

SOUTHERN MICHIGAN BANCORP, INC.

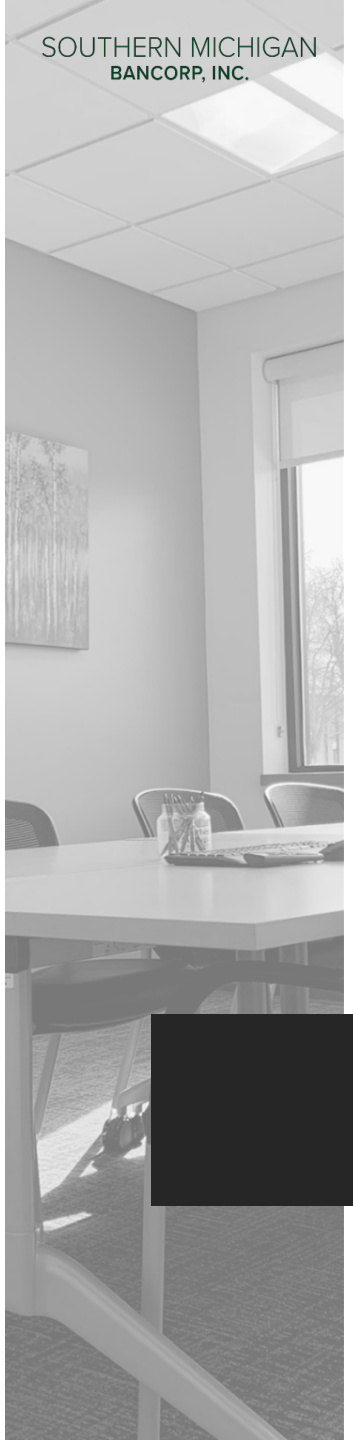
Annual Meeting

May 7, 2026

Forward Looking Statements

This presentation contains forward-looking statements that are based on management's beliefs, assumptions, current expectations, estimates and projections about the financial services industry, the economy, and Southern Michigan Bancorp, Inc. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions ("risk factors") that are difficult to predict occur, timing, extent, likelihood and degree of occurrence. Therefore, actual results and outcomes may materially differ from what may be expressed or forecasted in such forward-looking statements. Management's determination of the provision and allowance for credit losses and other accounting estimates involve judgments that are inherently forward-looking. We undertake no obligation to update or revise any forward-looking statements to reflect developments that occur, or information obtained after May 7, 2026.

SOUTHERN MICHIGAN
BANCORP, INC.



I. *Balance Sheet Metrics*

Independent Community Banks Headquartered in Michigan

2025 Rank	Institution	City	Total Assets 12/31/25 ($000)
1	MERCANTILE BANK	Grand Rapids	6,241,994
2	INDEPENDENT BANK	Grand Rapids	5,499,615
3	CHOICEONE BANK	Sparta	4,407,418
4	BANK OF ANN ARBOR	Ann Arbor	3,340,777
5	ISABELLA BANK	Mt. Pleasant	2,161,209
6	**SOUTHERN MICHIGAN BANK & TRUST**	**Coldwater**	**1,690,396**
7	THE DART BANK	Mason	1,432,696
8	COUNTY NATIONAL BANK	Hillsdale	1,319,644
9	FIRST STATE BANK	Eastpointe	1,316,947
10	WEST MICHIGAN COMMUNITY BANK	Hudsonville	1,186,043
11	NORTHSTAR BANK	Bad Axe	1,143,445
12	UNIVERSITY BANK	Ann Arbor	1,110,261
13	OXFORD BANK	Oxford	1,088,968
14	UNITED BANK OF MICHIGAN	Grand Rapids	1,078,615
15	SUPERIOR NATIONAL BANK	Hancock	1,034,845

