

**FOR IMMEDIATE RELEASE, ON OR ANYTIME AFTER MAY 1, 2026**

**SUBJECT: Merchants Financial Group, Inc., Announces First Quarter Earnings of \$8.28 Million and Dividend Payment**

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**WINONA, Minn.** – Merchants Financial Group, Inc. (MFGI) announced first quarter net income of \$8.28 million according to MFGI President & CEO Gregory M. Evans.

Due to Merchants' strong results, at its quarterly meeting last month the MFGI Board of Directors authorized a 7.3% increase in the Company's semiannual dividend to shareholders to 44 cents per share.

"In the first quarter, we continued to benefit from a healthy liquidity position that offers flexibility in our balance sheet to fund loan growth, which will be our most intense focus for the balance of the year," Evans said.

Net income was \$1.5 million above MFGI's plan for the first quarter of 2026 and \$1.8 million ahead of 2025 performance. Deposit growth has continued to be strong with total deposits of \$2.55 billion, a 4.35% increase from 2025 and \$92.7 million above plan. Total net loans were \$2.01 billion, which is below plan by \$32 million. Merchants' Trust wealth management business had a strong quarter, resulting in a 48% increase in fee income compared to the first quarter of 2025. The Company continues to benefit from a health liquidity funded by core deposits and a solid balance sheet position that will support 2026 strategic priorities.

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 a leasing division, Merchants Bank Equipment Finance, 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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