MERCHANTS BANK OF INDIANA



Investor Overview – First Quarter 2025

May 2025

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This presentation includes industry and market data that we obtained from periodic industry publications, third-party studies and surveys. Although we believe this industry and market data is reliable as of the date of this presentation, this information could prove to be inaccurate. Industry and market data could be inaccurate because of the method by which sources obtained their data and because information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. In addition, we do not know all of the assumptions regarding general economic conditions or growth that were used in preparing the forecasts from the sources relied upon or cited herein.

This presentation contains financial information determined by methods other than in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Management uses these “non-GAAP” measures in its analysis of our performance. Management believes that these non-GAAP financial measures allow for better comparability with prior periods, as well as with peers in the industry who provide a similar presentation and provides a further understanding of our ongoing operations. These disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. A reconciliation of the non-GAAP measures used in this presentation to the most directly comparable GAAP measures is provided in the Appendix to this presentation.

Overview of Merchants Bancorp (MBIN)

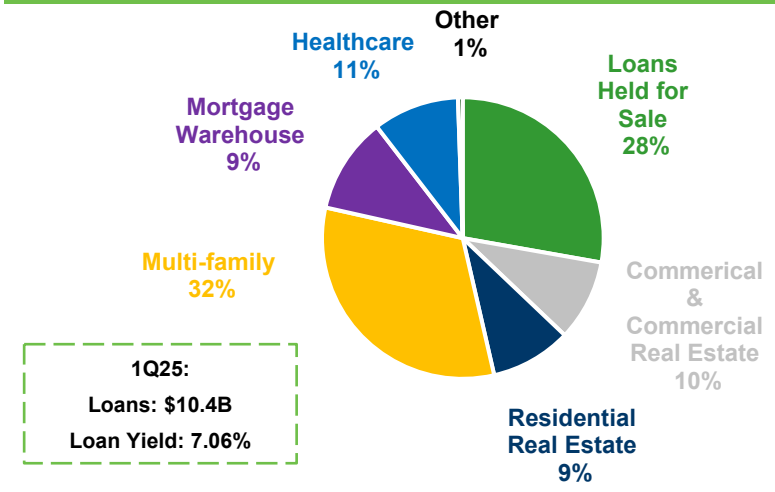
Overview of Merchants

- Merchants Bancorp (MBIN) is a diversified bank holding company headquartered in Carmel, IN
  - $18.8B in assets as of 03/31/2025
  - $12.4B in deposits as of 03/31/2025
- Operates 7 bank branches located in Indianapolis and Richmond, Indiana markets
- Key business lines include:
  - Multi-family Mortgage Banking
  - Mortgage Warehouse
  - Banking
- Entrepreneurial management team with significant shareholder alignment; founding families still own ~60% of shares outstanding

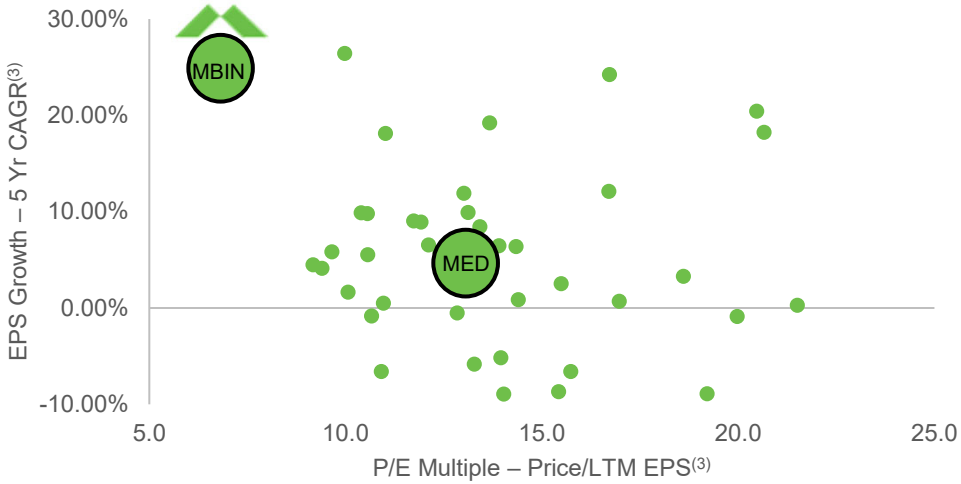
Business Summary [2]

Assets ($B)	$18.8
Headquarters	Carmel, IN
Stock Price ($)[2]	$31.47
Market Value ($M)[2]	$1,444
Price / TBV (x)[2]	0.9x
Price / 2025 EPS (x)[2]	6.8x
Dividend Yield (%)[2]	1.27

Gross Loans Held for Investment Composition (1Q25) [1]



Highest Growth Rate, Lowest Valuation vs Peers



Notes:

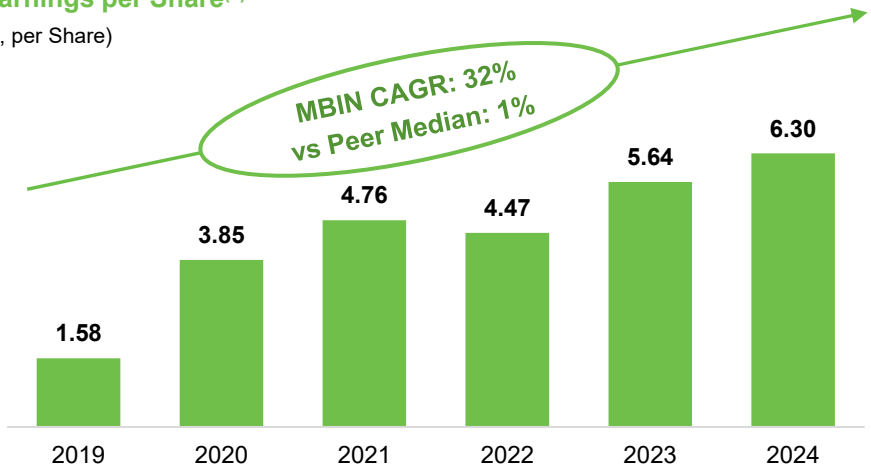
1. Totals may not sum to 100% due to rounding
2. Source: S&P Global; market data as of May 8, 2025
3. Prices as of May 8, 2025; LTM refers to last twelve months ending March 31, 2025; EPS Growth -5 Yr CAGR is for the LTM as of March 31, 2025, compared to twelve months ended March 31, 2021; Peers with $10-25 billion in assets as of March 31, 2025

Strong Financial Performance Has Driven Significant Shareholder Value

Historical Performance Since 2019

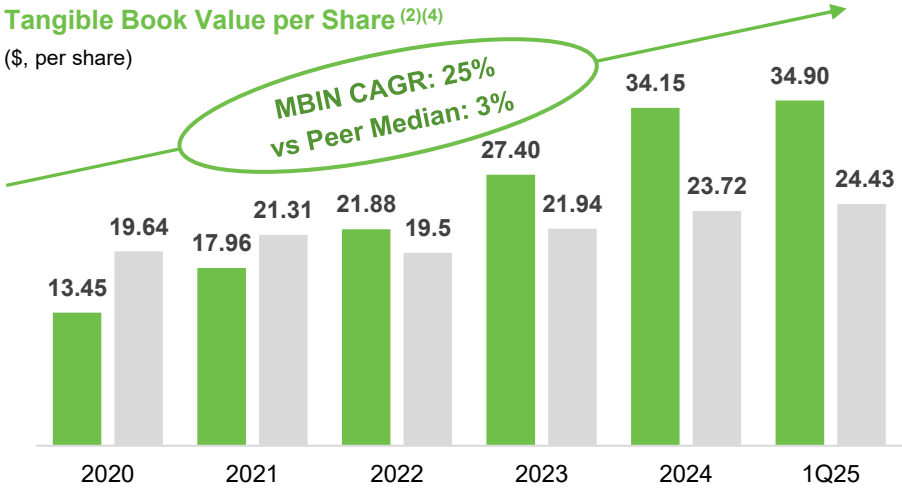
Earnings per Share[4]

($, per Share)



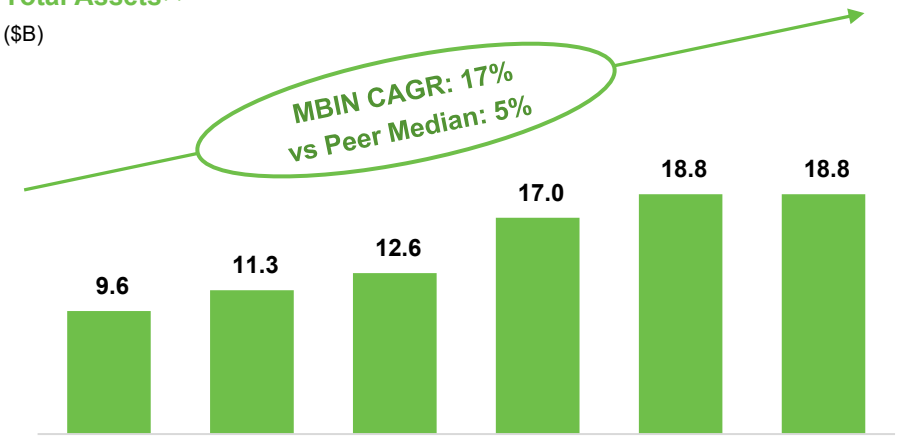
Tangible Book Value per Share [2][4]

($, per share)



Total Assets[4]

($B)



Leverage Ratio (%) [1]	2020	2021	2022	2023	2024	1Q25
	8.6	10.4	11.7	10.1	12.1	12.1

Stock Price Performance Since IPO [3]



Notes:

1. As defined by regulatory agencies; Tier 1 Leverage Ratio defined as the ratio of bank's core equity capital to its average total assets
2. Non-GAAP financial measure; refer to reconciliations of non-GAAP financial measures in the Appendix of the presentation
3. Source: S&P Global; market data as of May 8, 2025
4. Peer group source: S&P Global; Includes banks, as of December 2024, between $10-25B in assets that are publicly-traded on a major exchange. Sample includes 46 banks
5. Peer is KBW Nasdaq Regional Bank Price Return Index
6. LTM refers to last twelve months

