

# AGENDA

1. Introductory Comments – Robert Kaminski, President & CEO
2. Call the Meeting to Order
3. Introduction of Inspectors, Secretary, Directors, Proxies, Officers, Accountants and Counsel
4. Approval of Minutes of the 2019 Annual Shareholders Meeting – May 23, 2019
5. Shareholder Proposals:
  - a. Election of Six Directors (each for a one-year term)
  - b. Approval of the Mercantile Bank Corporation 2020 Stock Incentive Plan
  - c. Ratification of BDO USA, LLP as Independent Registered Public Accounting Firm for 2020
  - d. Advisory Approval of the Compensation of the Named Executive Officers
6. Management Presentation
7. Announce Voting Results
8. Questions for Accountants (BDO USA, LLP) and Counsel (Dickinson Wright)
9. Adjourn Meeting
10. Questions for Management of the Company
11. Adjourn Q&A Session



**Mercantile**<sup>®</sup>  
Bank Corporation



**2020  
ANNUAL MEETING  
OF SHAREHOLDERS**



# FORWARD-LOOKING STATEMENTS

This presentation contains comments or information that may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any such comments are based on current expectations that involve a number of risks and uncertainties. Actual results may differ materially from the results expressed in forward-looking statements. Factors that might cause such a difference include changes in interest rates and interest rate relationships; demand for products and services; the degree of competition by traditional and nontraditional competitors; changes in banking regulation or actions by bank regulators; changes in tax laws; changes in prices, levies, and assessments; the impact of technological advances; governmental and regulatory policy changes; the outcomes of contingencies; trends in customer behavior as well as their ability to repay loans; changes in local real estate values; changes in the national and local economies, including the significant disruption to financial market and other economic activity caused by the outbreak of COVID-19; and other factors, including risk factors, disclosed from time to time in filings made by Mercantile with the Securities and Exchange Commission. Mercantile undertakes no obligation to update or clarify forward-looking statements, whether as a result of new information, future events or otherwise.

## Two Areas to Cover




1

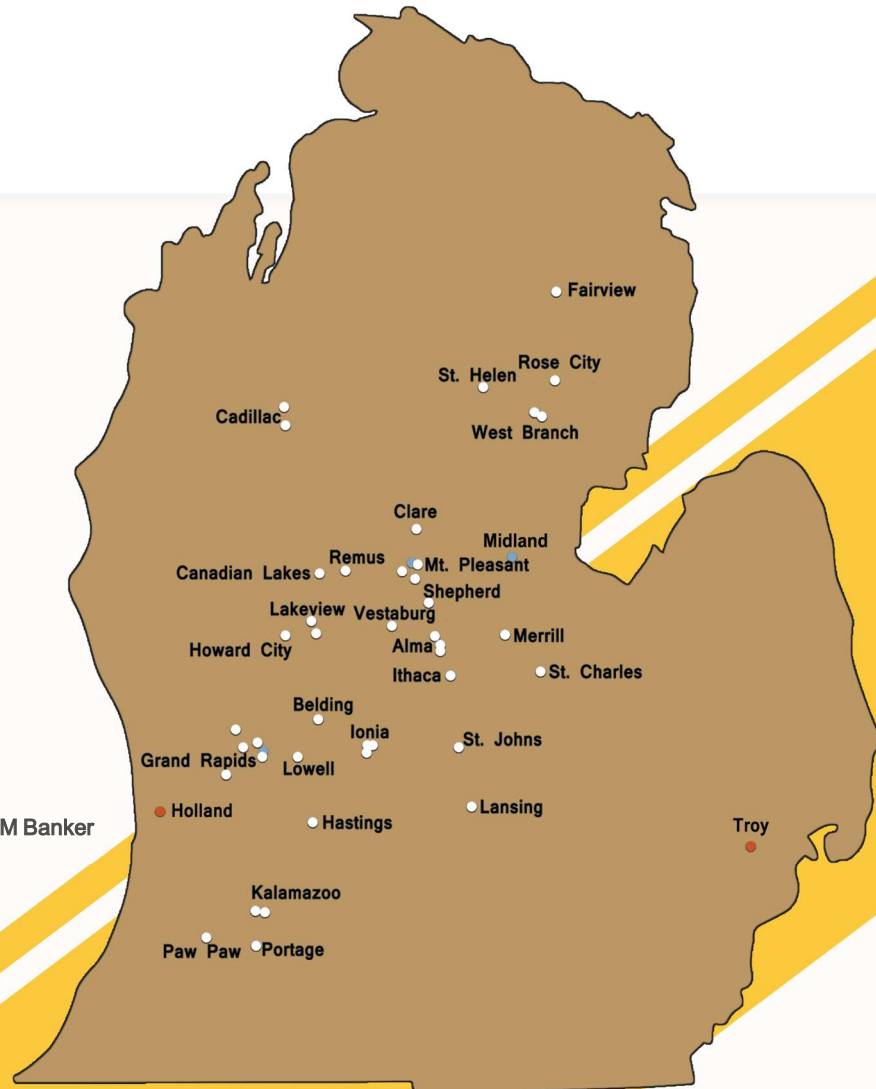
Activities related to  
the COVID-19 Crisis

