

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT PURSUANT TO
SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): **November 28, 2025**

Midland States Bancorp, Inc.

(Exact Name of Registrant as Specified in Charter)

Illinois
(State or Other Jurisdiction of
Incorporation)

001-35272
(Commission File Number)

37-1233196
(IRS Employer Identification No.)

1201 Network Centre Drive
Effingham, Illinois 62401
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **(217) 342-7321**

N/A
(Former Name or Former Address, if Changed Since Last Report)

Securities registered pursuant to Section 12(b) of the Act:

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.01 par value	MSBI	The Nasdaq Stock Market LLC
Depository Shares (each representing a 1/40th interest in a share of 7.750% Fixed-Rate Reset Non-Cumulative Perpetual Preferred Stock, Series A, \$2.00 par value)	MSBIP	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

On December 1, 2025, Midland States Bancorp, Inc. (the “Company”) issued a press release announcing that its wholly owned banking subsidiary, Midland States Bank (the “Bank”), sold substantially all of its equipment finance portfolio to an affiliate of North Mill Equipment Finance LLC (“North Mill”). A copy of the press release is furnished herewith as Exhibit 99.1.

On December 1, 2025, the Company also made available on its website an investor presentation regarding the transaction. A copy of the presentation is furnished herewith as Exhibit 99.2.

The information set forth under this Item 7.01 and the attached exhibits shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, and shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in any such filing.

Item 8.01 Other Events.

On November 28, 2025, the Bank sold substantially all of its equipment finance portfolio and certain related assets to an affiliate of North Mill for \$502 million in cash, subject to adjustment. As of October 31, 2025, the Bank’s equipment finance portfolio consisted of approximately \$599.0 million in loans and leases outstanding, or \$565.0 million net of the allowance for credit losses, and \$21.0 million of operating leases included in other assets. The transaction excludes approximately \$75.0 million of loans and leases that were retained by the Bank. In connection with the sale, the Bank made customary representations, warranties and covenants, including with respect to confidentiality, indemnification and certain transition services.

The Company expects to recognize a pre-tax loss on sale, including transaction-related expenses, of approximately \$20.0 million in the fourth quarter of 2025.

The Company intends to use the majority of the proceeds from the sale to pay down approximately \$350.0 million of wholesale funding.

Forward-Looking Statements

In addition to the historical information contained herein, this Current Report on Form 8-K includes “forward-looking statements” within the meanings of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including but not limited to statements about the Company’s expenses, use of proceeds, earnings, capital levels, plans, objectives, future performance and business strategy. These statements are subject to many risks and uncertainties, including uncertainties as to significant or unexpected costs, charges or expenses resulting from the transaction; the possibility that the parties may amend or modify certain terms of the transaction; changes in interest rates and other general economic, business and political conditions; the impact of federal trade policy, inflation, increased deposit volatility and potential regulatory developments; changes in the financial markets; changes in business plans as circumstances warrant; changes to U.S. tax laws, regulations and guidance; and other risks detailed from time to time in filings made by the Company with the Securities and Exchange Commission. Readers should note that the forward-looking statements herein are not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “will,” “propose,” “may,” “plan,” “seek,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “continue,” or similar terminology. Any forward-looking statements presented herein are made only as of the date hereof, and the Company does not undertake any obligation to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release of Midland States Bancorp, Inc., dated December 1, 2025
99.2	Investor Presentation of Midland States Bancorp, Inc., dated December 1, 2025
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: December 1, 2025

MIDLAND STATES BANCORP, INC.

By: /s/ Nathan Sturycz
Nathan Sturycz
General Counsel



FOR IMMEDIATE RELEASE

Midland States Bancorp Announces Sale of Substantially All of Its Equipment Finance Portfolio to North Mill Equipment Finance

Effingham, Ill., December 1, 2025 (GLOBE NEWSWIRE) – Midland States Bancorp, Inc. (Nasdaq: MSBI) today announced that its wholly owned subsidiary, Midland States Bank (“the Company”), has sold substantially all of its equipment finance portfolio to an affiliate of North Mill Equipment Finance LLC (“NMEF”). The transaction closed on November 28, 2025.

NMEF acquired the portfolio for \$502 million in cash, subject to adjustment. As of October 31, 2025, the equipment finance portfolio consisted of approximately \$599 million in loans and leases outstanding — or \$565 million net of the allowance for credit losses — and \$21 million of operating leases included in other assets. The transaction excludes approximately \$75 million of loans and leases that will be retained by the Company, and as such, total loans and leases will be reduced by approximately \$545 million as compared to October 31, 2025.