Merchants Bancorp: Key Franchise Highlights

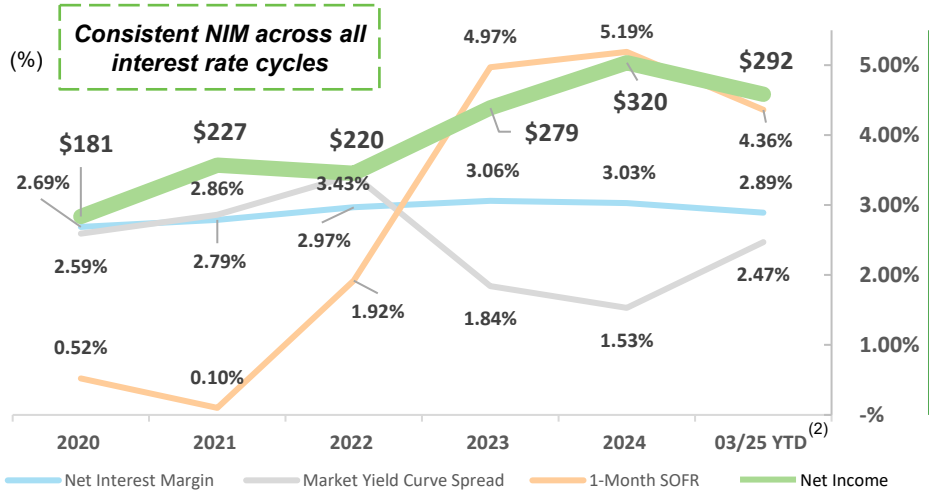
1. Superior Profitability & Earnings Growth Profile in Every Interest Rate Environment
2. Unique Originate-to-Sell Model with Differentiated Revenue Streams Reduces Earnings Volatility
3. Highly Efficient Cost Structure, Unique Business Model
4. Diversified, Short Duration Loan Portfolio with Strong Organic Growth
5. Highly Disciplined Credit Culture Driving Superior Asset Quality
6. Growing Deposit Base with Multiple Sources of Funding
7. Efficient Capital Structure Coupled with Low-Risk Balance Sheet with Optimization via Securitizations
8. High-Quality Securities Portfolio with Minimal Mark-to-Market Impact
9. Significant Room for Growth and History of Delivering Industry Leading Returns

MERCHANTS BANK
OF INDIANA

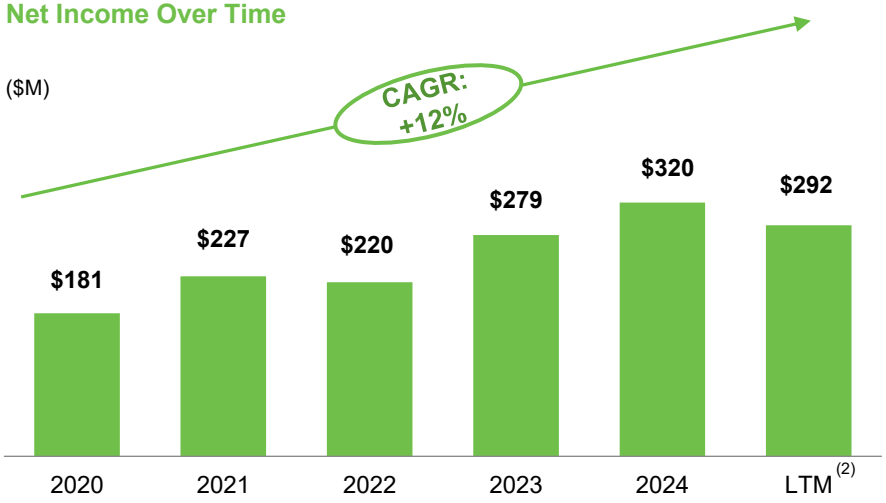
1 Superior Profitability & Earnings Growth Profile in Every Interest Rate Environment

Profitability Has Been Consistently Above Peers

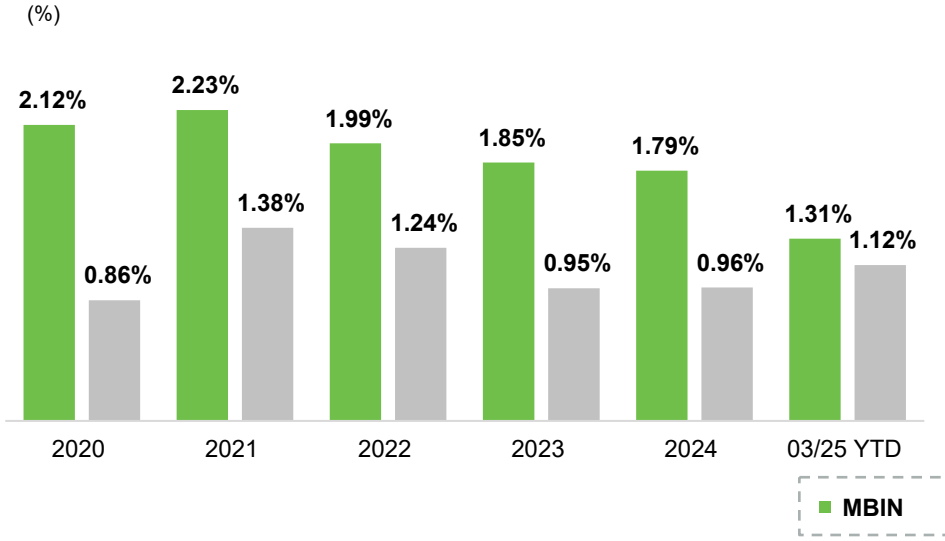
Net Interest Margin



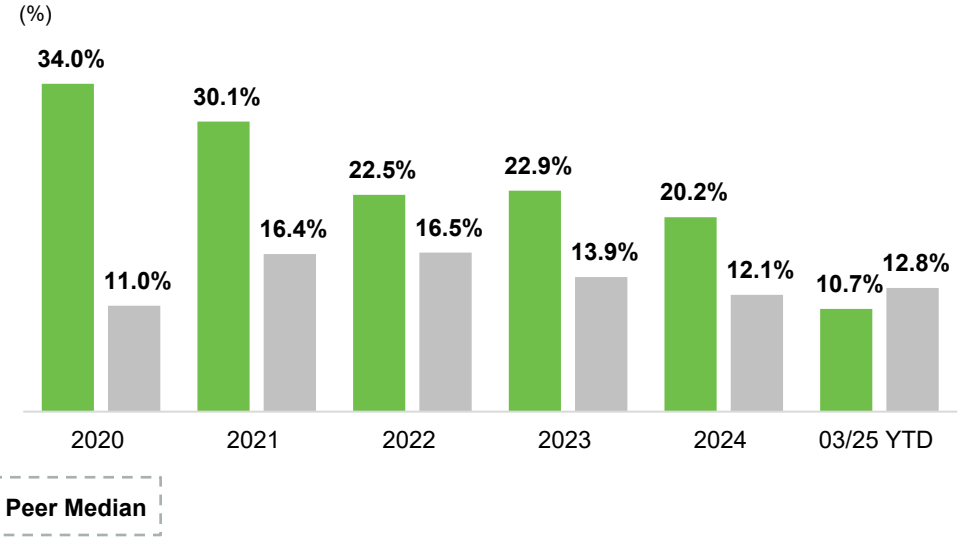
Net Income Over Time



Return on Average Assets (1)(3)



Return on Average Tangible Common Equity (1)(3)



MBIN Peer Median

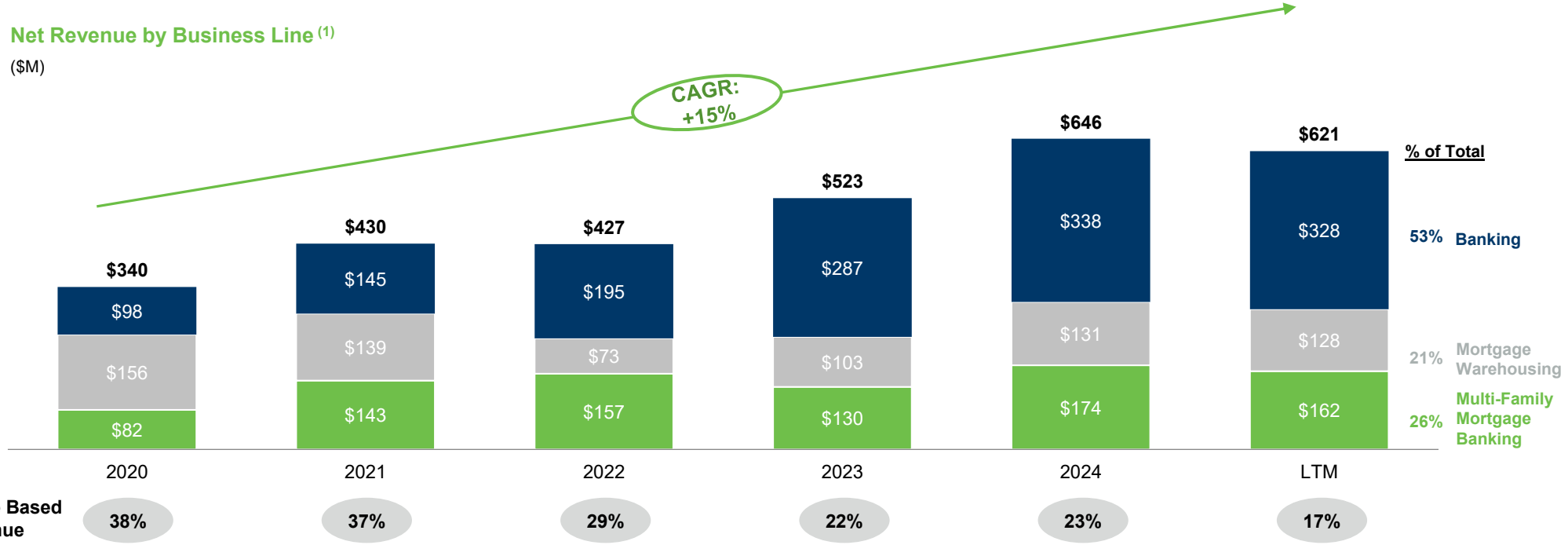
Notes:
1. Peer group source: S&P Global; Includes banks, as of December 2024, between $10-25B in assets that are publicly-traded on a major exchange; excludes announced merger targets. Sample includes 46 banks
2. Net Income refers to the last twelve months
3. Non-GAAP financial measure; refer to reconciliations of non-GAAP financial measures in the Appendix of the presentation

2 Unique Originate-to-Sell Model With Differentiated Revenue Streams

Business Mix Revenue Diversification Reduces Earnings Volatility Through the Full Rate Cycle

Net Revenue by Business Line [1]

($M)



% Fee Based Revenue	2020	2021	2022	2023	2024	LTM
	38%	37%	29%	22%	23%	17%

Multi-Family Mortgage Banking

- Lender to developers of multi-family residential and healthcare properties specializing in FHA, FNMA, and FHLMC Affordable permanent loan products
- Tax credit syndication
- Revenue primarily from gain on sale of loans originated, as well as servicing fees on loans sold or retained

Mortgage Warehousing

- Warehouse and commercial lender to independent mortgage banks
- Service custodial deposit relationships to match fund
- Revenue primarily from interest income and fees earned during the time that agency eligible loans are originated to mortgage bankers and are held for resale within 30 days

Banking

- Holds multi-family loans in portfolio
- Merchants Mortgage operates nationally
- Merchants SBA operates primarily in the Midwest
- Traditional community banking in Indiana
- Revenue primarily from traditional interest income and gain on sale

Notes:
1. Net revenue includes net interest income after allowance for credit losses plus noninterest income; totals exclude revenue from "Other" segment.