2

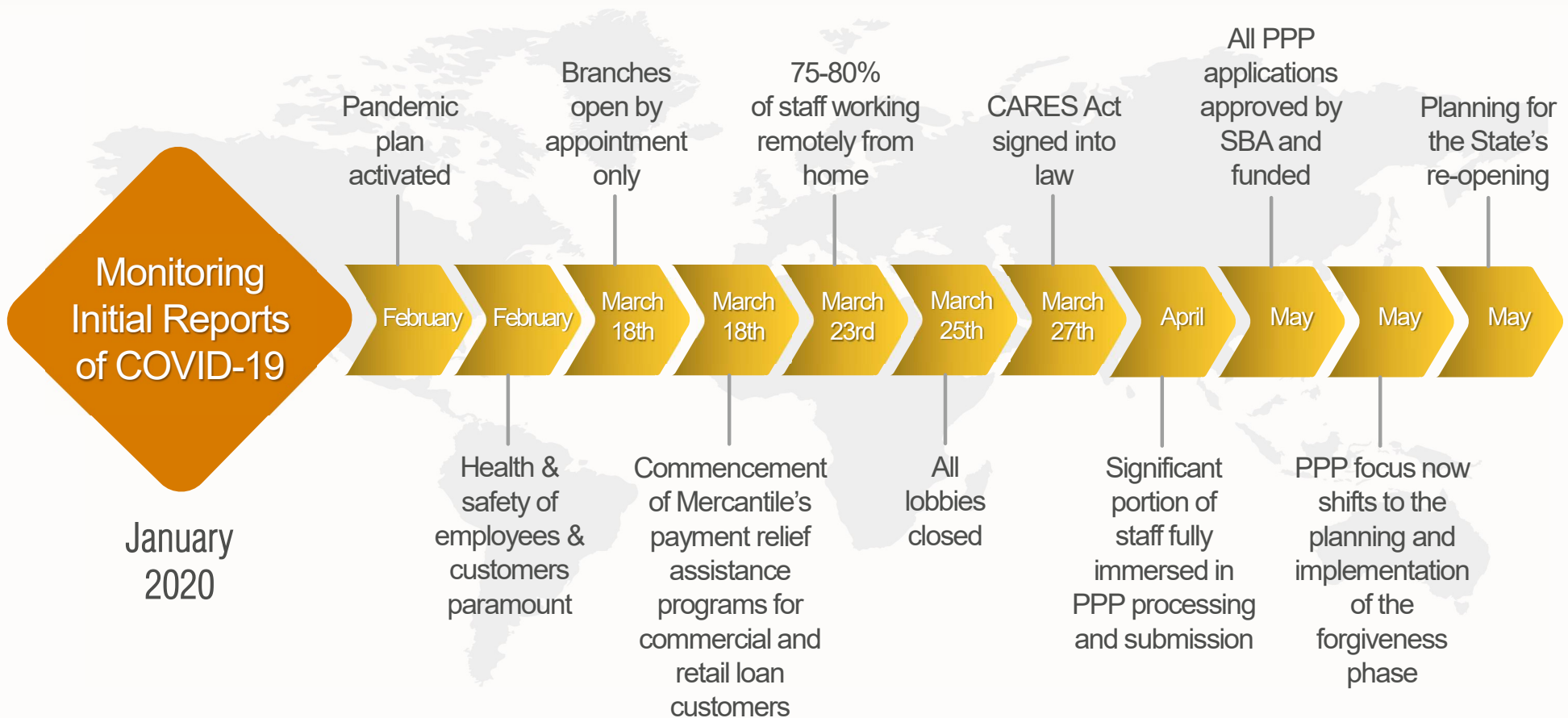
Progress we continue to make  
regarding one of our most impactful  
areas of strategic focus –  
**Non-Interest Income Growth**

