0% for remainder of the year (this includes \$120k per month for software amortization).
- One rate hike of 25bp for the remainder of the year.

General Statements:

- Preservation of capital is a priority. Intend to pay dividends on preferred and common shares as performance and market conditions allow.
- We are not engaging in crypto.
- LIBOR to SOFR conversion is complete.
- We are always amenable to talking about M&A as opportunities arise.





cybersecurity

Strong focus on managing cybersecurity

Team

| | |
|--------------------|--|
| Matt McCrory | SVP, CISO |
| Powlos Million | Cyber Security Operations Analyst / DevSec |
| MarKeisha Snaith | Sr. Cyber Security Operations Analyst / OpsSec / GRC |
| Steven Yousef | Cyber Security Operations Analyst / OpSec |
| Bernardo Guichardo | Sr. Cyber Security Operations Analyst / OpSec |

Tools

- The Team uses no less than 28 unique cybersecurity systems to ensure the integrity of our network and cloud

Risk management

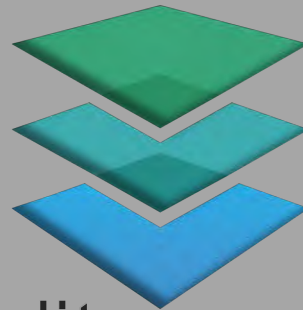
- The Board's Audit & Risk Committee engages ongoing independent cyber intrusion testing

Fidelity bond

- \$5 million coverage for cybersecurity issues

CISO – chief information security officer
DevSec – development security
OpsSec – operations security
GRC – governance, risk & compliance





liquidity metrics

Liquidity is strong and well-managed

Quarterly liquidity monitoring results

| Metric | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 |
|---|--------|--------|---------------------|---------------------|--------|
| Liquidity Coverage Ratio (LCR) ¹ | 185% | 211% | 97% | 118% | 124% |
| Core Deposit Ratio | 72% | 74% | 77% | 71% | 74% |
| FDIC Insured / Total Deposits ² | 44% | 46% | 78% | 73% | 76% |
| | | | | | |
| High Quality Liquid Assets ³ | \$242M | \$277M | \$204M | \$290M | \$161M |
| Secured line available balance | \$410M | \$448M | \$365M ⁴ | \$436M ⁴ | \$494M |
| Unsecured line available balance | \$104M | \$104M | \$104M | \$129M | \$99M |
| Total available funding sources | \$515M | \$552M | \$469M | \$565M | \$593M |

Daily liquidity monitoring is robust and effective

Significant liquidity backstop provided by full availability of secured and unsecured lines

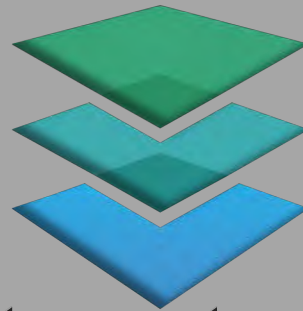
1. LCR = High-Quality Liquid Assets / Total net 30-day cash outflow amount. Target is > 100%

2. Bank-Level metric

3. High Quality Liquid Assets include cash and due from other banks, federal funds sold, unencumbered securities, and cash surrender value of bank-owned life insurance.

4. Net of borrowings outstanding of \$100 million and \$45 million as of 12/31/22 and 3/31/23, respectively.

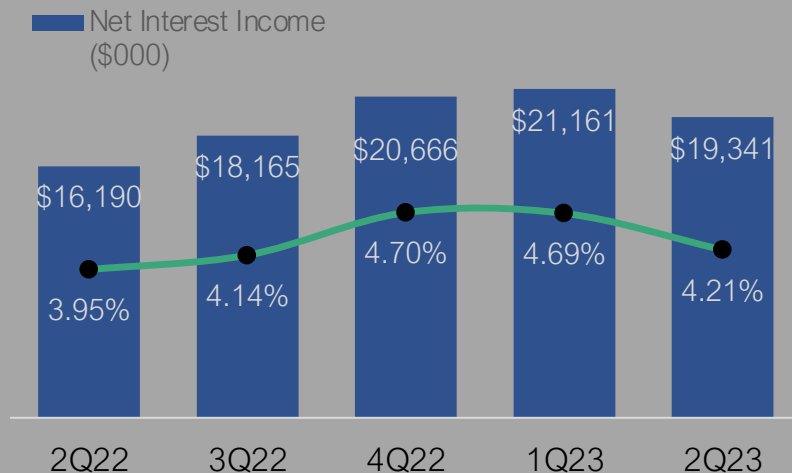




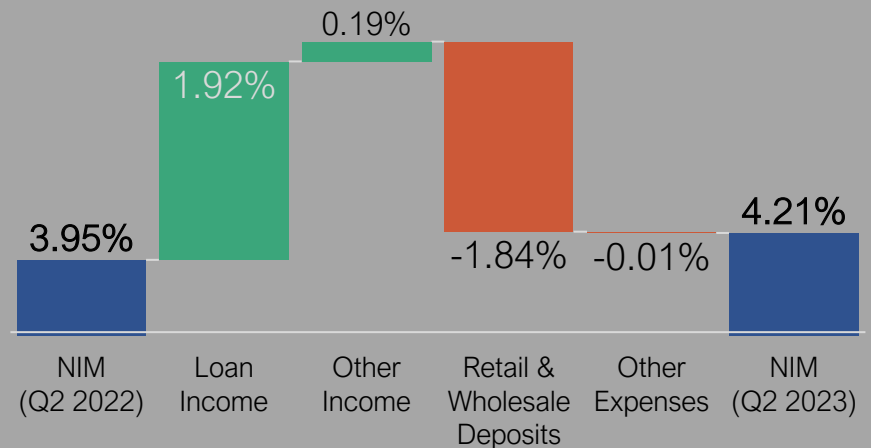
net interest margin

Net interest margin is excellent

Net interest income & net interest margin ¹



Impact to NIM over past 4 quarters ¹

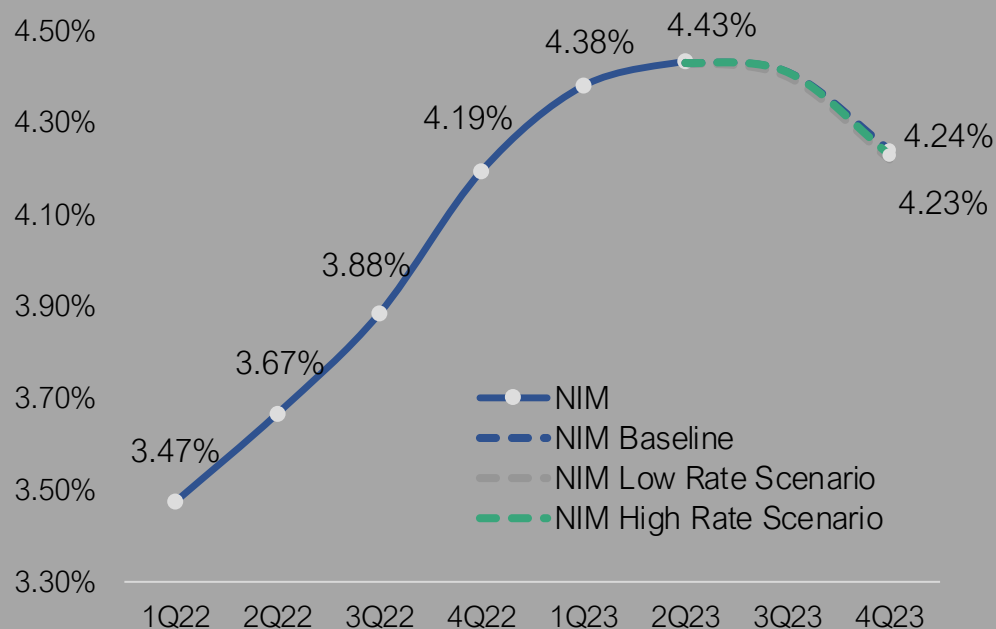


1. Quarter-end NIM with tax-equivalent yield



Net interest margin forecast is good

NIM trailing twelve months with projections¹



Highlights

Baseline model reflects 25bp rate rise in July then flat rates for remainder of 2023 with a 4.24% NIM.

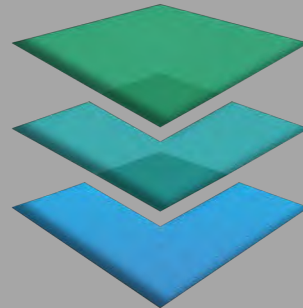
High-rate scenario reflects three rates increases between July and October totaling an additional 75bps.

Low-rate scenario has a 25bp rate cut in December.

Both the high- and low-rate scenarios result in a similar 4.23% NIM.