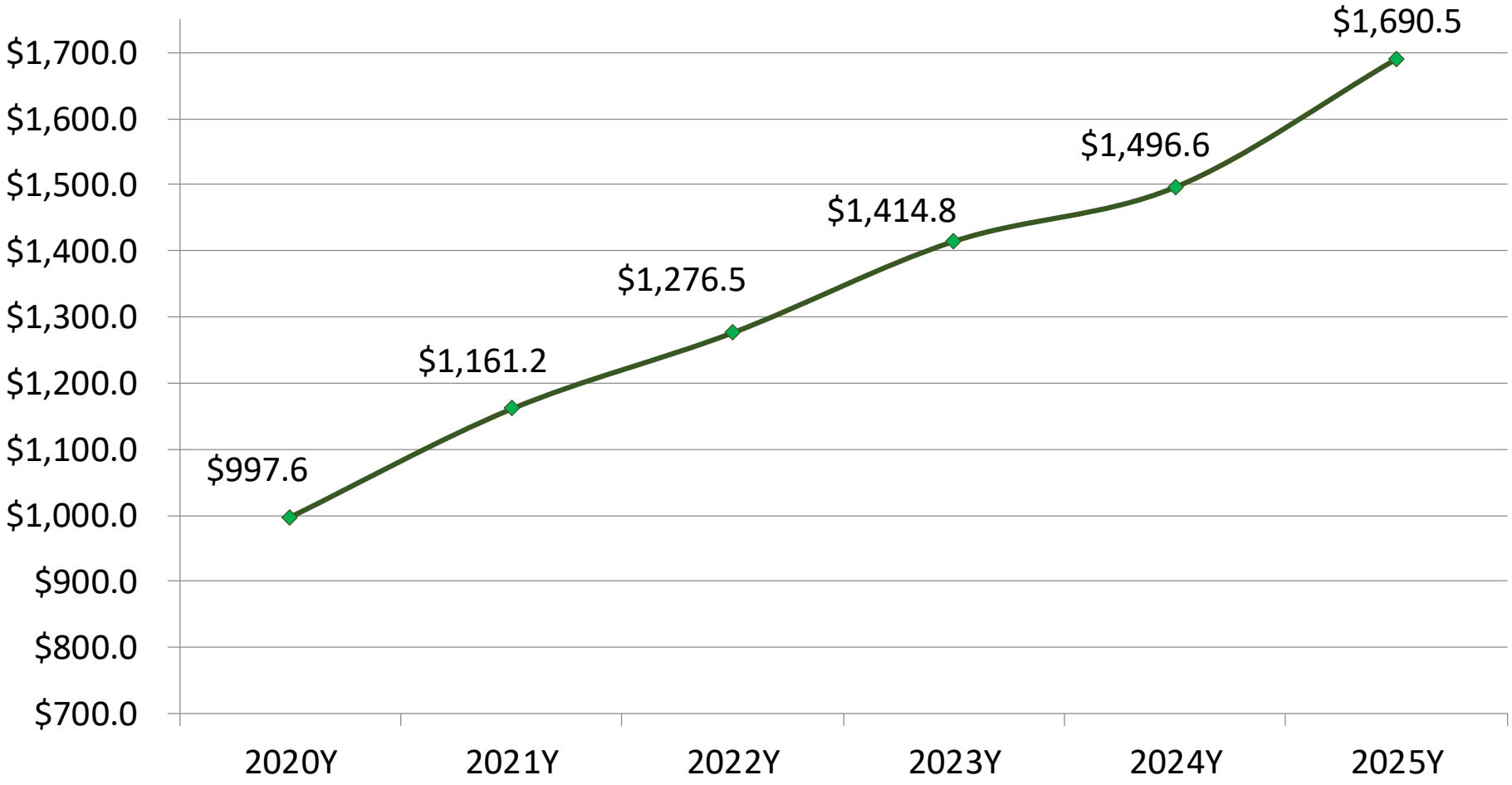
SOUTHERN MICHIGAN
BANCORP, INC.