## Michigan's Community Bank<sup>®</sup>


-  Full Service Branch
-  Lending Center
-  Lending Center / Live ATM Banker



# COVID-19 ACTIVITIES & TIMELINE



## CREDIT ADMINISTRATION

A large yellow graphic on the left side of the page, consisting of a vertical bar with three arrowheads pointing to the right, one at the top, middle, and bottom.

With a significant portion of Michigan's economy shut down due to the Stay at Home Executive Order to combat COVID-19, Mercantile remains in close contact with its customers to monitor their status and financial condition.

Mercantile has worked continuously since the end of the Great Recession to place itself in a position of strength during times of economic weakness. The maintenance of strong credit administration practices has been part of that work.

Loan portfolio metrics have remained very strong for the past several years, and the vast majority of the Bank's customers have done well. Payment Relief Assistance programs the Bank has initiated and the government stimulus (PPP) are helping clients weather some of their challenges.

## COMMERCIAL

### Interest Only Amendments

# Total to Date	\$ Total
463	\$421,104,000

### Payment Deferrals

# Total to Date	\$ Total
153	\$6,541,000

## RETAIL

### Payment Deferrals By Loan Type

Type of Loan	Total Principal Balance
Freddie	\$32,120,000
Port Mortgage	\$20,266,000
Consumer Term	\$677,000
HELOC	\$1,182,000
FHLBI	\$860,000
Personal Line	\$5,000
<b>Grand Total</b>	<b>\$55,110,000</b>

Information current as of 5/20/2020 @ 10:00 AM



## Round 1

From 4/3/2020 – 4/20/2020

# of Applications

**1,550**

\$ Funded

**\$502,698,572**

## Round 2

From 4/27/2020 – 5/22/2020

# of Applications

**538**

\$ Funded

**\$47,200,036**

## Totals

# of Applications

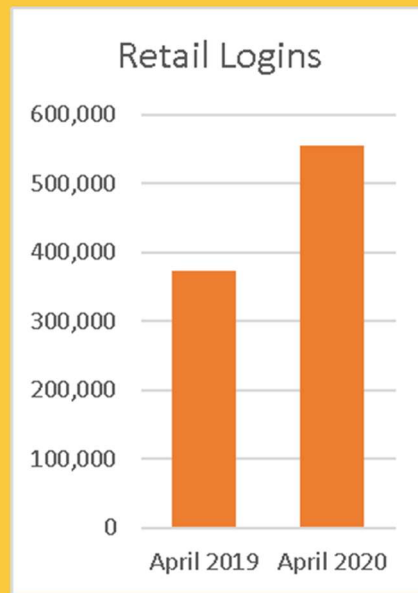
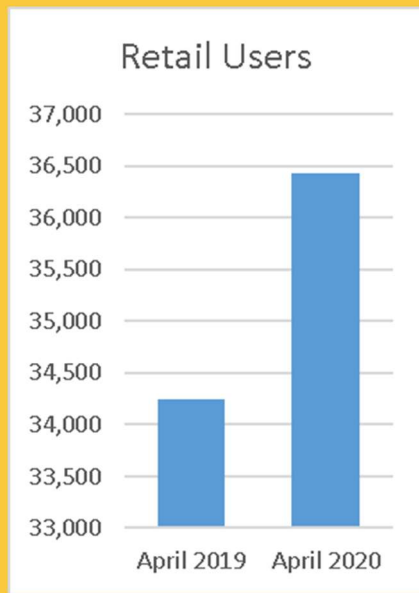
**2,088**