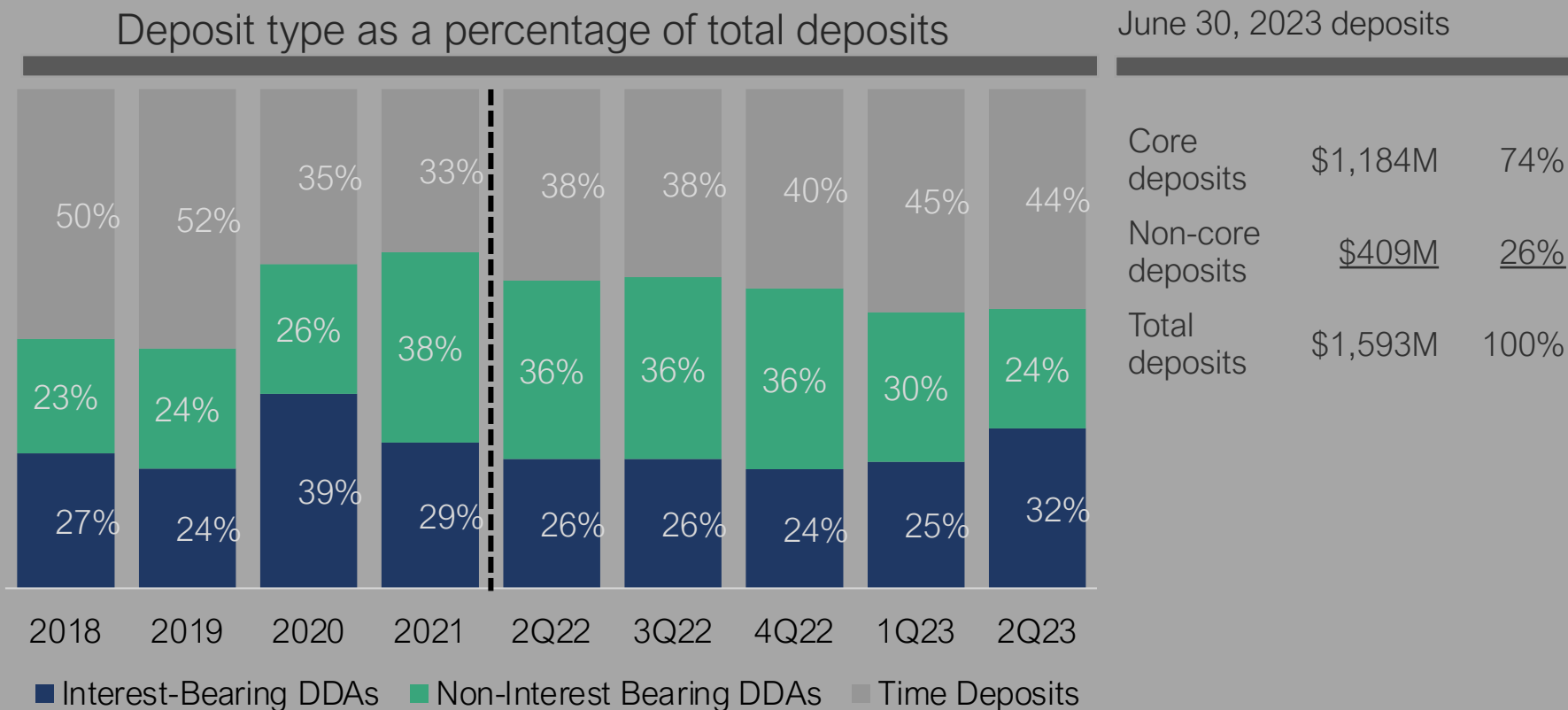
1. High and low forecast uses S&P Global rates projections for 3Q23 and 4Q23 in the Bank's simulation model





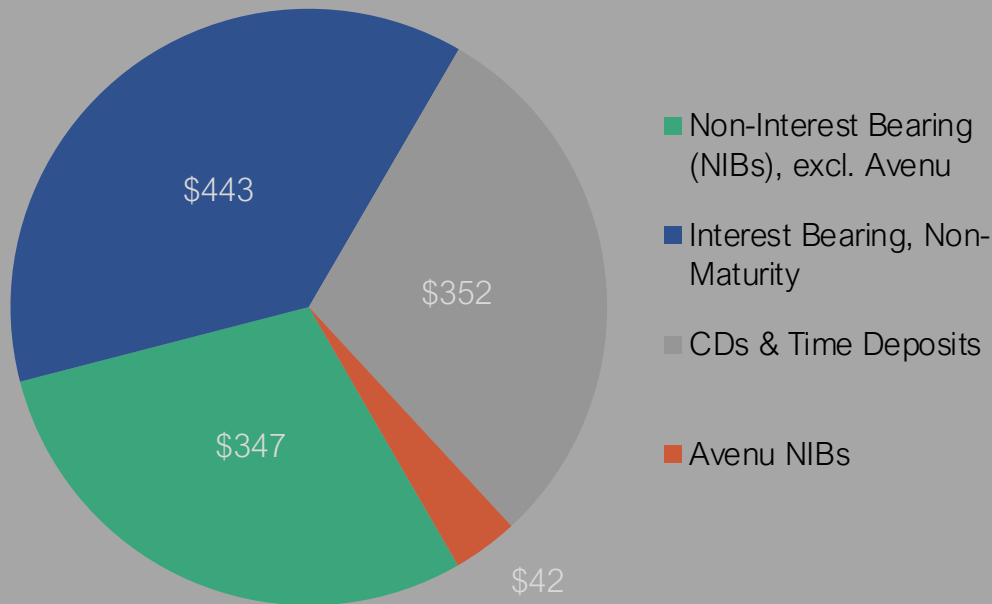
deposit metrics

Deposit shift consistent with national trend



Core deposits a healthy 74% of total deposits

Core deposit mix (\$MM)



Highlights

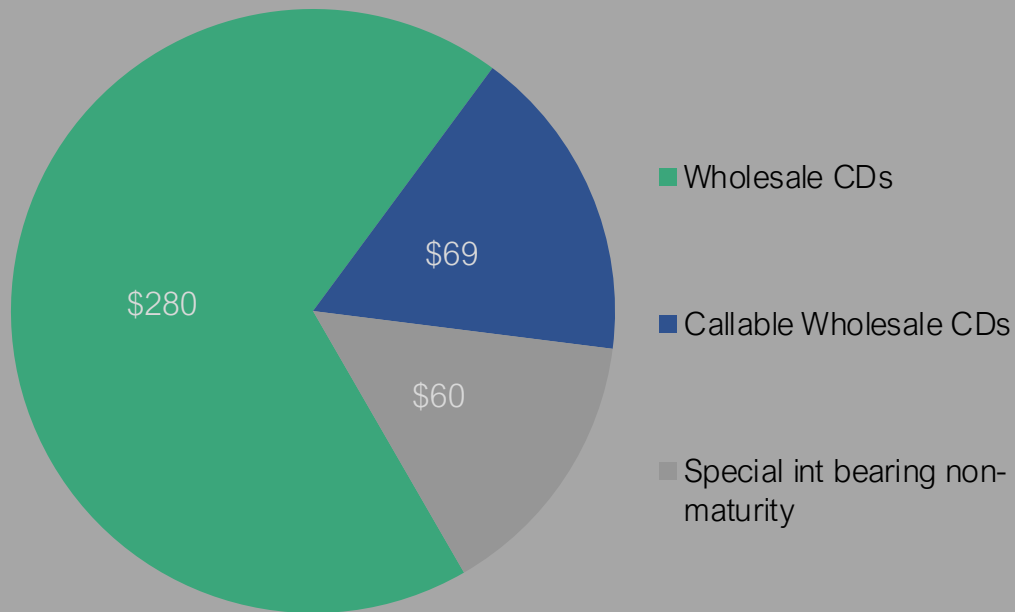
- \$352M in CDs
 - Weighted avg maturity date of April 2024
 - Weighted avg rate of 3.71%
- \$443M in interest-bearing, non-maturity deposits
 - Weighted avg rate of 2.98%



Non-core deposits are well-structured

Non-core deposits are 26% of deposits

Highlights



- \$69MM in callable CDs
 - Bank holds call option
 - Avg call is Feb. 2024
 - Avg maturity is Nov. 2026
 - Weighted avg rate is 5.16%
- \$280MM in wholesale CDs
 - Avg maturity date is Apr. 2024
 - Weighted avg rate is 4.03%
- Special int bearing non-maturity
 - Current Rate of 5.45%
 - Bank can call deposits at any time



Most accounts are FDIC insured

Deposits (\$MM) & FDIC Insurance¹

| Deposits | # of accounts | Balance ¹ (billion) | Average balance (\$000) | % of total accounts |
|-----------------|----------------|-----------------------------------|-------------------------------|------------------------|
| FDIC Insured | 153,591 | \$1.158 | \$8 | 72% |
| Not Insured | 635 | \$0.445 | \$702 | 28% |
| TOTAL | 154,226 | \$1.603 | \$10 | 100% |