The Company expects to recognize a pre-tax loss on sale, including transaction-related expenses, of approximately \$20 million in the fourth quarter of 2025.

The Company intends to use the majority of the proceeds from the sale to pay down approximately \$350 million of high-cost wholesale funding.

The transaction aligns with the Company’s previously announced strategy to focus resources and capital on its core community banking operations and is expected to be accretive to capital and approximately neutral to earnings. As previously disclosed, the Company ceased originating new equipment finance loans and leases effective as of September 30, 2025.

Jeffrey G. Ludwig, President and Chief Executive Officer of Midland States Bancorp, Inc., stated:

“This transaction with NMEF represents a prudent step forward in sharpening our focus on community banking and wealth management. The sale of substantially all of the equipment finance portfolio follows other steps we’ve taken over the past year to improve our credit profile and enables us to redeploy capital more effectively. Altogether, these steps have strengthened our balance sheet, reduced our exposure to higher-risk asset classes, and helped position us well to continue growing the community bank into 2026.”

David C. Lee, Chairman & Chief Executive Officer of NMEF, stated:

“The strength of our long-standing banking, capital markets and equity capital relationships enabled us to execute with the speed and certainty required for this complicated transaction in a compressed timeframe. We’re pleased to welcome several Midland Equipment Finance employees into the NMEF family as we continue to scale our platform. As market volatility creates challenges for holders of non-core portfolios, NMEF remains a reliable partner for those seeking a thoughtful and efficient exit or financial partner.”

Stephens Inc. served as exclusive financial adviser to the Company in connection with the transaction. Barack Ferrazzano served as legal counsel to the Company. Moore & Van Allen PLLC served as legal counsel to NMEF.

About Midland States Bancorp, Inc.

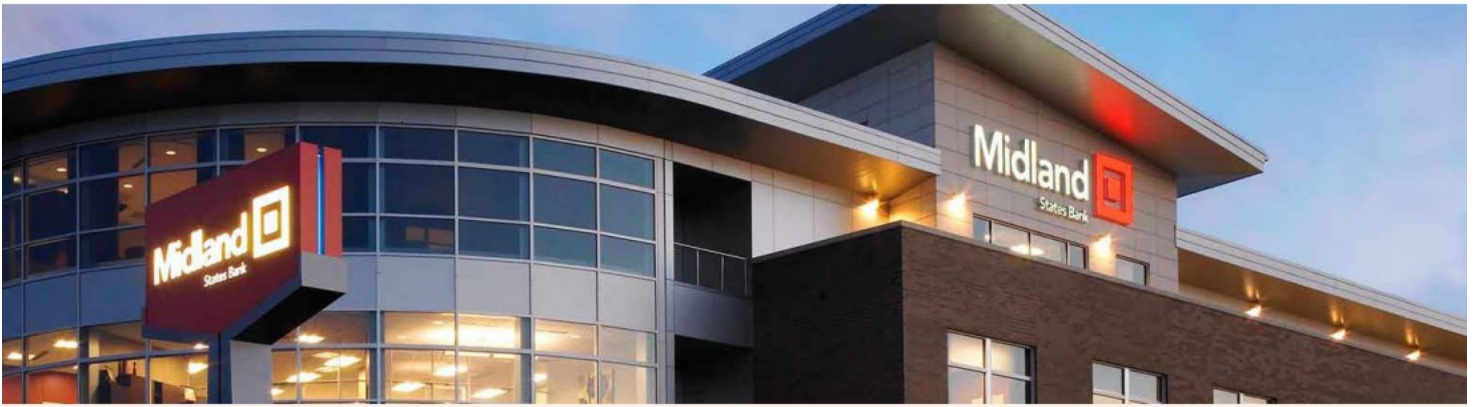
Midland States Bancorp, Inc. is a community-based financial holding company headquartered in Effingham, Illinois, and is the sole shareholder of Midland States Bank. As of September 30, 2025, the Company had total assets of approximately \$6.91 billion, and its Wealth Management Group had assets under administration of approximately \$4.36 billion. The Company provides a full range of commercial and consumer banking products and services, merchant credit card services, trust and investment management, insurance and financial planning services. For additional information, visit midlandsb.com or follow Midland States Bank on LinkedIn.