\$ Funded

**\$549,898,608**

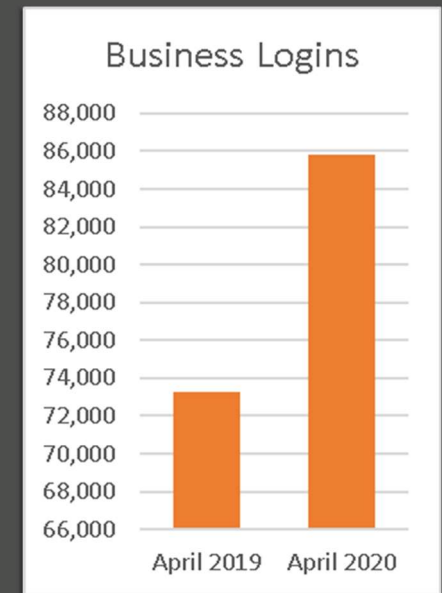
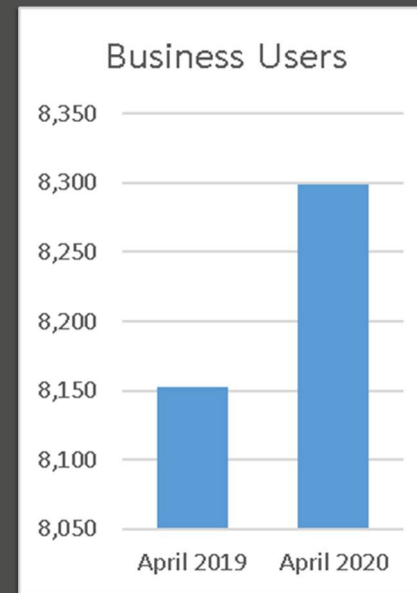
## Retail Online Banking