Highlights

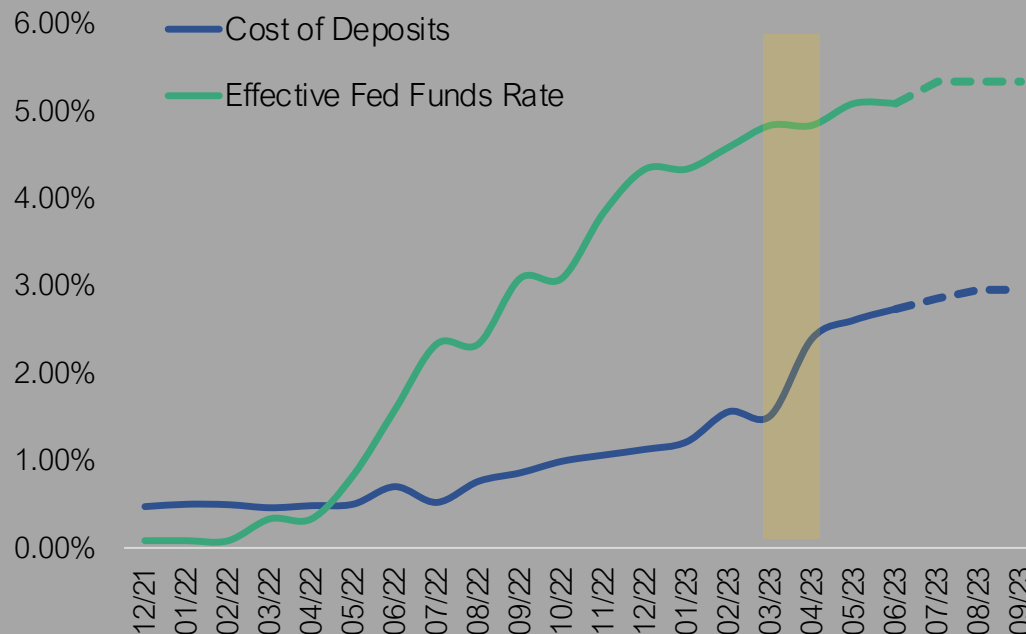
- 72% of deposits accounts are fully insured and 76% of deposit balances are fully insured by the FDIC.
- Uninsured deposits are diversified
- FDIC data reflects that banks with assets between \$1 billion and \$5 billion have an average of 33.2% uninsured deposits

1. Per Call Report definition. Excludes settlement and non-post amounts. See call report, RC-O Memoranda line 1.



Deposit rate shift concentrated in 1Q 2023

Effective Fed Funds Rate & Cost of Deposits



Highlights

Added \$110M in wholesale funds at the tail-end of Q1.

- Attractive Avg rate 4.88%
- Avg duration of 3+ Years
- Approximately 50% of balances are callable within 12 months.



Bank diligently managing deposit rates

Posted deposit rates

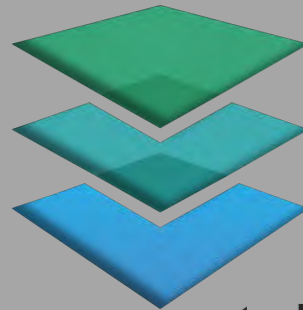
| Acct Type | Balance 2Q23 (000's) | Weighted Avg. Rate 2Q23 |
|-------------------|----------------------------|-------------------------------|
| Bus. Checking | \$382,207 | 0.28% |
| Bus. Savings | \$9,154 | 0.50% |
| Bus. Money Market | \$243,883 | 4.04% |
| Treasury Market | \$69,293 | 2.22% |
| 1-Month CD | \$4 | 1.00% |
| 3-Month CD | \$6,162 | 5.05% |
| 6-Month CD | \$57,255 | 5.04% |
| 18-Month CD | \$79,380 | 3.31% |
| 1-Year CD | \$228,938 | 3.69% |
| 2,3,4,5-Year CDs | \$232,476 | 3.86% |

Highlights

Large balance customers have negotiated rates when required

Bank offered a special 4.89% APY 15-Month CD between March and April and brought in \$69 million

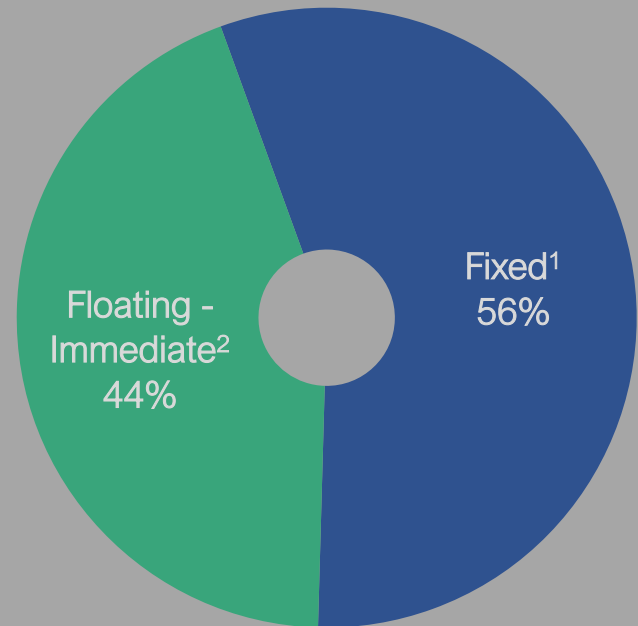




loan metrics

Fixed and Floating Loan Status

- Floating Rate Loans Booked YTD 2023:
 - \$73MM with weighted avg floor rate of 7.68%
 - \$115MM in total floating rate loans booked
 - Weighted avg rate for all new loans of 8.46%
- Fixed Rate Loans Booked YTD 2023:
 - \$102MM in total fixed rate loans booked
 - Weighted avg rate of 6.37%



Bank is positioning balance sheet for flat and down rates. Increasing new fixed-rate loans and requiring floors on most new floating loans. Multi-year pre-payment penalties are attached to all loans.

1. "Fixed" loans include floating loans with a reprice date after 2023.

2. "Floating – Immediate" loans are loans that will reprice immediately or are term loans that have a reprice date before the end of 2023



Fixing loans and adding floors...

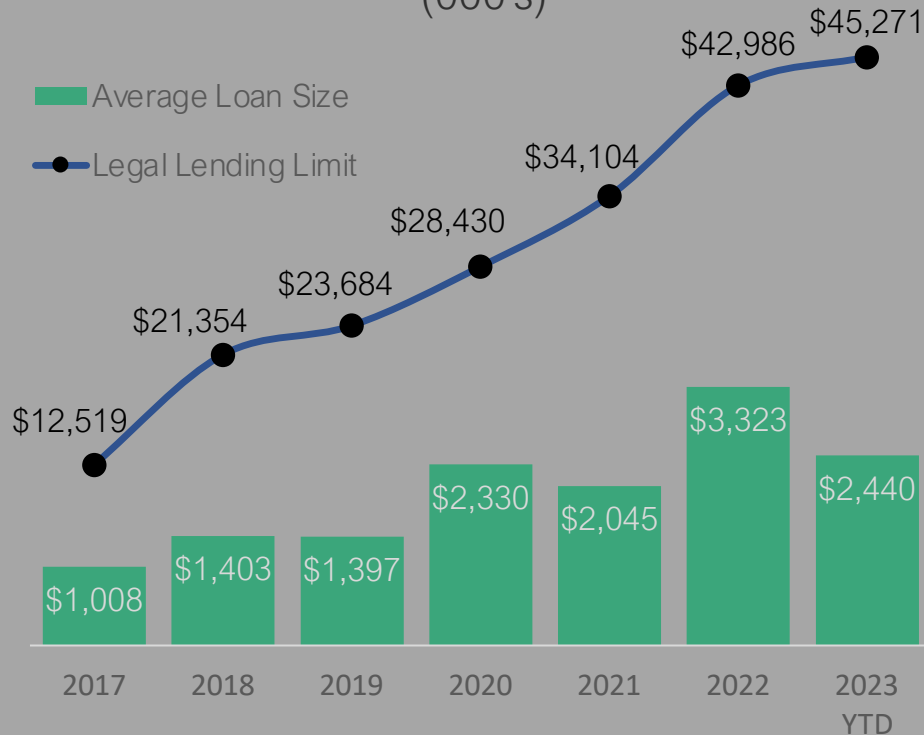
| Metric | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 |
|-------------------------------------|---------|---------|---------|---------|---------|
| Total loan balance (000's) | \$1,439 | \$1,466 | \$1,598 | \$1,609 | \$1,657 |
| Weighted average Int rate | 4.54% | 5.13% | 5.88% | 6.14% | 6.98% |
| | | | | | |
| Total floating rate balance (000's) | \$1,010 | \$1,025 | \$1,115 | \$1,118 | \$1,080 |
| Weighted avg. floating Int rate | 5.24% | 6.21% | 7.24% | 7.65% | 7.81% |
| Floating as a % of total loans | 70% | 70% | 70% | 69% | 65% |
| | | | | | |
| Total loan with rate floor (000's) | \$721 | \$720 | \$761 | \$763 | \$736 |
| Weighted average rate floor | 4.61% | 4.63% | 4.67% | 4.79% | 5.05% |

1. Declining volume of floating rate loans.
2. Increasing volume of floating rate loans with floors.
3. Increasing weighted average floor interest rate.