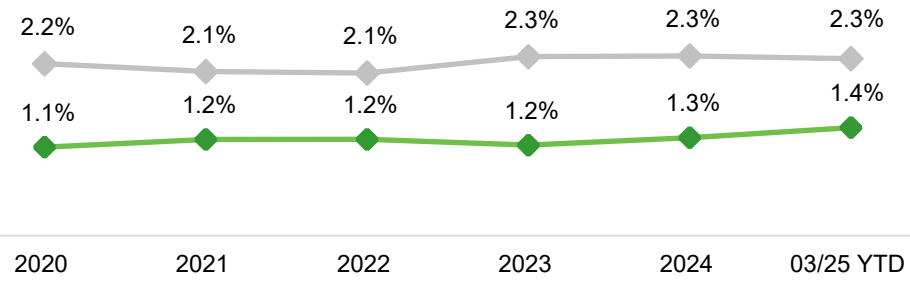
3 Highly Efficient Cost Structure, Unique Business Model

Industry Leading Efficiency Driven by a Branch Light Model

Non-Interest Expense / Average Assets [1]

(%)

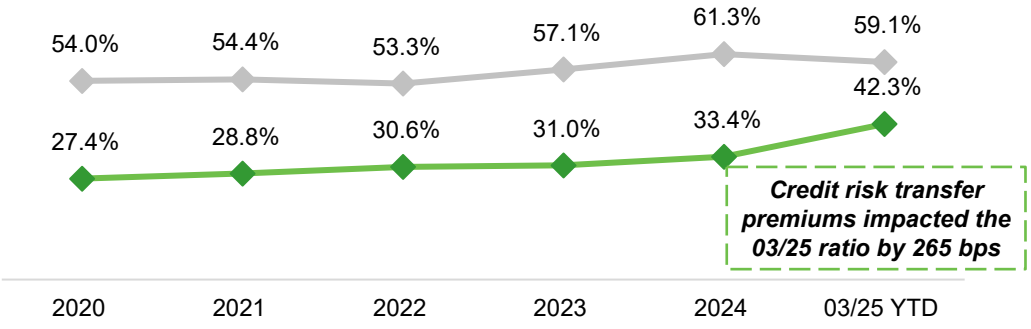
Since 2019 Merchants' cost structure has been approximately half of peers relative to assets



Efficiency Ratio [1][2]

(%)

Since 2020 Merchants has been more than ~1.3x more efficient than peer group



MBIN Peer Median

Unique Business Model Leads to an Industry Leading Expense Profile

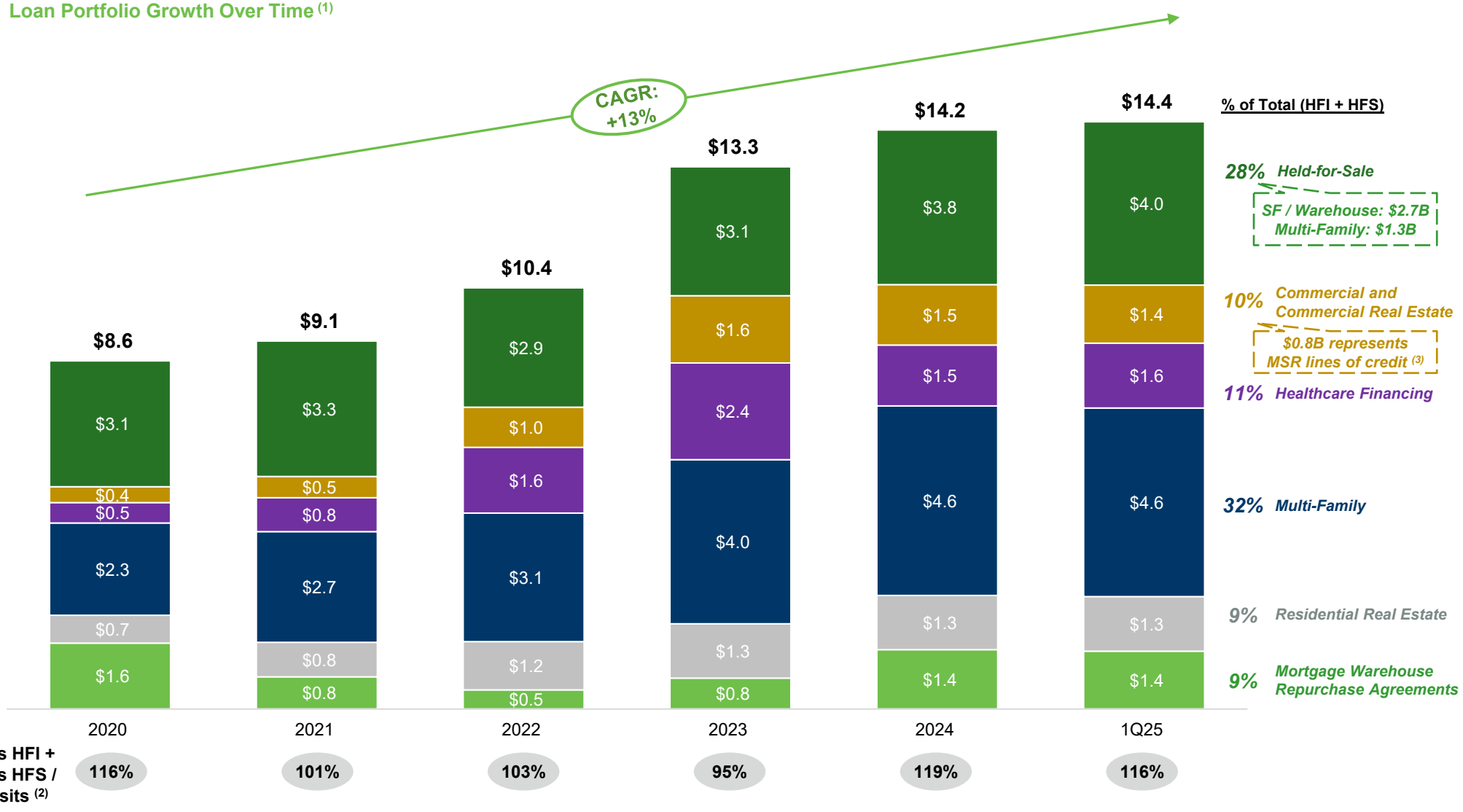
- Deep relationships with end customers driving economies-of-scale across business lines
- High concentration of variable costs and diversified business lines and protects profitability through cycles
  - Low-cost structure allows for superior rates to grow core deposits
- Modernized infrastructure and efficient, technology-driven operation with significant operational capacity for growth

Notes:
1. Peer group source: S&P Global; Includes banks, as of December 2024, between $10-25B in assets that are publicly-traded on a major exchange; excludes announced merger targets. Sample includes 46 banks
2. Non-GAAP financial measure; refer to reconciliations of non-GAAP financial measures in the Appendix of the presentation

4 Diversified, Short Duration Loan Portfolio with Strong Organic Growth Over Time

Low-Risk Loan Composition Across Niche Products

Loan Portfolio Growth Over Time (1)



Loans HFI + Loans HFS / Deposits (2)	2020	2021	2022	2023	2024	1Q25
	116%	101%	103%	95%	119%	116%

Notes:
1. Totals for each bar may not add due to rounding; Consumer & Margin and Agriculture loans not shown for illustrative purposes due to scale
2. Reflects gross Loans (Loans Held for Investment and Loans Held for Sale) to deposits
3. Includes revolving lines of credit collateralized primarily by single-family mortgage servicing rights ("MSR"); MSR lines of credit balances were $0.8 billion as of 1Q25, $0.9B as of 2024, $1.1B as of 2023, $497M as of 2022, and $210M as of 2021

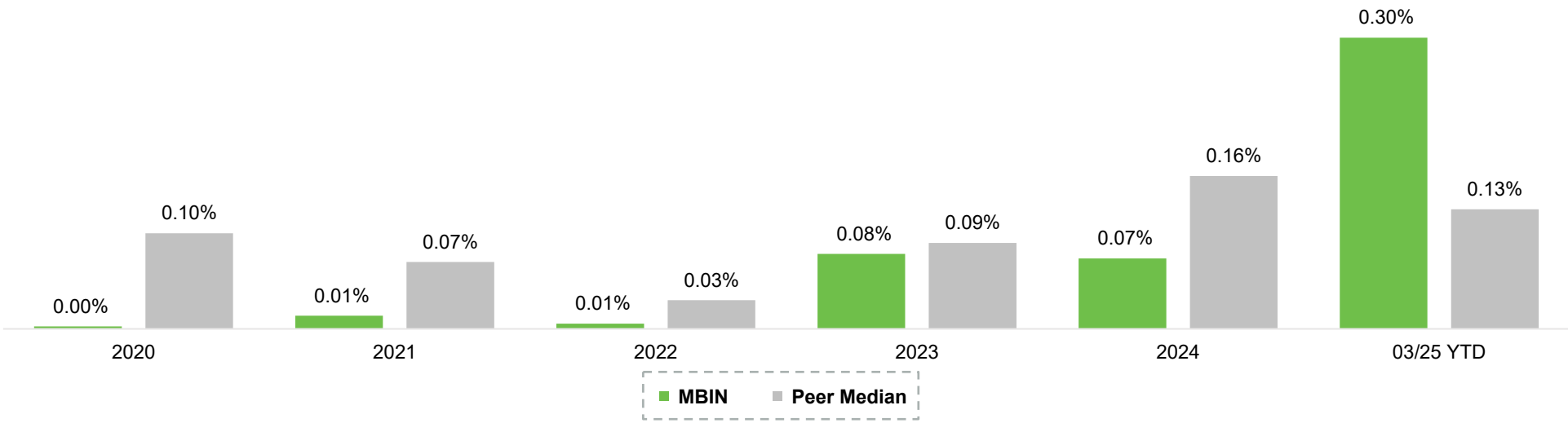
5 Highly Disciplined Credit Culture

Asset Quality

Net Charge-Offs (Recoveries) / Avg. Loans [1]

(%)

Since 2019 Merchants NCO's / Avg. Loans have been traditionally below peer group levels



Differentiated Risk Management Strategy

- Loans are predominantly underwritten to agency guidelines for take-out, with variable rates or short maturities
- NCOs / Avg. Loans below peer levels
- Substantially all commercial real estate (CRE) loans are owner-occupied; office loans are not offered

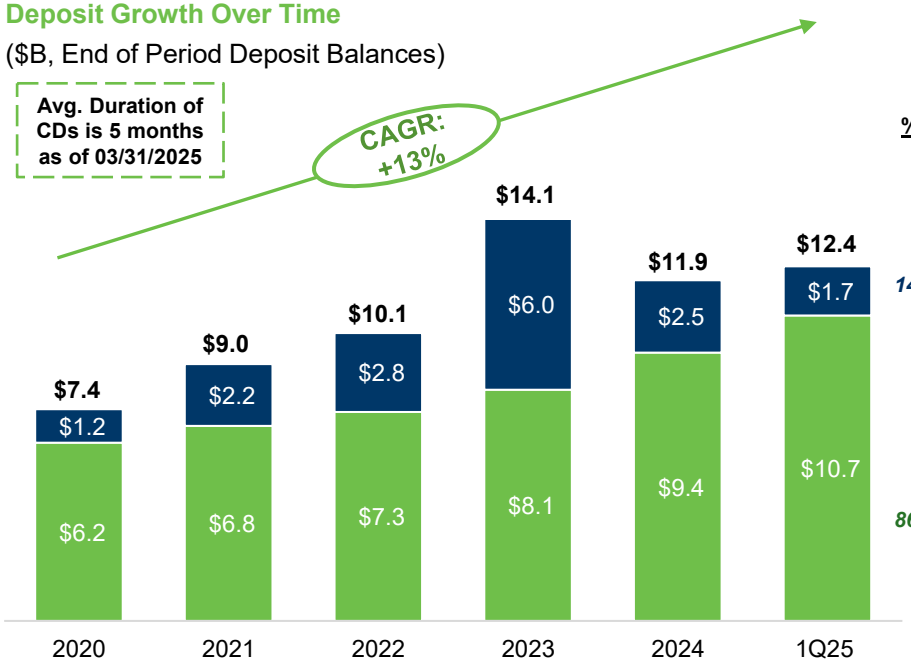
Notes:
1. Peer group source: S&P Global; Includes banks, as of December 2024, between $10-25B in assets that are publicly-traded on a major exchange; excludes announced merger targets. Sample includes 46 banks