Ranked by Total Assets

source: ibanknet.com

Total Assets

Record High

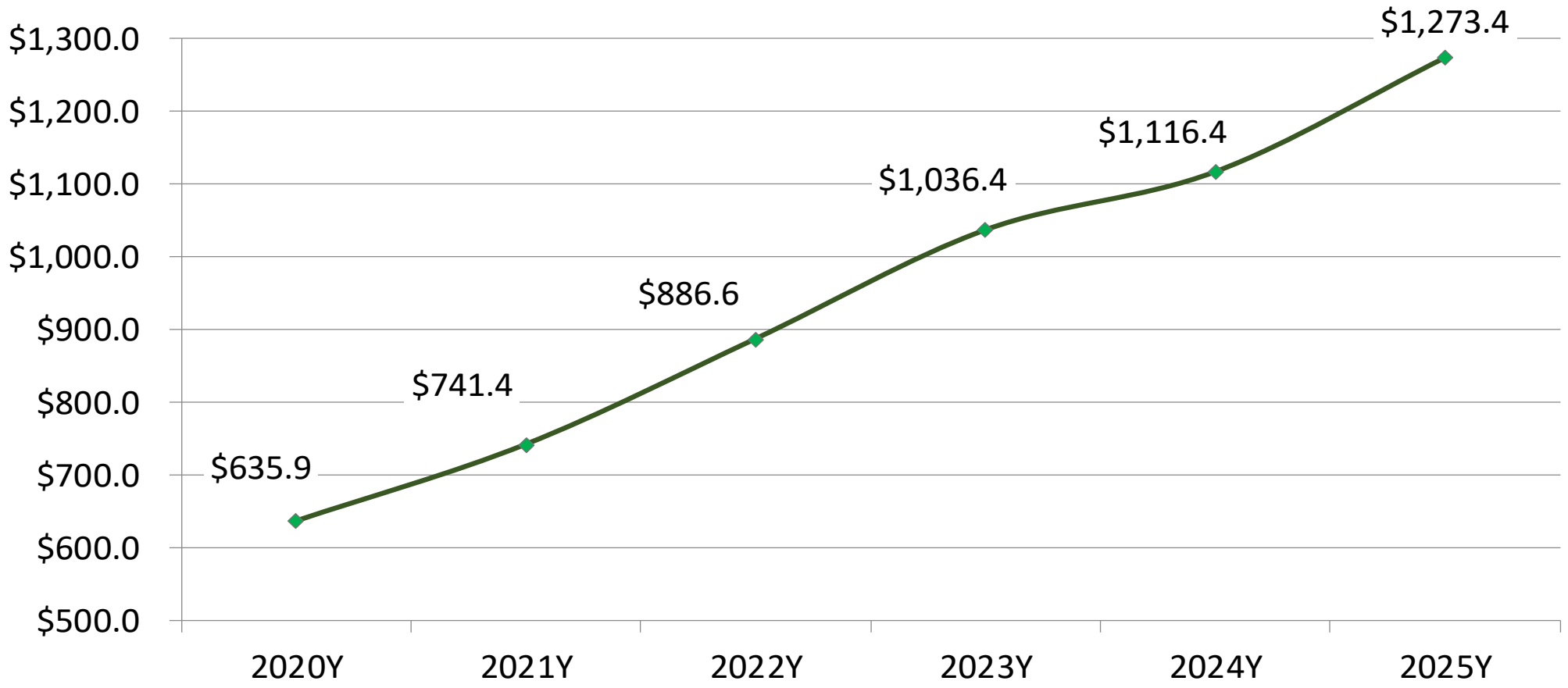


SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data in $ millions.