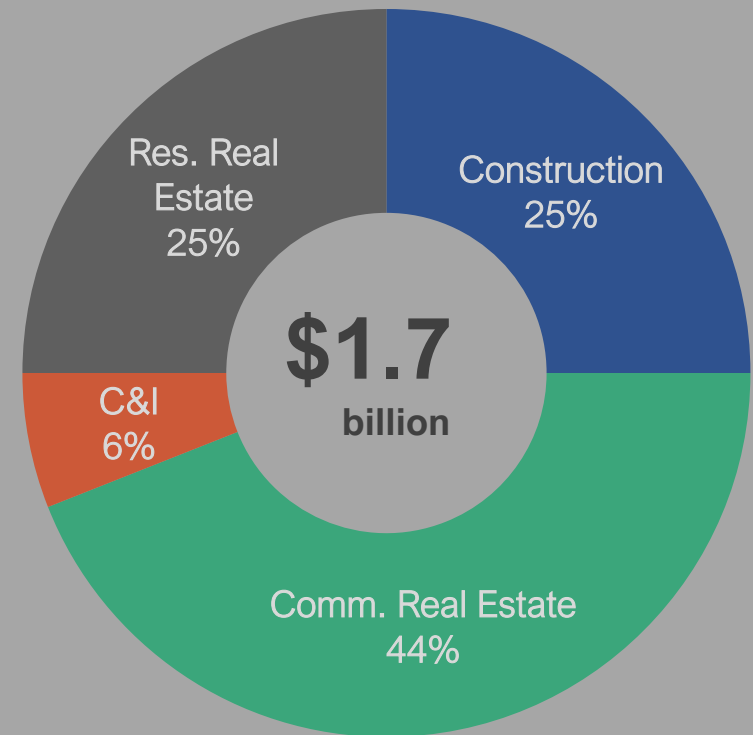


Loan portfolio dynamics are consistent

Average loan size¹ and legal lending limit by year
(000's)



2Q23 portfolio composition²



1. Average loan size excludes PPP & Consumer loans

2. "Other Loans" account for less than 1% and are not represented on the chart



Loan performance metrics are good

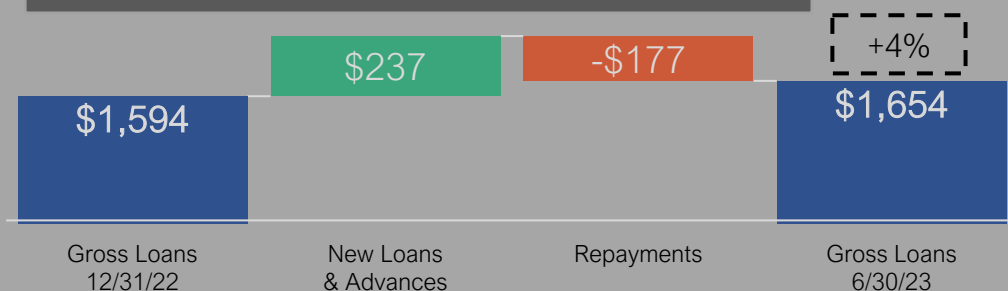
Allowance¹ & Non-Performing Assets



Highlights

- 4% loan growth year-to-date
- Zero non-performing assets
- Began using the Current Expected Credit Loss (CECL) methodology in 2023
- ACL / Gross Loans is 1.04%
- Quarterly ACL increase due to loan growth

Reconciliation of Loan volume 2Q23 YTD²

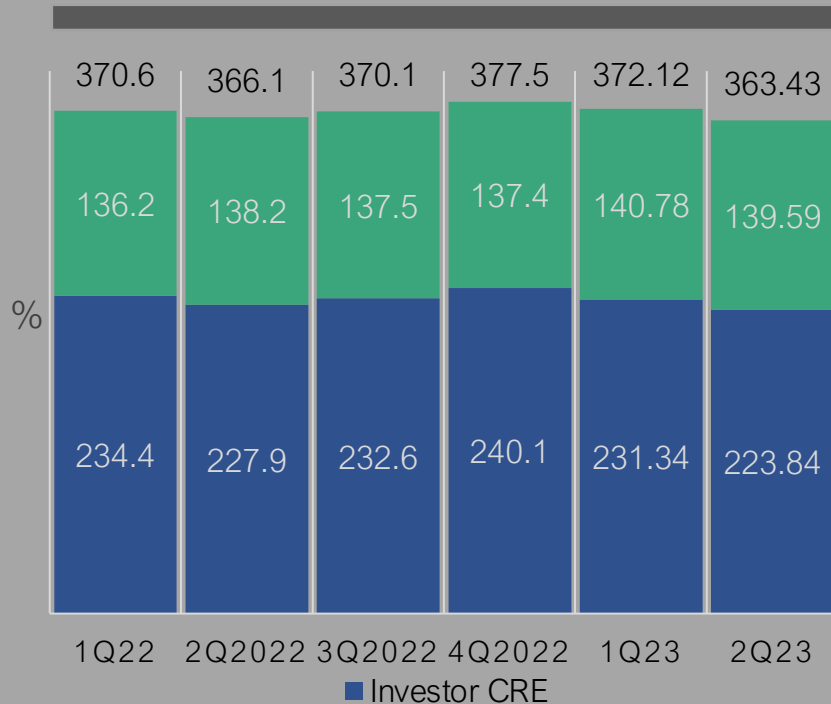


1. Beginning 1Q23, the Company adopted CECL and adjusted the allowance for credit losses to include off-balance sheet instruments, prior to adoption, the incurred loss methodology was utilized
2. Gross Loans are net of unearned fees



Loan portfolio is high quality

Investor CRE as a % of total capital



Excellent cumulative credit performance

| | Origination Balance Lifetime | Net Charge- Offs Lifetime | Lifetime NCO to Original Balance |
|---------------------------|------------------------------------|------------------------------------|---|
| 2004 - Present | | | |
| Investor CRE ¹ | \$4.0 bil | \$0 | ~0 bps |
| Other Com'l ² | \$1.7 bil | -\$5 mil | ~30 bps |
| Cons & Other | \$1.4 bil | -\$2 mil | ~14 bps |
| Total Loans | \$7.1 bil | -\$7 mil | ~10 bps |

1. Investor CRE includes Construction, Multi-Family, and Non-Owner Occupied CRE loans

2. Other Commercial includes C&I and Owner Occupied CRE loans. Does not include renewals for C&I



Loan portfolio quality is good

Internal watch list loans over five quarters

| (dollar amounts in millions) | 6/30/2022 | | 9/30/2022 | | 12/31/2022 | | 3/31/2023 | | 6/30/2023 | |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | Number of loans | Current balance | Number of loans | Current balance | Number of loans | Current balance | Number of loans | Current balance | Number of loans | Current balance |
| Criticized loans | 4 | \$16.1 | 1 | \$0.7 | - | - | - | - | - | - |
| Classified loans | 9 | \$20.5 | 6 | \$11.3 | 4 | \$9.6 | 6 | \$10.2 | 8 | \$11.1 |

Classified loans / Total gross loans = 0.67%



Nominal exposure to office space

Current Balance of Office Portfolio as of June 30, 2023

| Category (\$ Millions) | Location | | | | |
|---------------------------|----------|--------|--------|-------|--------|
| | DC | MD | VA | Other | Total |
| Mixed use | \$0.6 | \$2.8 | \$3.1 | - | \$6.5 |
| Office space | - | \$1.9 | \$11 | - | \$12.9 |
| Office conversion to res | - | - | \$21.6 | - | \$21.6 |
| Medical | - | \$22.5 | \$15.6 | \$0.5 | \$38.6 |
| Under construction | \$9.4 | - | - | - | \$9.4 |
| Total | \$10 | \$27.2 | \$51.3 | \$0.5 | \$89 |
| | | | | | |
| Weighted avg LTV | 34% | 37% | 55% | 21% | 43% |

100% of Under Construction category balances will become owner-occupied upon completion or already have long-term leases in place.