6 Growing Deposit Base with Multiple Sources of Funding

Deposit Growth Has Supported Loan Growth Over Time; Flexible Funding Options Available

Deposit Growth Over Time

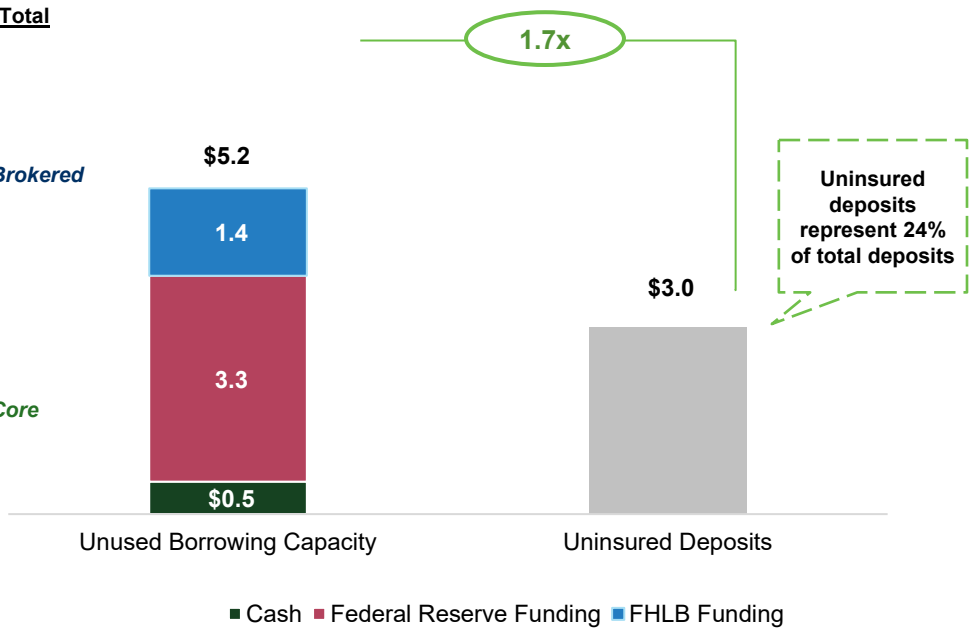
($B, End of Period Deposit Balances)





Liquidity Coverage Relative to Uninsured Deposits

($B, 1Q25)



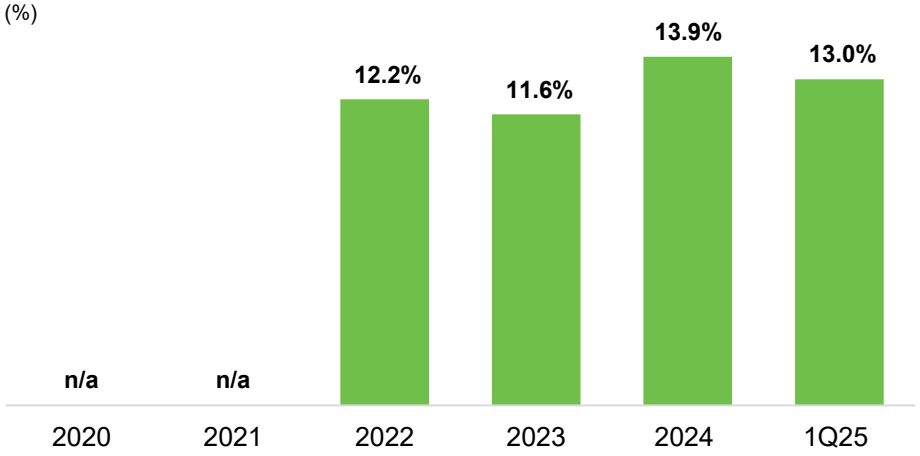
Funding Sources and Options

Core Traditional Bank Deposits	Core Custodial Escrow Deposits	Brokered Deposits	FHLB & Federal Reserve
• Core deposits grew 14% YTD, representing 86% of total deposits as of March 31, 2025 • Adjustable and fixed rate CDs < 1 year	• Self-funding mechanism in place • Warehouse lending custodial deposits generally fund warehouse loans • Most accounts have 180 days notice to cancel • Merchants Capital's servicing portfolio provides significant deposits	• Short duration brokered deposits available as needed • ~$1.7B of brokered deposits as of March 31, 2025 • Utilized when most cost-effective option vs LOCs	• $4.7B unused borrowing capacity with the FHLB and FR discount window as of March 31, 2025 • Federal Reserve Board line can fund 107% of uninsured deposits

7 Efficient Capital Structure Coupled with Low-Risk Balance Sheet

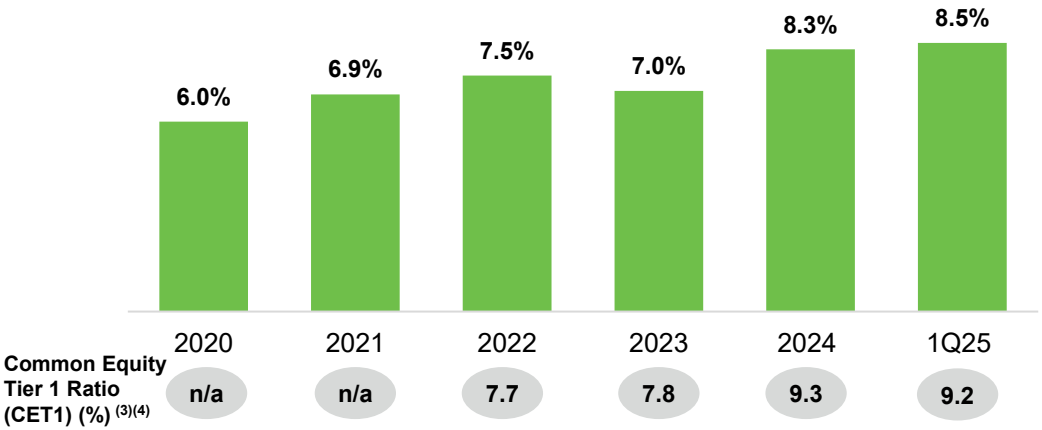
Capital Optimization via Securitizations; Short Duration Balance Sheet with Optimal Asset-Liability Positioning

Total Capital to Risk-Weighted Assets[1][4]



- Low-risk originate to sell business model
  - Primary focus on funding low-risk loans meeting underwriting standards of government programs
  - Adjustable-rate loans held for investment to hedge interest rate risk and protect net interest margin
- Short duration balance sheet with ~95% of loans repricing within 30 days or less
  - Majority could be sold or securitized within 120 days
- Mortgage warehouse lines fully collateralized by underlying mortgages until sold to an investor
  - Merchants Mortgage is a risk mitigant to Mortgage Warehousing because it provides us with a ready platform to sell the underlying collateral to secure repayment

Tangible Common Equity / Tangible Assets [2]



Loan Portfolio Duration

($B)

	As of March 31, 2025		
	Balance	Avg. Days to Reprice	% Total
Loan Type			
Mortgage Loans in Process of Securitization	**$ 390**	**~30 Days**	
Total Loans Held for Sale	**$ 3,983**	**~30 Days**	**28%**
Loans HFI			
Multi-Family Financing	$ 4,600	~60 Days	32%
Healthcare Financing	$ 1,583	~45 Days	11%
Commercial and Commercial Real Estate	$ 1,419	~90 Days	10%
Residential Real Estate	$ 1,333	~1 Year	9%
Mortgage Warehouse Repurchase Agreements	$ 1,408	~30 Days	9%
Agricultural Production and Real Estate	$ 79	~3 Years	1%
Consumer and Margin Loans	$ 5	~60 Days	0%
Total Loans HFI	**$ 10,427**	**~60-90 Days**	**72%**
Total Loans HFI and Loans HFS	**$ 14,411**		**100%**

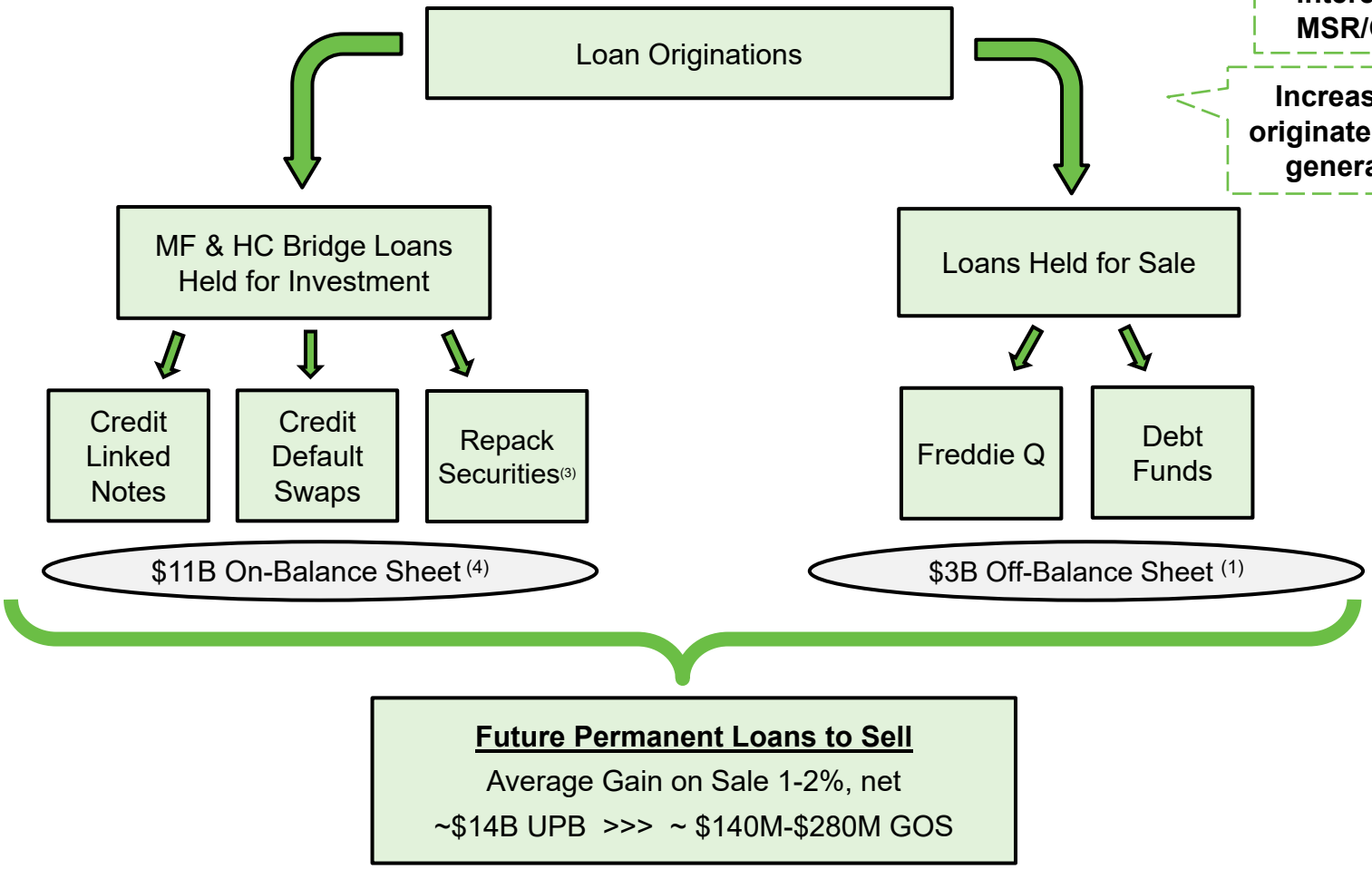
Notes:
1. As defined by regulatory agencies
2. Non-GAAP financial measure; refer to reconciliations of non-GAAP financial measures in the Appendix of the presentation
3. As defined by regulatory agencies; CET1 Ratio defined as the ratio of bank's core equity capital to its risk-weighted assets
4. Merchants utilized the Community Bank Leverage Ratio (CBLR) framework from 1Q20 through 2Q22