Logins Increased 49% Year-Over-Year



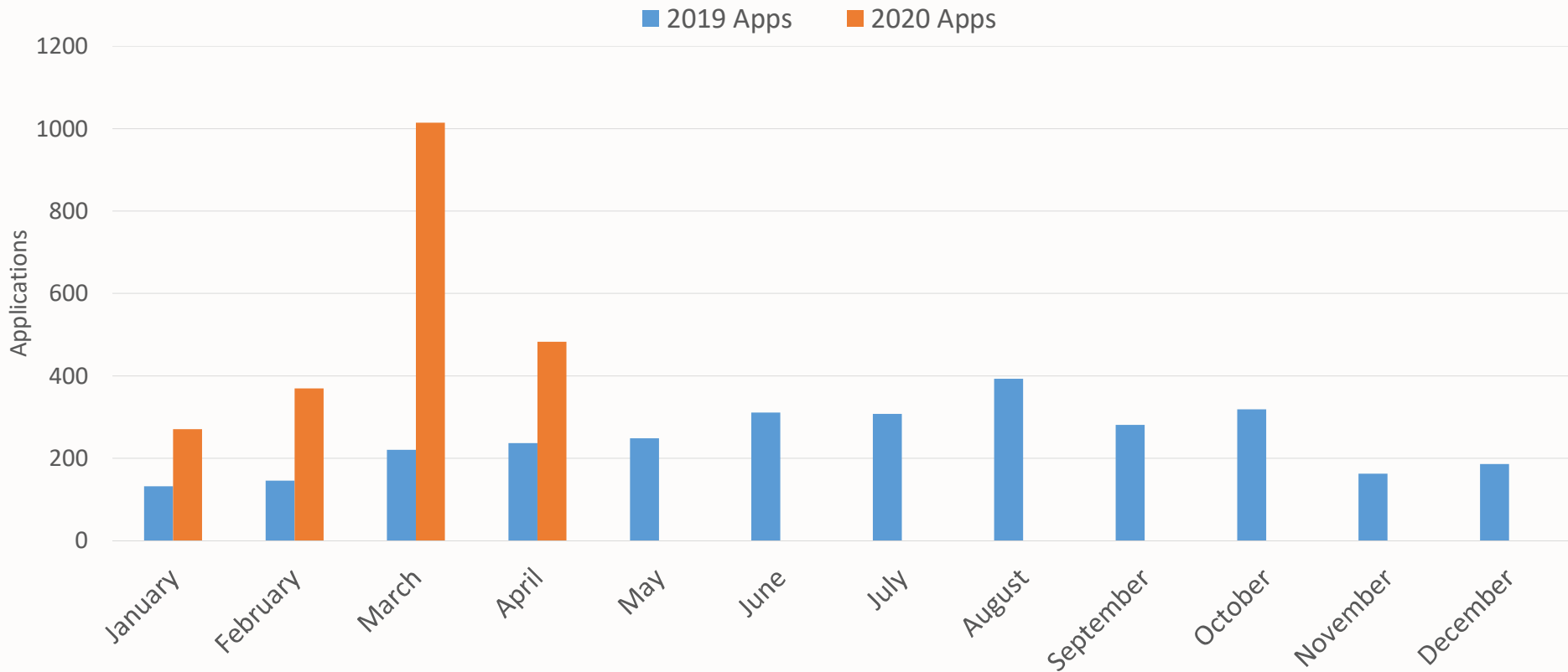
## Business Online Banking

Logins Increased 17% Year-Over-Year



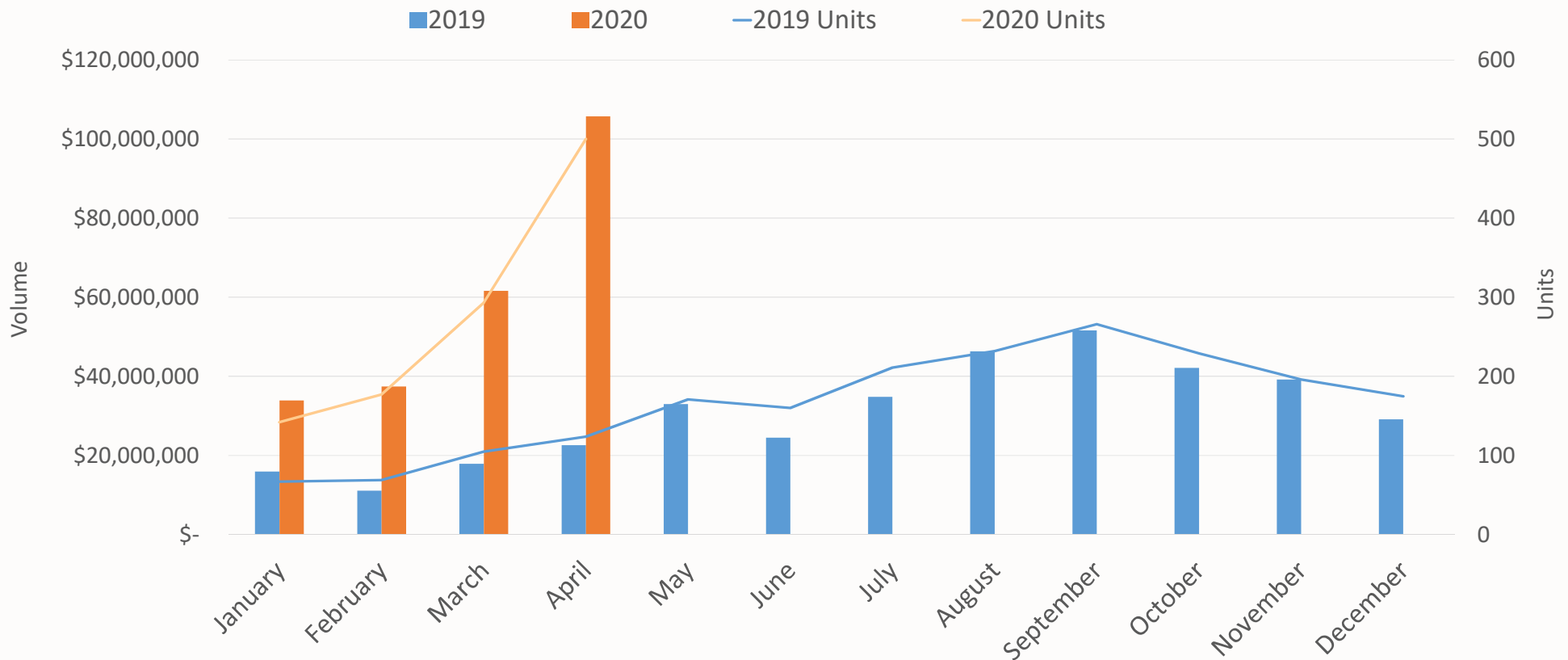
# Non-Interest Income **Strategic Initiatives**