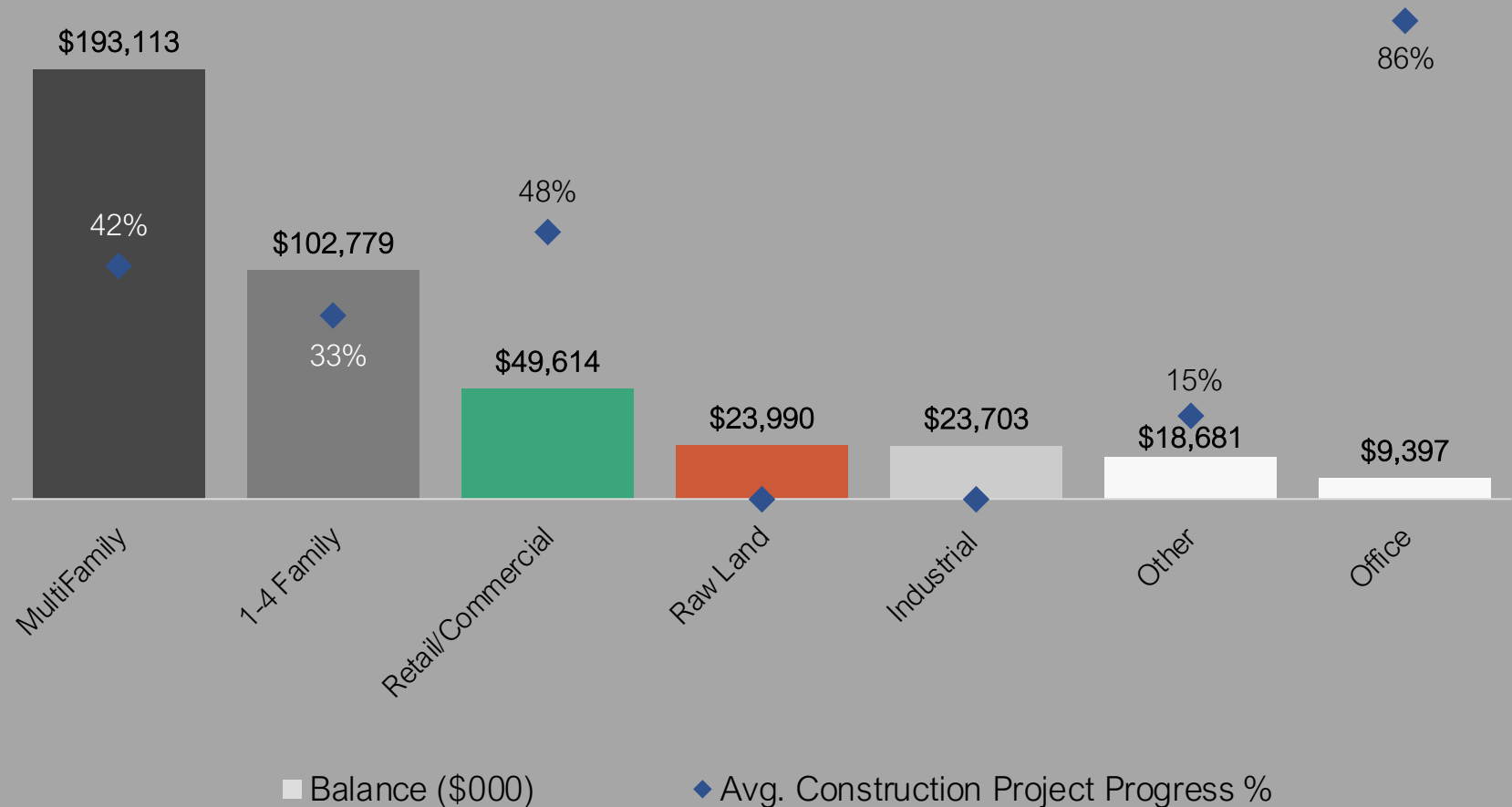
The portfolio's loan-to-value is strong.

The "Office conversion to res" category represents an office building that was purchased to be converted to an apartment building once the remaining few leases mature.

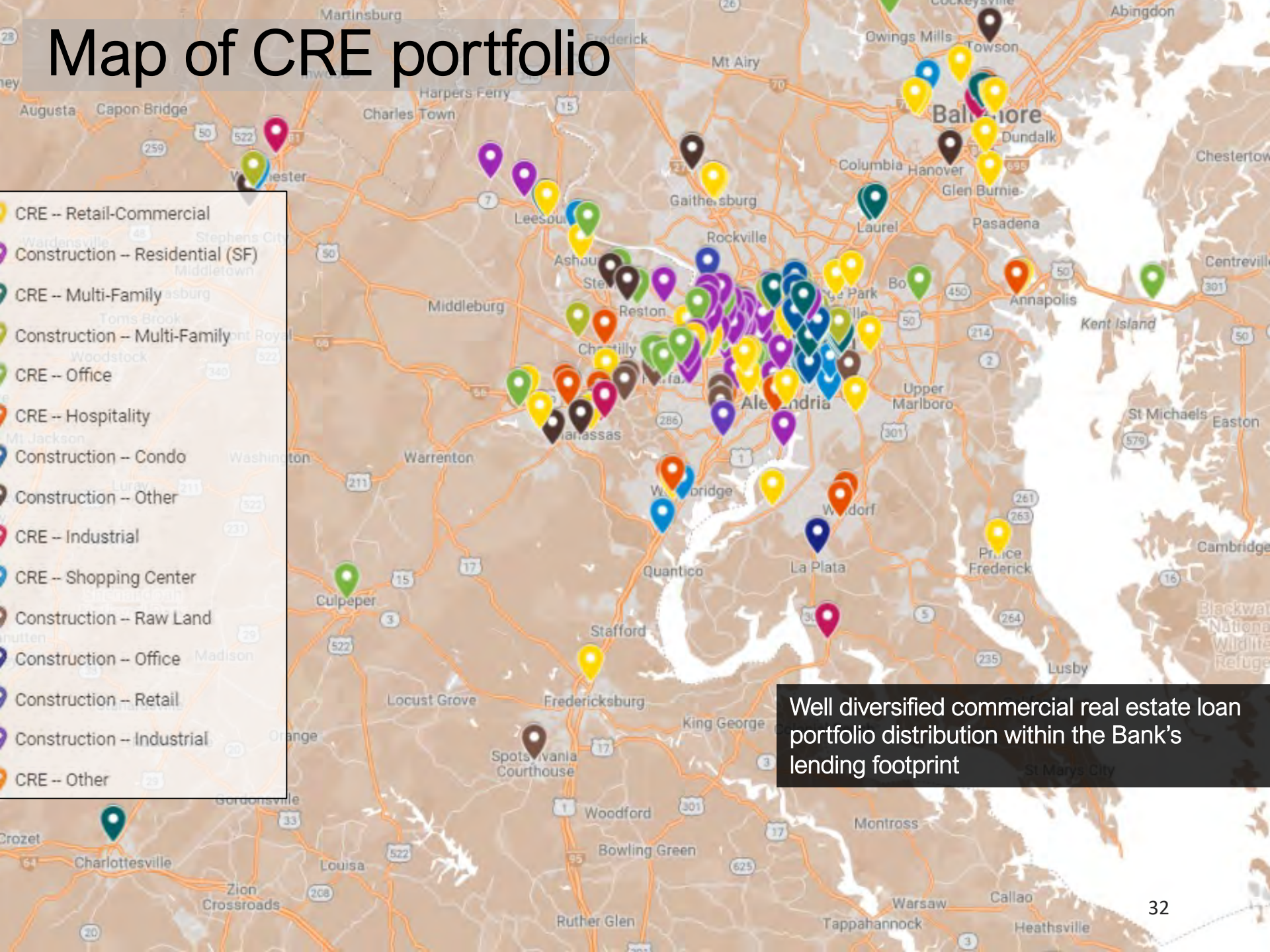


Construction loans

Construction Balance by Collateral and Progress



Map of CRE portfolio

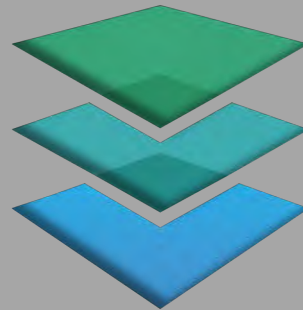


New Q2 CRE loans are in good sectors

| Sector | # of Loans | Origination Amount (\$000) | Weighted Avg Rate | Avg Maturity |
|--------------------------|------------|----------------------------|-------------------|--------------|
| Residential Construction | 13 | \$25,463 | 8.85% | Sep. 2024 |
| Industrial | 5 | \$21,972 | 7.93% | Jul. 2028 |
| Multi-Family | 6 | \$20,031 | 7.55% | Aug. 2028 |
| Retail | 4 | \$5,785 | 7.34% | Sep. 2031 |
| Office | 1 | \$199 | 7.00% | Apr. 2033 |
| Total | 29 | \$73,450 | 8.10% | Jul. 2027 |

Industrial Loans originated in 2Q23 account for 30% of Q2 CRE loans





stress metrics

Capital remains strong after stress results

| Component | Outstanding (\$000) | Stress Loss ¹ (\$000) |
|-------------------------|------------------------|--|
| Construction | \$421,277 | \$4,445 |
| Investor CRE | 675,581 | 7,296 |
| All Other Loans | 561,135 | 12,268 |
| HTM Securities | 15,590 | 146 |
| AFS Securities | 70,905 | 8,346 |
| Swap Portfolio | - | - |
| BOLI | 37,763 | 38 |
| Totals | \$1,782,251 | \$32,539 |
| | Current | Stress |
| CET1-RBC Ratio % | 15.37% | 14.02% |

To be well-capitalized, the Common Equity Tier 1 (CET1) risk-based capital ratio must be at least 7.0%.