Credit Risk Transfer Alternatives Increasing Origination & Balance Sheet Capacity

2020 - 2025 YTD Loan Risk Transfer Activity[1]								
($M)	2020	2021	2022	2023	2024	2025	Total	Total
Off-Balance Sheet:								2,716
Debt Funds	213	414	700	-	-	-	**1,327**	
Freddie-Q Deals	-	262	498	304	325	-	**1,389**	
Hybrid-Repacks: ($0.3M Off-Balance Sheet)[3]	-	-	1,161	-	629	-	**1,790**	**1,790**
On-Balance Sheet:								**2,874**
Credit Linked Notes[2]	-	-	-	1,130	-	-	**1,130**	
Credit Default Swap[2]	-	-	-	-	1,744	-	**1,744**	
Total	**213**	**676**	**2,359**	**1,434**	**2,698**	**-**	**7,380**	**7,380**

- **Decreases credit risk**
- **Increases origination capacity**
- **Increases ROE**
- **Provides avenues to drive future non-interest income, incl. MSR/GOS**

Increases capacity to originate more loans and generate more GOS



Notes:
1. UPB of risk transfer transactions included from year of initial launch
2. Loans remain on the balance sheet with a reduced risk weight
3. Repack loans are sold off the balance sheet, but the Company replaces a portion of the loans with a security; see the next slide for example
4. Includes LHFS-$4.0B, Multi-family LHFI-$4.6B, Healthcare LHFI-$1.6B, and Repack securities-$1.1B as of March 31, 2025

Credit Risk Transfers - Examples

(In thousands)

	As Originated	Credit Risk Transfer Options			
		Credit Default Swap	Repack		Freddie Q / Debt Funds
	Merchants	Merchants	Merchants [4]	Third Parties	Merchants [5]
Loan Balances	$ 1,000,000	$ 1,000,000	$ -	$ -	$ -
Securities Balances	$ -	$ -	$ 850,000	$ 150,000	$ -
Risk Based Capital (%)	100%	20%	20%	N/A	N/A
Capital Required ($) [1]	$ 100,000	$ 20,000	$ 17,000	N/A	$ -
Balance Sheet Capacity Created	**$ -**	**$ 800,000**	**$ 830,000**	**N/A**	**$ 1,000,000**
NIM $	**$ 30,000**	**$ 30,000**	**$ 21,250**	**N/A**	**N/A**
Mortgage Servicing Right Benefit	**$ -**	**$ -**	**$ 6,000**	**N/A**	**$ 1,000**
ACL Relief	**$ -**	**$ -**	**$ 4,000**	**N/A**	**$ -**
Deal Costs/Commissions	**$ -**	**$ 2,000**	**$ 5,000**	**N/A**	**$ 3,000**
CRT Premium Expense	**$ -**	**$ 8,000**	**$ -**	**N/A**	**$ -**
Efficiency Ratio	**33.37%**	**34.56%**	**33.37%**	**N/A**	**N/A**
NIM % [2]	**3.00%**	**3.00%**	**2.50%**	**N/A**	**N/A**
Return on Assets [3]	**3.0%**	**3.0%**	**2.5%**	**N/A**	**N/A**
Return on RWA [3]	**3.0%**	**15.0%**	**12.5%**	**N/A**	**N/A**
Return on Equity [3]	**30.0%**	**150.0%**	**125.0%**	**N/A**	**N/A**
Credit Protection - ACL	**$ 7,500**	**$ 7,500**	**$ -**	**N/A**	**N/A**
Credit Protection - CRT	**$ -**	**$ 130,000**	**$ -**	**N/A**	**N/A**
Credit Protection - Total	**$ 7,500**	**$ 137,500**	**$ -**	**N/A**	**N/A**

- ✓ Expands opportunity for gain on sale of permanent loans
- ✓ Increases return on equity
- ✓ Higher return on risk weighted assets
- ✓ Increases loan origination capacity
- ✓ Reduces risk-based capital requirements
- ✓ Increases credit protection via off-balance sheet, third party protection

Notes:
1. Based on 10% capital requirement
2. Estimated Net Interest Margin (NIM. CRT premium expense not incurred on repack and other credit risk transfer options
3. Merchants continues to service the loans sold in the repack; recognizing a mortgage servicing asset, an MSR gain, and earning recurring servicing fees not factored in the returns in this example
4. Merchants purchases only the senior, Class A certificates. Unaffiliated, third parties purchase the lower tranche certificates and will absorb the first losses. In this example that would be 15%, or $150M
5. Loans sold, therefore increases capacity to originate new loans

8 High-Quality Securities Portfolio Support Borrowing Capacity

No Mark-to-Market Impact; Primarily Variable Rates

Security Porfolio Composition - 1Q25 ($ in thousands)

Securities held to maturity					
Variable Rates		**Fixed Rates**		**Total**	
Securitizations:					
MBS - Originated multi-family bridge	$ 591,874	Agency	$ 11,812		
MBS - Originated healthcare bridge loans	$ 494,439				
MBS - All-in-One, first-lien residential loans originated by Merchants and a Warehouse customer	$ 508,161				
Held to maturity - Total	**$ 1,594,474**		**$ 11,812**	**$ 1,606,286**	**63%**

Securities held for sale					
Variable Rates		**Fixed Rates**		**Total**	
		Treasuries	$ 80,039		
		Federal Agencies	$ 254,873		
		MBS - residential private label security acquired from a Warehouse customer with a put option that guarantees a spread to SOFR	$ 423,717		
		MBS - residential Agency securities acquired from a Warehouse customer with put options that guarantees a spread to SOFR	$ 202,554		
Available for sale - Total	**$ -**		**$ 961,183**	**$ 961,183**	**37%**
Total securities	**$ 1,594,474** 62%		**$ 972,995** 38%	**$ 2,567,469**	**100%**

Accumulated Other Comprehensive Loss (AOCL) on securities AFS	**$ (77)**	**0%**
Securities pledged and available for borrowing	**$ 1,401,117**	**55%**

1Q25 YTD AFS Securities Yield: 5.21%
1Q25 YTD HTM Securities Yield: 6.01%

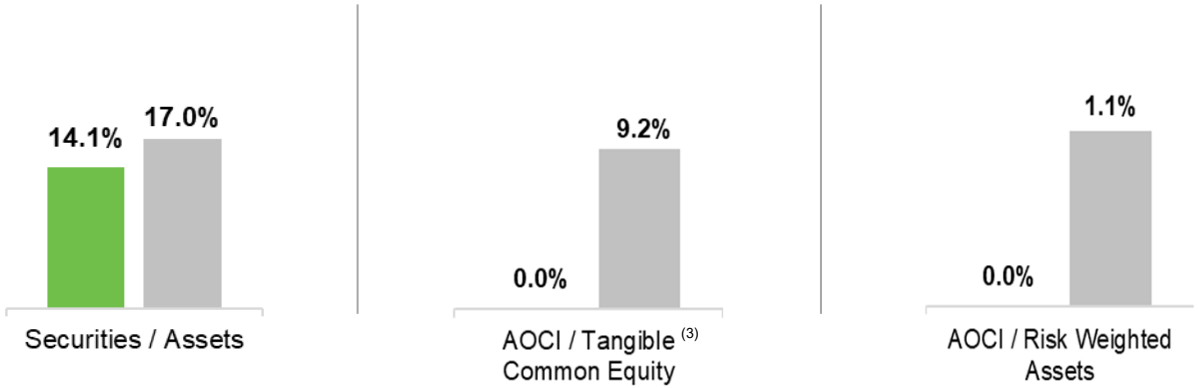
9 High-Quality Securities Portfolio with No Mark-to-Market Impact

Comparatively Low Composition of Securities with No Accumulated Other Comprehensive Loss Balance

Securities Concentration [1][2][3]

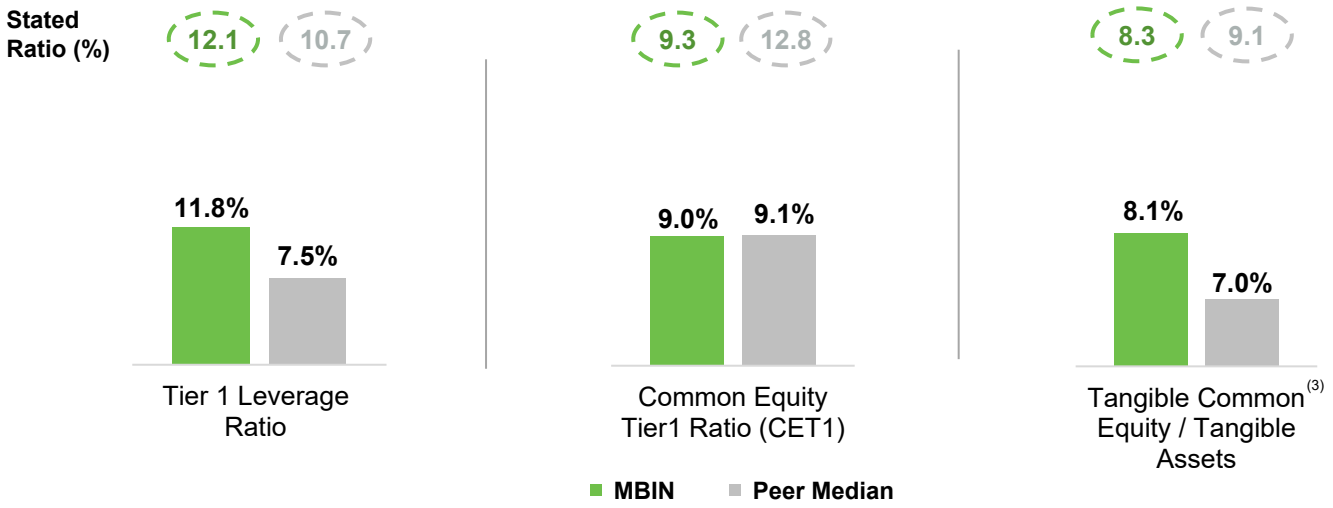
(%, 4Q24)

