



BOARD CHAIR'S LETTER

To Wayne Savings Bancshares, Inc. Stockholders:

I am pleased to report on another very successful year for Wayne Savings Bancshares, Inc. The close of fiscal year 2020 marked yet another year of outstanding performance. The year concluded with record net earnings of \$6.7 million, or \$2.63 per common share. The Company's total assets as of December 31, 2020, grew to \$591.6 million.

This performance was fueled by steady growth in core deposits and commercial loans, balanced by a continued emphasis on maintaining excellent asset quality. The return on average equity and return on average assets for the year were 13.26% and 1.25%, respectively. The efficiency ratio also continued to improve from 56.3% to 53.0% over the course of the year, as we continued to leverage operational efficiencies.

As we continue to strive for enhanced shareholder value, we are pleased that our earnings improvement enabled us to maintain the \$0.20 quarterly dividend during 2020 and increased our dividend by 5% for our first quarter dividend in 2021. We also begun a new stock repurchase program in the fourth quarter 2020 authorizing an additional 5%.

Our success is the result of our dedicated and hard-working management team, led by President and CEO, James R VanSickle II, and the phenomenal staff of Wayne Savings Community Bank. Each of these individuals is committed to our core values of dependability and trustworthiness, respect for one another, excellence in everything we do, adaptability to change, and fostering meaningful relationships.

Throughout my banking career I have developed a great appreciation for true community banking and the role we play in helping individuals, small businesses and farms in reaching their financial goals and realizing their dreams. As a former dairy farmer and someone who still farms as a hobby, I certainly feel a connection to the agribusiness customers and very much look forward to working with them. We are truly grateful to you for the privilege of our independence, and the ability to continue helping our communities to remain vibrant, and our customers to achieve their dreams.

We remain fervently driven to continuing the course we have set for the continued growth of our shareholders, our customers, our staff, and our community, and will continue to apply our core values as we adapt to the economic uncertainties of the coming years.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. R. Witmer', written in a cursive style.

Mark Witmer
Chair, Board of Directors