Company is significantly above that level

1. Tax-Effective loss



Stress test results good over five qtrs

Earning assets stress test loss estimates^{1,2}

| Asset Type | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| (\$ 000's) | | | | | |
| Investor CRE & Construction | \$11,407 | \$9,602 | \$11,712 | \$11,977 | \$11,741 |
| All Other Loans | 10,721 | 10,184 | 11,216 | 11,171 | 12,268 |
| AFS Securities | 5,183 | 7,707 | 6,751 | 6,055 | 8,346 |
| HTM Securities | 8 | 318 | 126 | 61 | 146 |
| Other Assets ³ | <u>0</u> | <u>0</u> | <u>0</u> | <u>87</u> | <u>38</u> |
| Stress Loss Est | \$27,319 | \$27,811 | \$29,805 | \$29,350 | \$32,539 |
| Stressed CET1 - RBC | 13.7% | 14.1% | 13.8% | 13.4% | 14.0% |

Highlights

Bank remains well-capitalized after each quarterly stress test

1. "Investor CRE" uses a custom loan-level model for loss estimates. "All Other Loans" use a portfolio level loss rate model. "Securities" are the loss on sale of AFS and HTM portfolio (AOCI)

The "Well Capitalized Loss Required" is the total loss required for bank to fall below the regulatory guidance for the Common Equity Tier-1 Risk Based Capital Ratio

2. Tax-Effective Loss

3. This category began being stressed during 2Q23. This category includes BOLI and the Swap book



Notional exposure for securities portfolio

| Security type | Current balance | gain / loss | Tax-effective gain/loss |
|---------------------------|------------------------|-------------|-------------------------|
| | | (000's) | |
| Available-for-Sale | | | |
| MBS, CMO, CMBS | \$8,970 | (\$1,304) | (\$1,002) |
| Municipals | \$21,091 | (\$3,268) | (\$2,511) |
| SBA | \$3,167 | (\$37) | (\$29) |
| Corporates | \$9,470 | (\$1,631) | (\$1,253) |
| CRA Eligible | \$28,206 | (\$4,622) | <u>(\$3,551)</u> |
| | | AOCI | (\$8,346) |
| Held-to-Maturity | | | |
| All, Less CRA | \$14,518 | (\$157) | (\$120) |
| CRA Eligible | \$1,072 | (\$34) | <u>(\$26)</u> |
| | Unrealized market loss | | (\$146) |

34% of securities were purchased for Community Reinvestment Act (CRA) purposes.

CRA-purpose securities represent 42% of the AOCI unrealized loss





A photograph of a man in a white shirt and dark trousers standing in a server room, surrounded by tall racks of electronic equipment. The room is filled with various components, including cables, fans, and control panels. A large, stylized text overlay is centered on the image. The text 'AVENUE' is in a bold, sans-serif font, with the 'V' in orange and the other letters in blue. Below it, the word 'LIVE' is in a similar font, with the 'V' in orange and the other letters in blue. The background image is slightly faded to make the text stand out.

AVENUE LIVE

AvenuTM version 1 costs are well-managed

Balance Sheet June 30, 2023

(000's)

| | |
|-------------------|----------|
| Computer software | \$12,267 |
|-------------------|----------|

| | |
|--------------|------|
| Other assets | \$91 |
|--------------|------|

| | |
|---------------------|-----------------|
| Total assets | \$12,358 |
|---------------------|-----------------|

| | |
|-------------------------------|----------|
| Non-interest-bearing deposits | \$43,895 |
|-------------------------------|----------|

| | |
|---------------------------|---------|
| Interest-bearing deposits | \$2,263 |
|---------------------------|---------|

| | |
|-----------------------|-----------------|
| Total deposits | \$46,158 |
|-----------------------|-----------------|

The Avenu team has been judicious in cost-monitoring and expense control.



AvenuTM legacy performance is good

Income Statement through June 30, 2023

| | (000's) |
|-----------------------------------|----------------|
| Service charge Income | \$458 |
| Income from deposits ¹ | \$1,028 |
| Total income | \$1,486 |
| Employee compensation | \$687 |
| Other expenses | \$845 |
| Compliance expenses | \$69 |
| Total non-interest expense | \$1,601 |
| Net Income before taxes | (\$115) |

Production team is fully-staffed and has taken control of product development.

Capitalized development costs will begin amortization in August 2023.

1. Determined by funds transfer pricing of NIBs using the weighted average Effective Fed Funds Rate for June 30, 2023, YTD



AvenuTM is open for traffic

Opportunities in the BaaS space continue to grow

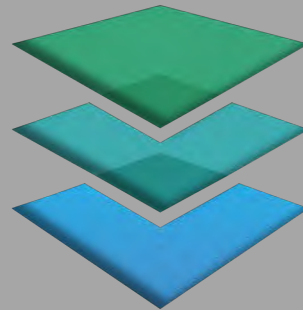
Projected¹ range of opportunities

| | 2023 | 2024 |
|------------------|--------------|------------------|
| New DDA balances | \$5M - \$25M | \$50M - \$125M |
| New fees | < \$100k | \$400k - \$1.25M |

Live with first client (currently hardening and scaling)
4 clients have signed the agreement to go forward
4 clients have the agreement and are making progress
6 clients have expressed "warm" interest to go forward

¹ The success of our BaaS/SaaS solution is heavily dependent upon the success of our clients. We are focused on identifying clients that have a high probability of success, but just as with any market activity, there is no guarantee that every client will be a "winner". As such, we make no assurances of our projections at this stage.





history, capital structure
& performance

ESG journey is underway

Environmental Stewardship

- Bank is “branch lite”, which translates into less traffic.
- We recycle in every area including electronic waste.
- Charging stations for electric vehicles. Nearly all company vehicles are electric or hybrid.
- Employees can telecommute. Approximately 15% of our employees work remotely full-time.
- We seek opportunities to lend into energy efficiency and renewable energy.

Social Diversity

- Board of directors includes 2 women and 2 minority members out of 10 total directors.
- At year-end, 75% of the employees self-identified as either female or ethnically diverse.
- One-third of senior staff are ethnically diverse.
- Fifty percent of executive vice presidents are female or ethnically diverse.
- Focused on equal pay for equal work, and on developing all employees.
- Substantial commitment to training and mentoring.

Governance

- Two-thirds of board members are independent, including the Vice-Chair
- Board members are very diligent and steeped in good corporate governance practices