Accumulated Other Comprehensive Loss (AOCL)[2] as of 4Q24: ~$0.1M



Mark-to-Market Capital Ratios [2][3][4][5]

(%, 4Q24)



Notes:

1. Peer group source: S&P Global; Includes banks, as of December 2024, between $10-25B in assets that are publicly-traded on a major exchange; excludes announced merger targets. Sample includes 46 banks.
2. Accumulated Other Comprehensive Loss (AOCL) reflects unrealized loss related to the Available-for-Sale securities portfolio
3. Non-GAAP financial measure; refer to reconciliations of non-GAAP financial measures in the Appendix of the presentation
4. Data as of 4Q24. MBIN MTM ratios includes AOCL of ~$0.1M, HTM securities rate A/T FMV adjustment of ~$9,000 and loan rate A/T FMV adjustment of ~($43M) for 4Q24; Peer group MTM ratios reflect median for the group
5. As defined by regulatory agencies; Tier 1 Leverage Ratio defined as the ratio of bank's core equity capital to its average total assets and CET1 Ratio defined as the ratio of bank's core equity capital to its risk-weighted assets

10 Significant Growth Opportunities

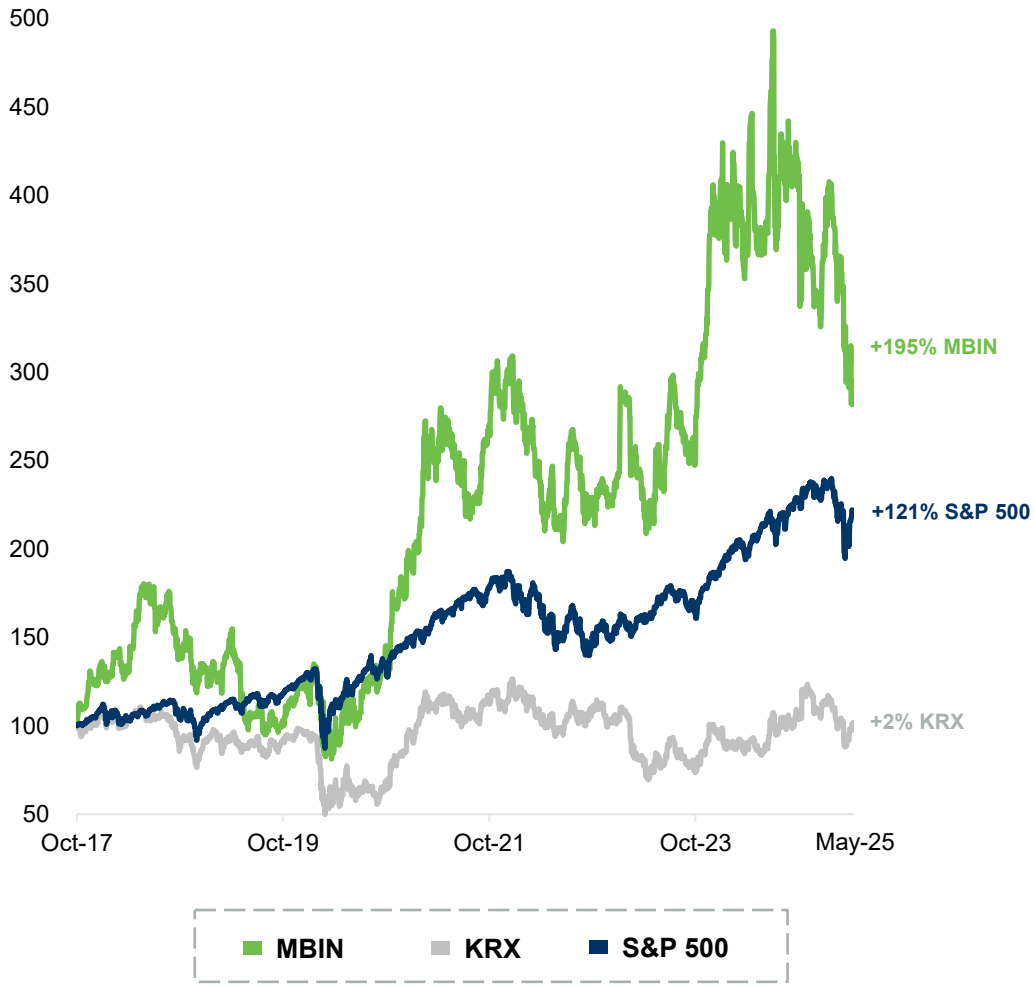
History of Delivering Industry Leading Performance and Shareholder Returns

Key Future Growth Drivers

- ✓ Sales growth in all segments through existing and new markets, new sales hires
- ✓ Future reductions in interest rates promote higher production and noninterest income from diverse sources and improve asset quality
- ✓ Continue to develop Capital Markets unit to continually reduce credit risk on balance sheet sheet via securitizations, debt funds, and other structures that generate ongoing non-interest income, provide capacity to originate new loans, and increase ROE.
- ✓ Deploy technologies to enhance efficiencies, including deposit gathering systems
- ✓ Effectively manage capital deployment to maximize returns

Historical Price Performance

Indexed to 100 (%)



Source: S&P Global; market data as of May 8, 2025

APPENDIX

Additional Materials



History of Merchants Bank of Indiana

Merchants History Driven by a Strong Underlying Culture and Commitment to Firm Values

1990

- PR Mortgage is **founded by Michael Petrie and Randall Rogers** in August 1990

2002

- **Acquired Greensfork Township State Bank** in March 2002 ($7M in total assets)

2009

- **Rebranded to " Merchants Bank of Indiana"** in April 2009
- **Launched Mortgage Warehouse** business line
- **Acquired Symphony Bancorp** in January 2009 ($55M in total assets)

2014

- **Started providing consumer mortgages**

2017

- **Completed $115M IPO** in October 2017
- **Acquired RICHMAC Funding**, LLC in August 2017

2018

- **Acquired Joy State Bank** in January 2018 ($43M in total assets)
- **Acquired Famers-Merchants** of Paxton in October 2018 ($110M in total assets)
- **Acquired Assets of NattyMac** in December 2018

2019

- **Expanded SBA lending** in Indiana
- **Opened new corporate HQ** in Carmel, Indiana
- Completed **$52M Preferred Offering** in March 2019
- Completed **$125M Preferred Offering** in August 2019

2021

- Completed **$150M Preferred Offering** in March 2021
- **Completed $262M of Freddie Mac Sponsored Q Series securitizations** in May 2021

2022

- Issued and Sold **$158M Senior Credit Linked Notes linked to $1B pool of healthcare loans** in March 2023
- Completed a **$304M securitization** of 11 multi-family mortgage loans through a Freddie Mac-sponsored Q-Series transaction

2023

- Completed **$130M Preferred Offering** in September 2022
- Completed **Private Securitization of $1.2B Multifamily Loans** in September 2022
- **Completed ~$498M of Freddie Mac-sponsored Q-Series securitization** in May/November 2022

2024

- **Merchants Capital Surpasses $2.1B in LIHTC Equity Raised** since inception
- **Sold Branches of Farmers-Merchants Bank of Illinois** in January 2024
- **Common stock offering** 2.4M shares with net proceeds $98M in May 2024
- **Completed $325M of Freddie Mac Sponsored Q Series securitization** in April 2024
- Completed **Private Securitization of $629M Healthcare Loans** in September 2024
- Completed **$230M Preferred Offering** in November 2024.
- **Executed $1.7B** in two credit default swaps in 2024



Recent Awards and Accolades

AMERICAN BANKER

Top-Performing Bank

#2 in 2024 ranking of top banks $10–$50 billion in assets

S&P Global Market Intelligence

Top-Performing U.S. Public Bank

#10 in 2023 and 2024 and #1 in 2022 ranking of U.S public Banks with more than $10 billion in assets

#2 Warehouse Lender
Inside Mortgage Finance 2024 ranking

Top 10 Correspondent Lender
Scotsman Guide 2023 ranking

AFFORDABLE HOUSING FINANCE

Top 5 Multifamily Fannie/Freddie Affordable Housing Lender
2023 ranking

BankDirector

Best Regional U.S. Banks
2023 ranking

IDC

Superior Rating 16 Consecutive Years
IDC Financial Publishing since 2009

RAYMOND JAMES

Community Bankers Cup
Raymond James 2019

PIPER | SANDLER

Small-Cap All Stars
Class of 2023

FORTUNE

100 Fastest Growing Companies
2023 ranking

FINANCIAL SERVICES INDUSTRY TOP WORK PLACES 2023

SBA

Top National SBA Lender
SBA.gov 2023 ranking

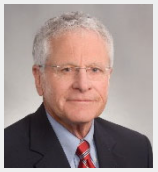
Overview of the Management Team

Experienced Leadership with Strong Industry Experience



MICHAEL PETRIE
Chairman

46 years in industry
35 years with company



RANDALL ROGERS
Vice Chairman

56 years in industry
35 years with company



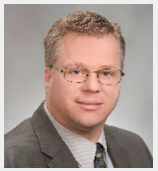
MICHAEL DUNLAP
President & CEO

33 years in industry
16 years with company



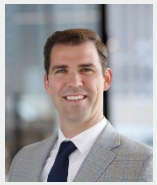
SEAN SIEVERS
EVP & CFO

26 years in industry
8 months with company



SCOTT EVANS
Market President & COO

36 years in industry
21 years with company



MICHAEL DURY
President & CEO, Merchants Capital

18 years in industry
18 years with company



JERRY F. KOORS
President, Merchants Mortgage

33 years in industry
11 years with company



VICKIE VANDIVIER
EVP, Investment Officer

39 years in industry
22 years with company



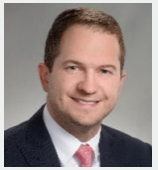
ROBERT BURTNER
EVP, Chief Credit Officer

13 years in industry
6 years with company



CHERYL LIKENS
EVP, Chief Risk Officer

31 years in industry
4 years with company



TERRY OZNICK
EVP, General Counsel

16 years in industry
9 years with company



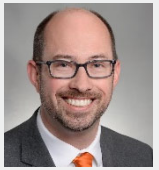
KEVIN LANGFORD
EVP, Chief Administrative Officer