## Mortgage Pipeline Trend Year-Over-Year Comparison



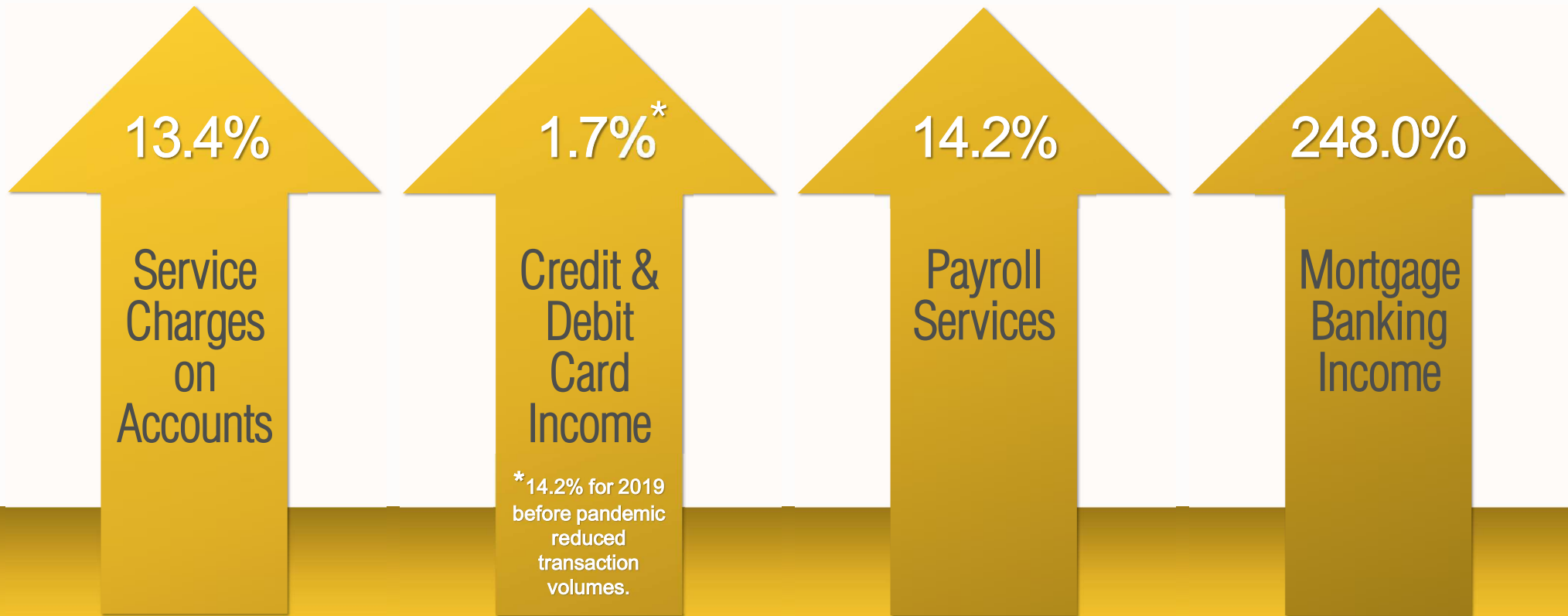
# Non-Interest Income Strategic Initiatives

## Mortgage Production Year-Over-Year Comparison



# YOY Growth Rate Q1 2020

## Revenue Streams





**Mercantile**<sup>®</sup>  
Bank Corporation

**THANK YOU**

NASDAQ Global Select Market  
Symbol: MBWM

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