About North Mill Equipment Finance LLC

North Mill Equipment Finance LLC is a national, premier lender that works primarily with third-party referral sources to finance small- to mid-ticket commercial equipment leases and loans. Headquartered in Norwalk, Connecticut, the Company serves businesses across a wide range of industries through a robust network of independent finance companies and brokers. NMEF delivers flexible, customized financing solutions to partners nationwide.

Forward-Looking Statements

Readers should note that in addition to the historical information contained herein, this press release includes "forward-looking statements" within the meanings of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including but not limited to statements about the Company's expenses, use of proceeds, earnings, capital levels, plans, objectives, future performance and business strategy. These statements are subject to many risks and uncertainties, including uncertainties as to significant or unexpected costs, charges or expenses resulting from the transaction; the possibility that the parties may amend or modify certain terms of the transaction; changes in interest rates and other general economic, business and political conditions; the impact of federal trade policy, inflation, increased deposit volatility and potential regulatory developments; changes in the financial markets; changes in business plans as circumstances warrant; changes to U.S. tax laws, regulations and guidance; and other risks detailed from time to time in filings made by the Company with the Securities and Exchange Commission. Readers should note that the forward-looking statements included in this press release are not a guarantee of future events, and that actual events may differ materially from those made in or suggested by the forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "will," "propose," "may," "plan," "seek," "expect," "intend," "estimate," "anticipate," "believe," "continue," or similar terminology. Any forward-looking statements presented herein are made only as of the date of this press release, and the Company does not undertake any obligation to update or revise any forward-looking statements to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.



Midland States Bancorp, Inc.

Equipment Finance Loan & Lease Sale



December 1, 2025

Forward Looking Statement

Forward-Looking Statements:

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Presentation:

Within the charts and tables presented, certain segments, columns and rows may not sum to totals shown due to rounding.

Use of Non-GAAP Financial Measures:

Some of the financial measures included in this press release are not measures of financial performance recognized in accordance with GAAP. A non-GAAP financial measure includes “Tangible common equity”. The Company believes this non-GAAP financial measure provides both management and investors a more complete understanding of the Company’s funding profile. This non-GAAP financial measure is supplemental and is not a substitute for any analysis based on GAAP financial measures. Not all companies use the same calculation of these measures; therefore, the measures in this press release may not be comparable to other similarly titled measures as presented by other companies.

Equipment Finance Loan & Lease Sale

Strategic Rationale

- **Sharpened Focus on Core Community Bank:** Sale of equipment finance portfolio simplifies operations and enhances fundamental commercial banking and wealth businesses
- **Strengthened Credit & Risk Profile:** Removes credit uncertainty from trucking industry, improves asset quality, and reduces delinquencies
- **Capital Redeployment Driving Long-Term Value:** Frees capital to fund higher-return opportunities while streamlining the balance sheet and aligning with strategic priorities

Transaction Structure & Consideration

- **Aggregate Transaction Value:** \$502 million
 - All cash deal
 - Retained \$75 million and ceased originations
- **Closing Date:** November 28, 2025

Valuation⁽¹⁾

- **Principal Balance:** \$545 million
- **Allowance for Credit Losses:** \$29 million
- **Estimated Loss:** \$20 million including transaction costs

Financially Attractive

- **Earnings Neutral with less Credit Uncertainty**
- **Improved Capital Ratios**
 - 15-20 bp improvement to TCE/TA
 - 55-60 bp improvement to CET1 Ratio
- **Improved Credit & Risk Positioning**
- **Enhanced Liquidity Position**

Proforma Financial Impact

Lower Credit Costs

- **Third quarter financial results included:**
 - Additional provision for credit losses of \$15 million
 - Net charge offs of \$5 million with average quarterly charge offs of \$4.4 million for 2025
- **Pro forma September 30 results:**
 - NPAs decreased to \$57.2 million, or 0.83% of assets
 - Past Due 30-89 days decreased to \$8.5 million, or 0.17% of loans

Strengthens Capital

- Pro forma September 30 loan portfolio totals \$4.3 billion
- \$350 million of proceeds to retire higher-cost wholesale funding
- 55-60 bps accretive to regulatory capital ratios

Financial Impact

- Net interest income is estimated to decline \$3.0-\$4.0 million a quarter after retiring wholesale funding
- Payoff of sub-debt expected to reduce interest expense by \$1 million per quarter going forward
- Expected NIM of 3.60% to 3.70% on smaller balance sheet
- Transaction expected to remove approximately \$2.0-\$2.5 million of quarterly operating expenses beginning in 2026