34 years in industry
8 years with company



MARTIN SCHROETER
EVP, Warehouse Lending

36 years in industry
6 years with company



PHIL DAUBENMIRE
EVP, Investment Real Estate

20 years in industry
20 years with company



ARIANA MEISER
Market President

15 years in industry
8 years with company

Overview of the Board of Directors

Strong Governance Structure

Name / Role	Age	Director Since	Committee Chair	Biography
Michael Petrie, ***Chairman of the Board***	71	2006		Mr. Petrie has served as Chairman and Chief Executive Officer of the Company since October 2006 and has also served as Chairman of Merchants Bank since March 2002. From March 2002 through December 2019, Mr. Petrie served as Chief Executive Officer of Merchants Bank, and served as President of the Company's subsidiary Merchants Capital Corp from when it was founded in August 1990 until January 2018. In 2005, Petrie served as Chairman of the Mortgage Banker's Association Board of Directors.
Randall Rogers ***Vice Chairman of the Board***	79	2006		Mr. Rogers has served as a director of the Company and the Vice Chairman of Merchants Bank since October 2006 and March 2002, respectively, and Vice Chairman of the Company since January 1, 2018. Prior to January 1, 2018, Mr. Rogers also served as President and Chief Operating Officer of the Company and Chairman of Merchants Capital since it was founded in August 1990.
Michael Dunlap	59	2014		Mr. Dunlap has served as a director of the Company since May 2014. Mr. Dunlap became President and Chief Operating Officer of the Company in January 2018 and became Chief Executive Officer of Merchants Bank in January 2020. Prior to becoming Chief Executive Officer of Merchants Bank, Mr. Dunlap had been President and Co-Chief Operating Officer since May 2014. Mr. Dunlap has over 30 years of mortgage banking experience and joined Merchants Bank as Sr. VP of Mortgage Banking in 2009.
Scott Evans	60	2006		Mr. Evans has served as a director of the Company and President of the Lynn/Richmond market and Chief Operating Officer of Merchants Bank since 2004 and was Chairman of the Board of Directors of our Illinois bank subsidiary, Farmers-Merchants Bank of Illinois, from 2017 until its sale in 2024. Mr. Evans has over 34 years of community banking and related experience.
Sue Anne Gilroy	76	2017		Ms. Gilroy has served as a director of the Company since June 2017. Ms. Gilroy served as Executive Director and Vice President of Development for the St. Vincent Foundation, Indianapolis, Indiana from 2005 until 2019. Ms. Gilroy has held a number of offices in public service and served as Indiana's first female Secretary of State from 1994 - 2002. In addition, Ms. Gilroy also serves on the boards of directors of the University of Indianapolis and as trustee of the Endowment Fund Board of Tabernacle Presbyterian Church.
Andrew Juster	72	2019	Audit Committee	Mr. Juster has served as a director of the Company since May 2019. From 1989 through 2018, Mr. Juster was employed by Simon Property Group, Inc., a global leader in the ownership of premier shopping, dining, entertainment and mixed-use destinations, an S&P 100 company, and one of largest publicly traded real estate investment trusts in the United States. He served as EVP and CFO of Simon Properties from 2015 - 2018, and held roles as Executive Vice President and Treasurer from 2008 - 2014.
Patrick O'Brien	67	2013	Compensation Committee	Mr. O'Brien has served as a director of the Company since November 2013. Since 1990, Mr. O'Brien has been President of O'Brien Toyota, a Toyota dealership serving the Indianapolis, Indiana area. Mr. O'Brien is also the owner and managing member of K&P Property Development, LLC, a real estate holding company, and co-owner and managing member of Pinheads, a family entertainment center in Fishers, Indiana.
Anne Sellers	64	2017	Nominating / Corporate Governance Committee	Ms. Sellers has served as a director of the Company since June 2017. Ms. Sellers is an audio/visual technology consultant and, from 2006 through 2019, Ms. Sellers served as Managing Principal and majority owner of Sensory Technologies, LLC, an Indianapolis-based company that specializes in audiovisual integration technologies, including videoconferencing system design, web streaming, and sound / acoustic design.
Tamika Catchings	45	2022		Ms. Catchings has served as a director of the Company since May 2022. From 2001 to 2016, Ms. Catchings played for the Indiana Fever, Indianapolis's WNBA team. Ms. Catchings is a 4-time Olympic gold medalist, 10-time WNBA All-Star, 5-time Defensive Player of the Year, and a WNBA Champion. Additionally, Ms. Catchings is known for her off-court professionalism and was a 3-time recipient of the Kim Perrot Sportsmanship award. From 2017 - 2022, served as VP of Basketball Operations + General Manager of the Indiana Fever.
Thomas Dinwiddie	77	2022		Mr. Dinwiddie has served as a director of the Company since May 2022. Mr. Dinwiddie is a partner at the law firm of Dinsmore & Shohl, LLP. Mr. Dinwiddie has been a director of Merchants Bank since 2002. Additionally, Mr. Dinwiddie has represented the Indiana Mortgage Bankers Association for more than 40 years and was the first recipient of their Distinguished Service Award.
David Shane	77	2013	Risk Committee	Mr. Shane has served as a director of the Company since November 2013. Mr. Shane previously served as Vice-President and Executive Vice-President (from 1997 to 2006) and President and Chief Executive Officer and member of the board of managers (from 2007 until his retirement in 2013) of LDI Ltd., LLC, an Indianapolis-based diversified holding company that focuses on funding and operating middle-market companies.

Financial Position: Key Highlights

Strong Financial Performance

	As of March 31,	As of December 31,			
	2025	2024	2023	2022	Change Since 2022 [1]
Key Items ($M)					
Total Assets	18,798	18,806	16,953	12,615	49%
Loans HFI	10,427	10,438	10,200	7,471	40%
Loans HFS	3,983	3,772	3,145	2,911	37%
Total Deposits	12,406	11,920	14,061	10,071	23%
Tangible Common Equity	1,601	1,563	1,185	943	70%
Net Income (LTM)[2]	292	320	279	220	33%
Profitability (%)					
ROAA	1.31%	1.79%	1.85%	1.99%	(68 bps)
ROATCE	10.65%	20.16%	22.92%	22.50%	(1185 bps)
Net Interest Margin	2.89%	3.03%	3.06%	2.97%	(8 bps)
Fee-based Revenue / Total Revenue	17%	23%	22%	29%	n/m
Efficiency Ratio	42.3%	33.4%	31.0%	30.6%	1166 bps
Yield on Loans and Loans HFS	7.06%	7.85%	7.73%	4.85%	221 bps
Cost of Deposits	4.08%	4.75%	4.55%	1.65%	243 bps
Balance Sheet and Capital Ratios (%)					
Loans and Loans HFS / Deposits	116.2%	119.2%	94.9%	103.1%	1310 bps
TCE / TA	8.5%	8.3%	7.0%	7.5%	100 bps
CET1 Ratio	9.2%	9.3%	7.8%	7.7%	150 bps
Total Capital Ratio	13.0%	13.9%	11.6%	12.2%	80 bps
Asset Quality (%)					
Non-accrual Loans / Loans and Loans HFS	1.97%	1.97%	0.55%	0.26%	171 bps
NPAs / Assets	1.55%	1.53%	0.48%	0.21%	134 bps
Reserves / Loans	0.80%	0.81%	0.70%	0.59%	21 bps
NCOs / Avg Loans (Annualized)	0.30%	0.07%	0.08%	0.01%	29 bps

Notes:
1. May not reconcile to difference based on 03/31/2025 and 12/31/2022 data presented on the slide due to rounding
2. LTM refers to last twelve months

Financial Position: Balance Sheet (1)

($M, unless otherwise stated)	As of March 31, 2025	As of December 31, 2024	2023	2022
Assets				
Cash and Cash Equivalents	521	477	584	226
Securities Purchased Under Agreements to Resell	2	2	3	3
Mortgage Loans In Process Of Securitization	390	428	111	154
Securities Available for Sale	961	980	1,114	323
Securities Held To Maturity	1,606	1,665	1,204	1,119
Federal Home Loan Bank (FHLB) Stock and Other Equity Securities	218	218	49	39
Loans Held for Sale	3,983	3,772	3,145	2,911
Loans Receivable, Net Of Allowance for Credit Losses on Loans	10,344	10,354	10,128	7,427
Premises and Equipment, Net	68	59	42	35
Servicing Rights	190	190	158	146
Interest Receivable	83	83	91	56
Goodwill	8	8	16	16
Other Assets and Receivables	424	571	307	159
Total Assets	**18,798**	**18,806**	**16,953**	**12,615**
Liabilities And Equity				
Total Deposits	12,406	11,920	14,061	10,071
Borrowings	4,002	4,386	964	930
Deferred Tax Liabilities	36	25	20	20
Other Liabilities	193	231	206	134
Total Liabilities	**16,637**	**16,562**	**15,251**	**11,155**
Common Equity	241	240	140	138
Preferred Equity	551	672	500	500
Retained Earnings	1,369	1,331	1,064	833
Accumulated Other Comprehensive Loss	-	-	(2)	(11)
Total Shareholders' Equity	**2,161**	**2,243**	**1,701**	**1,460**
Total Liabilities And Shareholders' Equity	**18,798**	**18,806**	**16,953**	**12,615**

- **Short duration AFS securities portfolio**

Notes:
1. Totals and sub-totals may not foot due to rounding

Financial Position: Income Statement (1)

($M, unless otherwise stated)	Quarter Ended March 31, 2025	Year Ended December 31, 2024	2023	2022
Income Statement				
Interest Income	287	1,303	1,078	481
Interest Expense	165	780	630	162
Net Interest Income	**122**	**523**	**448**	**319**
Provision for Credit Losses	8	24	40	17
NII After Provision for Credit Losses	**114**	**498**	**408**	**301**
Gain on Sale of Loans	12	62	48	64
Loan Servicing Fees, Net	4	44	26	30
Syndication And Asset Management Fees	3	20	12	9
Other Income	5	22	29	22
Non-Interest Income	**24**	**148**	**115**	**126**
Net Revenue	**138**	**646**	**523**	**427**
Salaries and Employee Benefits	36	131	108	89
Deposit Insurance Expense	7	26	14	3
Other Expenses	18	67	53	44
Non-Interest Expense	**62**	**224**	**175**	**136**
Pre-Tax Income	**76**	**423**	**348**	**291**
Provision for Income Taxes	18	102	69	71
Net Income	**58**	**320**	**279**	**220**

Upside Potential As Interest Rates Fall. In 2021, GOS was $111M.