We serve our community

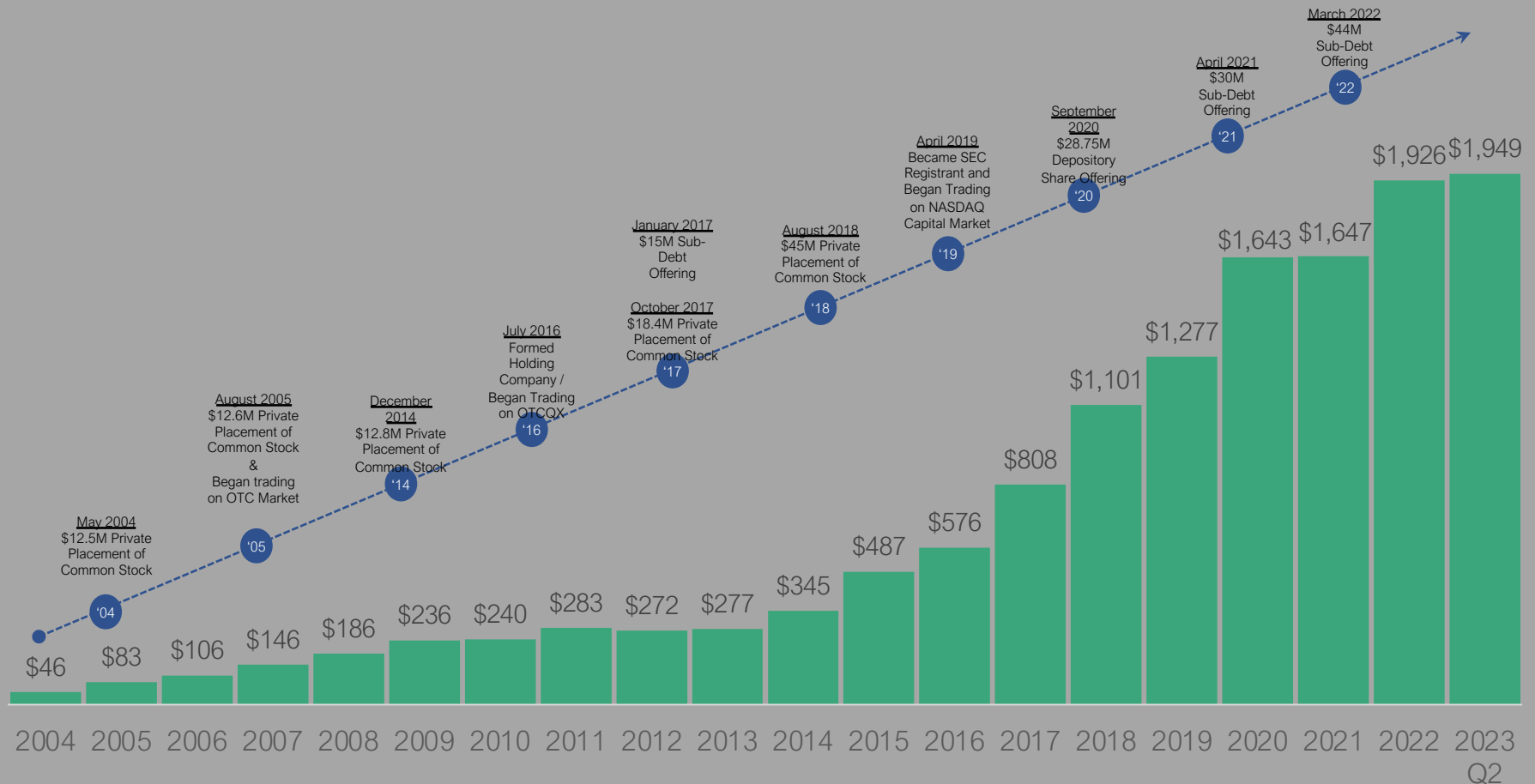
August 22, 2022 Public Disclosure (Excerpt ¹)

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION
INSTITUTION'S CRA RATING: This institution is rated: **Outstanding.**
The Lending Test is rated: **Outstanding.**
The Community Development Test is rated: **Outstanding.**

¹ To view the Community Reinvestment Act Performance Evaluation Public Disclosure in its entirety, please visit any MainStreet Bank office.



Smart balance sheet growth



Capital stack is well structured

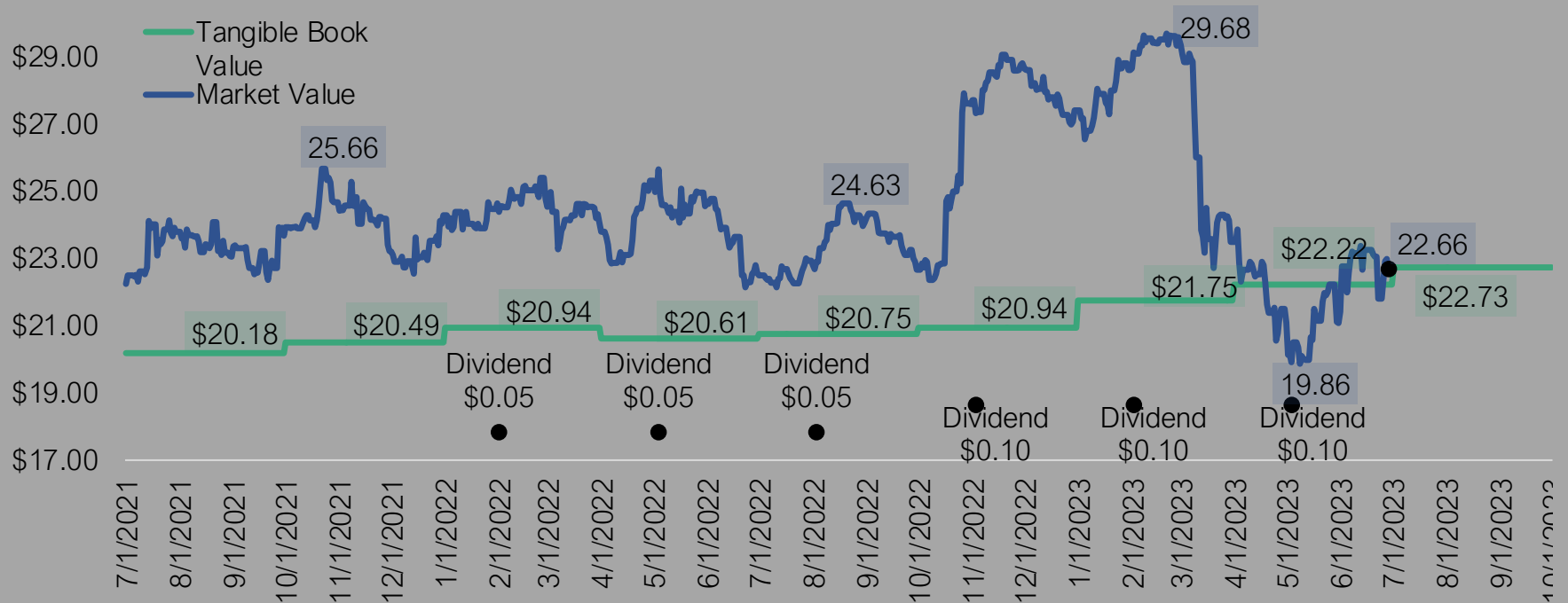
| Component | Outstanding (\$000) | Rate/Return | Percent of Capital Stack |
|-------------------|------------------------|---------------------|-----------------------------|
| Common Stock | \$208,832 ¹ | 14.46% ² | 69.57% |
| Subordinated debt | \$72,444 | 3.90% | 24.13% |
| Preferred Stock | \$27,263 | 7.50% | 9.08% |
| AOCI | -\$8,346 | - | -2.78% |
| TOTAL | \$300,193 | | 100.00% |

¹ Includes the Allowance for Credit Losses

² 2Q23 Return on Total Common Equity (ROTCE)



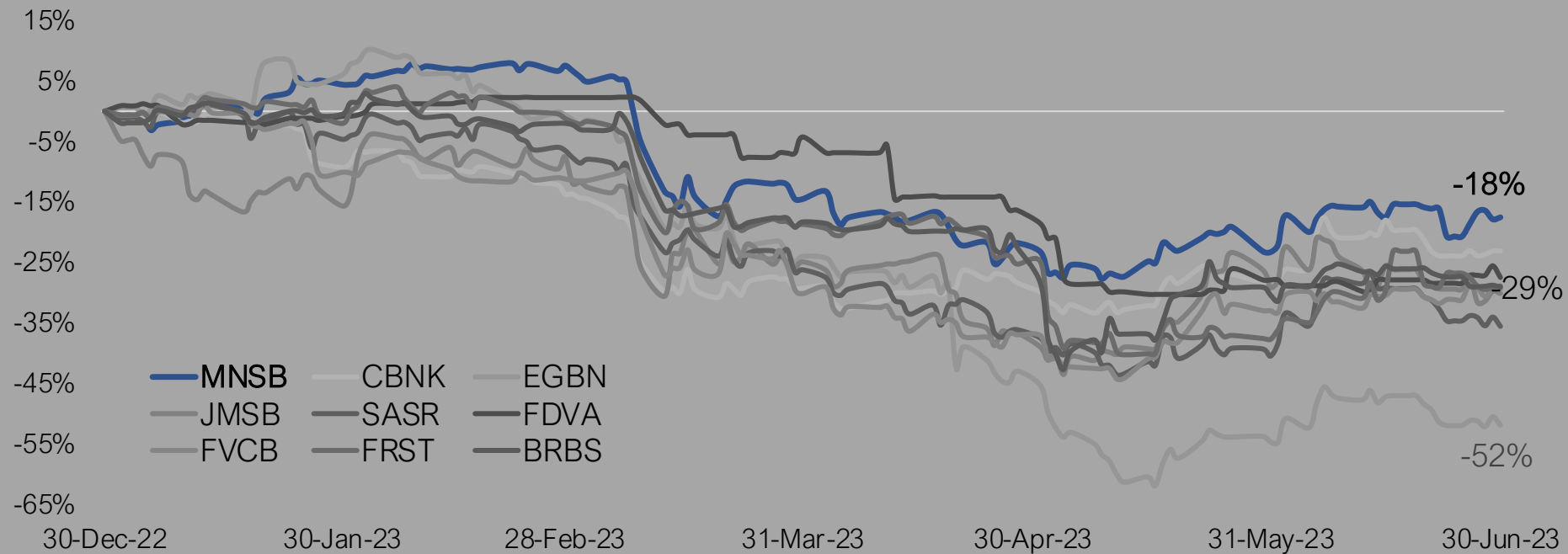
Current Price / TBV is a bargain



Market data is from Yahoo Finance

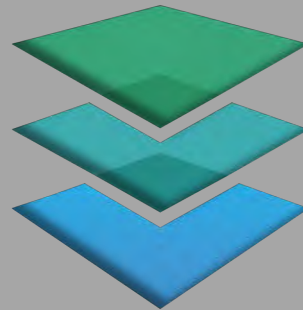


MNSB outperforms peer banks



Graphic is the percentage change from December 31, 2022, to June 30, 2023. Data is from Yahoo Finance





