

FOR IMMEDIATE RELEASE, ON OR ANYTIME AFTER November 3, 2025

SUBJECT: Merchants Financial Group, Inc., Announces Earnings of \$23.29 Million Through Third Quarter and Declares Dividend

WINONA, Minn. – Merchants Financial Group, Inc. (MFGI) has announced year-to-date net income of \$23.29 million through the end of the third quarter, according to MFGI President & CEO Gregory M. Evans.

In recognition of Merchants' performance, the MFGI Board of Directors at its October meeting authorized an increase in the semi-annual dividend payment of \$0.41 per share. The dividend was a 7.9% increase from the \$0.38 dividend paid in June and an 13.9% increase in the dividend payment amount year-over-year.

"Our performance through the first three quarters of 2025 continues to be driven by the strength of our transformed balance sheet, the diversity of our business lines, and the stable credit risk profile for the Company," shared Evans.

Net income through the third quarter is \$2.86 million ahead of MFGI's plan for 2025 and \$9.0 million ahead of 2024's third quarter performance. Merchants' deposit franchise remains strong and stable with total deposits at \$2.45 billion - \$11.1 million below plan, but \$121.6 million ahead of 2024 performance. Total loans of \$2.05 billion reflect soft commercial loan demand and new commercial production of \$105 million through three quarters has not been enough to replace runoff. Loans are \$91.2 million below plan and \$108 million below last year. Driven by the diversification of Merchants' business lines, net interest income is on plan, while non-interest income is \$1.56 million (6.88%) above plan and \$2.33 million (10.66%) ahead of 2024.

Merchants Financial Group, Inc. is a publicly traded Company. Ownership is made up of its more than 400 employees and mostly individuals and families from southeastern Minnesota and west-central Wisconsin.

Merchants Bank is a full-service community bank with locations in southeastern Minnesota and west-central Wisconsin and an equipment finance division based in Edina. Headquartered in Winona, MN, MFGI has more than \$2.8 billion in assets and is one of the largest banks chartered in the state of Minnesota. Merchants was founded in 1875. Member FDIC.

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