Notes:
1. Totals and sub-totals may not foot due to rounding

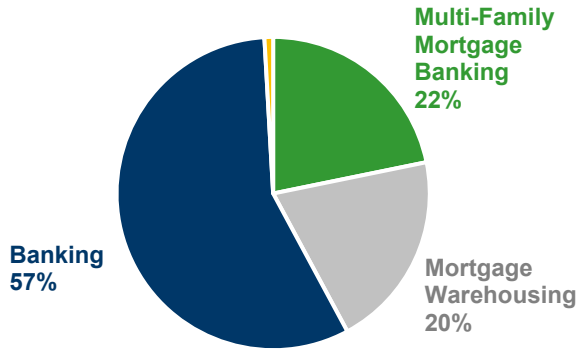
Business Segments: Financial Overview

Merchants Operates a Balanced Mix of Businesses

($M, unless otherwise stated)	Quarter Ended March 31, 2025 Multi-Family Mortgage Banking	Mortgage Warehousing	Banking	Other	Total
Consolidated Financials					
Interest Income	1	86	196	4	287
Interest Expense	-	58	108	(1)	165
Net Interest Income	**1**	**28**	**88**	**5**	**122**
Provision for Loan Losses	-	-	8	-	8
NII After Provision for Credit Losses	**1**	**29**	**80**	**5**	**114**
Non-Interest Income	29	(1)	(1)	(3)	24
Net Revenue [2]	**30**	**28**	**79**	**1**	**138**
Net Revenue Contribution	22%	20%	57%	1%	100%
Noninterest Expense	25	8	17	12	62
Income Before Income Taxes	**6**	**20**	**61**	**(11)**	**76**
Income Taxes	2	5	14	(3)	18
Net Income	**3**	**15**	**47**	**(8)**	**58**
Net Income Contribution	6%	26%	81%	(13%)	100%
Total Assets	**460**	**5,902**	**12,003**	**433**	**18,798**

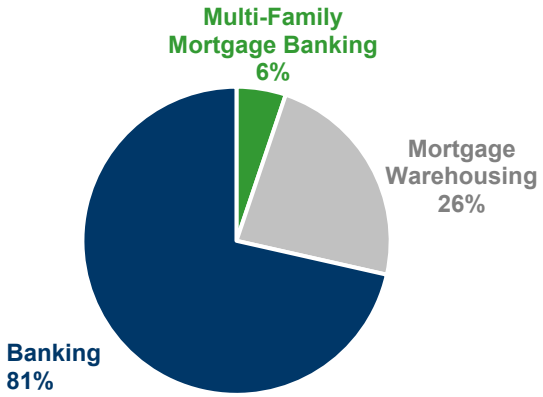
Net Revenue by Business Line [2][3][4]

(%)



Net Income by Business Line [4]

(%)



Notes:
1. Totals and sub-totals may not foot due to rounding
2. Net revenues equal to net interest income plus noninterest income, less provision for loan losses
3. Total may not add to 100% due to rounding
4. Total does not add to 100% since "Other Revenue" is excluded from pie

Business Segments: Merchants Capital Overview

- ✓ Multi-family segment produced 22% of Merchants total net revenues [1] in 1Q25
- ✓ Nationally ranked lender to developers of multi-family residential and healthcare properties, specializing in government agency (FHA, Fannie Mae, and Freddie Mac) permanent loan products that are typically sold as mortgage-backed securities within 30 days; Utilize an originate to sell model, with short durations
- ✓ Differentiated focus on need-based healthcare and the Affordable/Workforce Housing niche, not luxury
- ✓ Offer customers the ability to pair affordable debt with tax credit equity through Merchants Capital Investments, a nationally ranked, fully integrated tax credit equity syndicator began in 2020 that has closed $2.3B in equity
- ✓ Originated or acquired loans totalled $7B in 2021, $9B in 2022, $6B in 2023, $6B in 2024 and $934M in 1Q25
- ✓ As of March 31, 2025, its servicing portfolio, including those serviced for banks and investors, was $30B
- ✓ Current staffing is well-positioned for future growth with strong pipeline
- ✓ Significant opportunities in declining interest rate environment

AFFORDABLE HOUSING FINANCE

Top 5 Multifamily Fannie and Freddie Affordable Housing Lender
2023 ranking

Top 10 Correspondent Lender.
Scotsman Guide
2023 ranking

Notes:
1. Net revenues includes net interest income after allowance for credit losses plus noninterest income

Business Segments: Warehouse Overview

#2 Warehouse Lender.
Inside Mortgage Finance 2024 ranking

- ✓ Warehouse segment produced 20% of Merchants total net revenues in 1Q25(1)
- ✓ Merchants Bank saw an opportunity to start its warehouse lending business in 2009 and has grown to fund volumes of $111B in 2020, $78B in 2021, $33B in 2022, $33B in 2023, $46B in 2024 and $11.9B in 1Q25
  - Segment volume increased 38% in the year ended December 31, 2024, compared to 2023, versus the industry average of only 9%
  - Segment volume increased 49% in the three months ended March 31, 2025, compared to three months ended March 31, 2024, exceeding the industry average of 2%
- ✓ Growth opportunities in all product lines, multi-family, and refinancing cycles
- ✓ Highly efficient business in three locations with just 40 FTEs
- ✓ Warehouse and commercial lender to independent residential and multi-family mortgage bankers
- ✓ Customers nationwide and many of the top 10 mortgage banks in the US

Notes:
1. Net revenues includes net interest income after allowance for credit losses plus noninterest income

Business Segments: Warehouse Overview

#2 Warehouse Lender.
Inside Mortgage Finance 2024 ranking

- ✓ Full product offering - warehouse lines to fund loans, lines of credit collateralized by mortgage servicing rights, and operating lines of credit
  - Customers fund their loans under warehouse agreements, use lines of credit, and provide deposits from their servicing operations
  - Having relationships on both sides of balance sheet enhances retention and reduces liquidity risk
- ✓ Operating lines of credit collateralized by mortgage servicing rights leads to growth opportunities in loans and corporate/custodial deposits

Business Segments: Banking Overview (1 of 2)

Generated 57% of Total Net Revenues in 1Q25[1]

SBA

Top National SBA Lender.
SBA 2023 ranking

1 Bridge Loans / Multi-family Securitizations

- ✓ Nationally ranked lender to developers of multi-family residential and healthcare properties, offering bridge loan products underwritten to government agencies' guidelines (FHA, Fannie Mae, and Freddie Mac)
- ✓ All loans underwritten to federal agency guidelines for ultimate conversion to Merchants Capital permanent financing
- ✓ Loans held in portfolio until securitized, paid-off, or converted to permanent financing
- ✓ Holds loans comprised of multi-family and healthcare bridge loans originated by Merchants Capital. Participations are used as a source of liquidity
- ✓ Capital Markets team provides Merchants with debt funds and other avenues to securitize or de-risk Merchants' balance sheet
  - Conducted a series of Freddie Mac-sponsored Q-Series, Credit Linked Notes, and private loan securitization transactions
  - Securitizations free up capital, providing capacity to originate more loans
  - Provides avenues for continuous noninterest income - gain on sale of loans, asset management and loan servicing fees

Notes:
1. Net revenues includes net interest income after allowance for credit losses plus noninterest income

Business Segments: Banking Overview (2 of 2)

Generated 57% of Total Net Revenues in 1Q25[1]

SBA

Top National SBA Lender.
SBA 2023 ranking

2 Merchants Mortgage

- ✓ Full-service retail and correspondent single-family mortgage origination and servicing platform since it began in 2013
- ✓ Profitable every year across all interest rate cycles
- ✓ Authorized agency for Fannie Mae, Freddie Mac, FHA, and USDA since 2017
- ✓ Offers attractive product portfolio, including All-in-One© first-lien HELOC mortgages to high-net-worth borrowers
  - Floating rate mortgages that are swept daily against checking account
  - AIO securitizations lead to lower risk, higher return

3 Traditional Banking

- ✓ Traditional community banking covering Indianapolis metro, and Richmond, IN
- ✓ Offers Business Banking and C&I Lending; minimal consumer loans or investment in CRE
- ✓ National footprint; Regional SBA lending
- ✓ Competitive service through online and mobile
- ✓ Branch light model allows for higher cost of deposits

Notes:
1. Net revenues includes net interest income after allowance for credit losses plus noninterest income

Non-GAAP Reconciliation (1)

(Dollars in thousands)	At March 31, 2025	At December 31, 2024	2023	2022	2021	2020
Net income as reported per GAAP	$ 58,239	$ 320,386	$ 279,234	$ 219,721	$ 227,104	$ 180,533
Less: preferred stock dividends	(10,265)	(34,909)	(34,670)	(25,983)	(20,873)	(14,473)
Less: preferred stock redemption	(5,371)	(1,823)	-	-	-	-
Net income available to common shareholders	$ 42,603	$ 283,654	$ 244,564	$ 193,738	$ 206,231	$ 166,060
Efficiency ratio (based on all GAAP metrics)						
Noninterest expense	$ 61,664	$ 223,812	$ 174,601	$ 136,050	$ 125,385	$ 96,424
Net interest income (before provision for credit losses)	122,196	522,620	448,071	318,551	277,994	224,146
Noninterest income	23,693	148,112	114,668	125,936	157,333	127,473
Total revenues for efficiency ratio	$ 145,889	$ 670,732	$ 562,739	$ 444,487	$ 435,327	$ 351,619
Efficiency ratio	**42.27%**	**33.37%**	**31.03%**	**30.61%**	**28.80%**	**27.42%**
Tangible common shareholders' equity:						
Shareholders' equity per GAAP	$ 2,160,735	$ 2,243,310	$ 1,701,084	$ 1,459,739	$ 1,155,409	$ 810,621
Less: goodwill & intangibles	(8,068)	(8,073)	(16,587)	(17,031)	(17,552)	(18,128)
Tangible shareholders' equity	2,152,667	2,235,237	1,684,497	1,442,708	1,137,857	792,493
Less: preferred stock	(551,291)	(672,135)	(499,608)	(499,608)	(362,149)	(212,646)
Tangible common shareholders' equity	**$ 1,601,376**	**$ 1,563,102**	**$ 1,184,889**	**$ 943,100**	**$ 775,708**	**$ 579,847**
Average tangible common shareholders' equity:						
Average shareholders' equity per GAAP	$ 2,160,169	$ 1,900,130	$ 1,583,485	$ 1,276,443	$ 1,028,834	$ 719,630
Less: average goodwill & intangibles	(8,070)	(8,697)	(16,801)	(17,293)	(17,841)	(18,899)
Less: average preferred stock	(552,633)	(484,391)	(499,608)	(398,182)	(325,904)	(212,646)
Average tangible common shareholders' equity	$ 1,599,466	$ 1,407,042	$ 1,067,076	$ 860,968	$ 685,089	$ 488,085
Tangible assets:						
Assets per GAAP	$ 18,797,800	$ 18,805,732	$ 16,952,516	$ 12,615,227	$ 11,278,638	$ 9,645,375
Less: goodwill & intangibles	(8,068)	(8,073)	(16,587)	(17,031)	(17,552)	(18,128)
Tangible assets	$ 18,789,732	$ 18,797,659	$ 16,935,929	$ 12,598,196	$ 11,261,086	$ 9,627,247
Ending Common Shares	45,881,706	45,767,166	43,242,928	43,113,127	43,180,079	43,120,625
Tangible book value per common share	**$ 34.90**	**$ 34.15**	**$ 27.40**	**$ 21.88**	**$ 17.96**	**$ 13.45**
Return on average tangible common equity	**10.65%**	**20.16%**	**22.92%**	**22.50%**	**30.10%**	**34.02%**
Tangible common equity to tangible assets	**8.5%**	**8.3%**	**7.0%**	**7.5%**	**6.9%**	**6.0%**

Notes:
1. Totals and sub-totals may not foot due to rounding