financial highlights

Financial highlights

| <i>In \$000 unless otherwise noted</i> | Year-End Financials | | | | | | Quarter-End Financials | | | | |
|---|---------------------|-----------|-----------|-----------|-----------|-----------|------------------------|-----------|-----------|-----------|-----------|
| | 2018 | 2019 | 2020 | 2021 | 2022 | Q2'23 LTM | Q2'22 | Q3'22 | Q4'22 | Q1'23 | Q2'23 |
| Interest Income | 43,836 | 58,813 | 62,072 | 64,199 | 83,845 | 107,036 | 18,813 | 21,913 | 25,772 | 28,645 | 30,706 |
| Interest Expense | 12,666 | 19,377 | 16,095 | 10,663 | 13,836 | 27,982 | 2,692 | 3,817 | 5,176 | 7,554 | 11,435 |
| Net Interest Income | 31,169 | 39,436 | 45,977 | 53,536 | 70,010 | 79,054 | 16,121 | 18,096 | 20,596 | 21,091 | 19,271 |
| Noninterest Income | 3,239 | 4,857 | 7,493 | 6,110 | 4,834 | 4,220 | 1,260 | 1,348 | 1,059 | 1,003 | 810 |
| Realized Gains on Securities | 0 | 5 | 0 | 6 | 4 | 0 | 4 | 0 | 0 | 0 | 0 |
| Total Revenue | 34,408 | 44,298 | 53,470 | 59,645 | 74,843 | 83,274 | 17,385 | 19,444 | 21,655 | 22,094 | 20,081 |
| Noninterest Expense | 19,979 | 25,376 | 30,300 | 32,865 | 39,057 | 43,154 | 9,494 | 9,892 | 10,707 | 11,703 | 10,852 |
| Pre-Tax Pre-Provision Income (Non-GAAP) | 14,429 | 18,922 | 23,170 | 26,782 | 35,787 | 40,120 | 7,891 | 9,552 | 10,948 | 10,391 | 9,229 |
| Provision for Loan Losses | 3,126 | 1,618 | 3,610 | -1,175 | 2,398 | 2,039 | 480 | 0 | 1,118 | 283 | 638 |
| Net Income before Taxes | 11,303 | 17,304 | 19,560 | 27,956 | 33,389 | 38,081 | 7,411 | 9,552 | 9,830 | 10,108 | 8,591 |
| Provision for Taxes | 2,094 | 3,354 | 3,843 | 5,785 | 6,714 | 7,662 | 1,481 | 1,808 | 2,252 | 1,957 | 1,645 |
| Net Income (GAAP) | 9,209 | 13,950 | 15,717 | 22,171 | 26,674 | 30,419 | 5,930 | 7,744 | 7,578 | 8,151 | 6,946 |
| Less: Realized Gains | 0 | -5 | 0 | -6 | -4 | 0 | -4 | 0 | 0 | 0 | 0 |
| Plus: Tax Act Changes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Core Adjustments Pre-Tax | 0 | -5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Core Adjustments Post-Tax | 0 | -4 | 0 | -4 | -3 | 0 | -3 | 0 | 0 | 0 | 0 |
| Core Net Income (Non-GAAP) | 9,209 | 13,946 | 15,717 | 22,167 | 26,671 | 30,419 | 5,927 | 7,744 | 7,578 | 8,151 | 6,946 |
| Average Assets | 949,044 | 1,173,088 | 1,498,188 | 1,685,140 | 1,744,029 | 1,850,024 | 1,710,088 | 1,802,477 | 1,799,294 | 1,885,671 | 1,912,653 |
| Average Equity | 88,708 | 129,281 | 149,160 | 179,123 | 190,839 | 198,566 | 188,902 | 190,439 | 194,260 | 201,603 | 207,962 |
| Average Tangible Common Equity | 88,708 | 129,281 | 141,189 | 151,327 | 158,105 | 162,429 | 157,127 | 156,985 | 158,855 | 164,462 | 169,415 |



Financial highlights - continued

| | Year-End Financials | | | | | | Quarter-End Financials | | | | |
|---|---------------------|-----------|-----------|-----------|-----------|---------------|------------------------|-----------|-----------|-----------|-----------|
| <i>In \$000 unless otherwise noted</i> | 2018 | 2019 | 2020 | 2021 | 2022 | Q2 '23 LTM | Q1'22 | Q3'22 | Q4'22 | Q1'23 | Q2'23 |
| Performance Metrics (%) | | | | | | | | | | | |
| ROAA | 0.97 | 1.19 | 1.05 | 1.32 | 1.53 | 1.64 | 1.39 | 1.70 | 1.67 | 1.75 | 1.46 |
| ROAE | 10.38 | 10.79 | 10.54 | 12.38 | 13.98 | 15.32 | 12.59 | 16.13 | 15.48 | 16.40 | 13.40 |
| ROATCE | 10.38 | 10.79 | 11.13 | 13.18 | 16.87 | 18.73 | 15.13 | 19.56 | 19.08 | 19.82 | 16.44 |
| Core ROAA (Non-GAAP) | 0.97 | 1.19 | 1.05 | 1.32 | 1.53 | 1.64 | 1.39 | 1.90 | 1.67 | 1.75 | 1.46 |
| Core ROAE (Non-GAAP) | 10.38 | 10.79 | 10.54 | 12.38 | 13.98 | 15.32 | 12.59 | 16.12 | 15.60 | 16.40 | 13.40 |
| Core ROATCE (Non-GAAP) | 10.38 | 10.79 | 11.13 | 13.18 | 16.87 | 18.73 | 15.13 | 19.55 | 19.08 | 19.82 | 16.44 |
| | | | | | | | | | | | |
| Net Interest Margin (%) | 3.41 | 3.50 | 3.21 | 3.33 | 4.18 | 4.42 | 3.93 | 4.12 | 4.69 | 4.68 | 4.19 |
| Net Interest Margin - Tax Equivalent Yield (Non-GAAP) (%) | 3.43 | 3.52 | 3.23 | 3.35 | 4.19 | 4.44 | 3.95 | 4.14 | 4.70 | 4.69 | 4.21 |
| | | | | | | | | | | | |
| Common Equity | 121,251 | 137,034 | 140,402 | 161,525 | 171,019 | 183,246 | 161,141 | 162,738 | 171,019 | 177,725 | 183,246 |
| Less: Total Intangible Assets | 0 | 0 | 0 | 2,493 | 9,149 | 12,267 | 4,956 | 7,258 | 9,149 | 10,559 | 12,267 |
| Tangible Common Equity (Non-GAAP) | 121,251 | 137,034 | 140,402 | 159,032 | 161,870 | 170,979 | 156,185 | 155,480 | 161,870 | 167,166 | 170,979 |
| | | | | | | | | | | | |
| Total Assets | 1,100,613 | 1,277,358 | 1,643,165 | 1,647,402 | 1,925,751 | 1,949,351 | 1,793,379 | 1,860,115 | 1,925,751 | 2,055,008 | 1,949,351 |
| Less: Total Intangible Assets | 0 | 0 | 0 | 2,493 | 9,149 | 12,267 | 4,956 | 7,258 | 9,149 | 10,559 | 12,267 |
| Intangible Assets (Non-GAAP) | 1,100,613 | 1,277,358 | 1,643,165 | 1,644,909 | 1,916,602 | 1,937,084 | 1,788,423 | 1,852,857 | 1,916,602 | 2,044,449 | 1,937,084 |
| | | | | | | | | | | | |
| Total Equity / Tangible Assets (%) (Non-GAAP) | 11.02 | 10.73 | 10.20 | 11.46 | 10.35 | 10.87 | 10.53 | 10.25 | 10.35 | 10.02 | 10.87 |
| Common Shares Outstanding (actual) | 8,177,978 | 8,260,259 | 7,443,842 | 7,595,781 | 7,442,743 | 7,522,297 | 7,526,463 | 7,425,432 | 7,442,743 | 7,524,277 | 7,522,297 |
| Tangible Book Value per Common Share (\$ (Non-GAAP) | 14.83 | 16.59 | 18.86 | 20.94 | 21.75 | 22.73 | 20.75 | 20.94 | 21.75 | 22.22 | 22.73 |