Total Loans

Record High

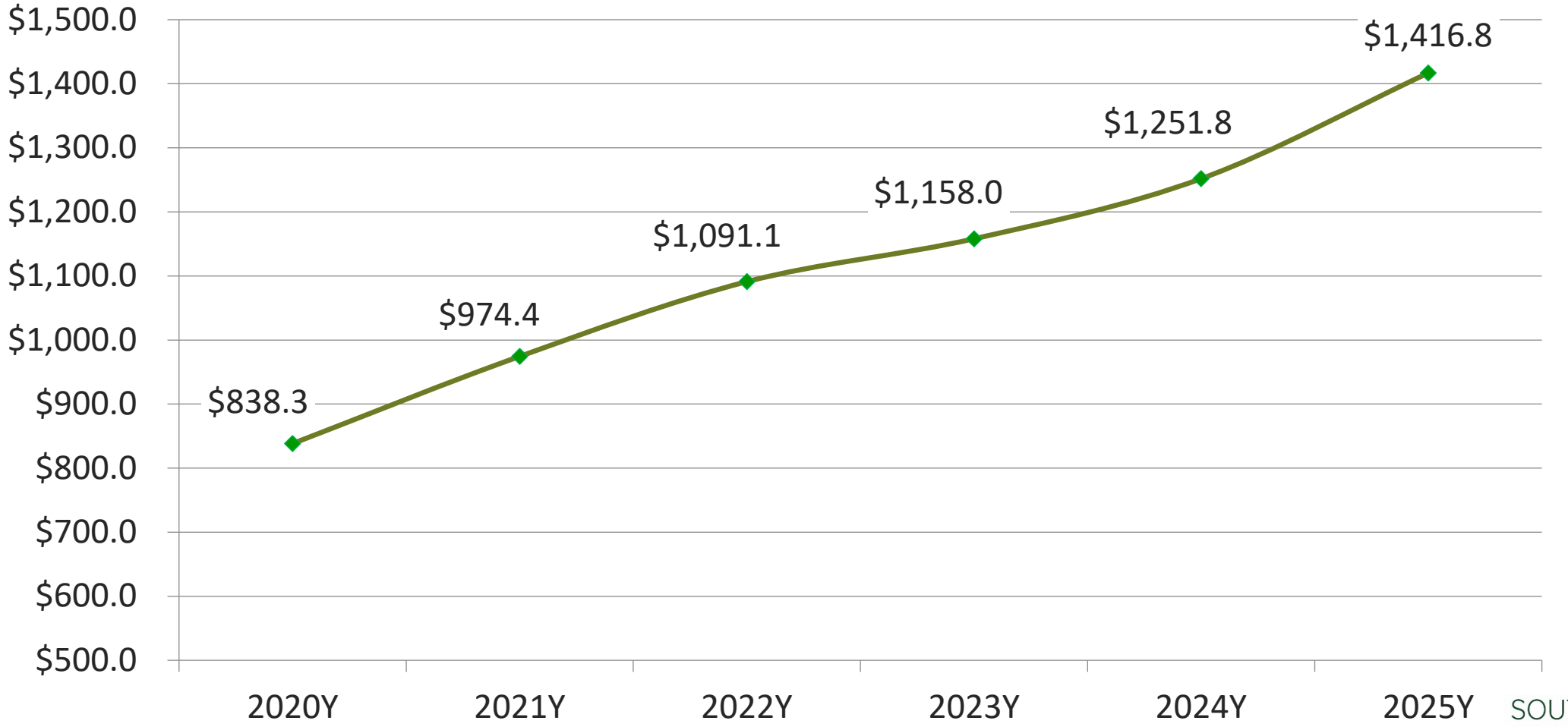


SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data in $ millions.

Total Deposits

Record High



SOUTHERN MICHIGAN BANCORP, INC.

Note: Data in $ millions.

Deposit Market Share *6-County Market Service Area*

2025 Rank	Institution	Branches	Deposits in Market ($000)	Market Share (%)
1	Fifth Third Bank NA	22	2,548,230	22.27
2	Southern Michigan Bank & Trust	21	1,310,703	11.46
3	Huntington National Bank	17	1,153,124	10.08
4	PNC Bank NA	9	1,064,508	9.30
5	Flagstar Bank NA	14	991,436	8.67
6	County National Bank	13	921,885	8.06
7	First National Bank of Michigan	3	585,153	5.11
8	Sturgis Bank & Trust Co.	10	489,981	4.28
9	Old National Bank	5	474,050	4.14
10	Mercantile Bank	3	434,935	3.80
11	Century Bank and Trust	11	412,496	3.61
12	JPMorgan Chase Bank NA	2	335,675	2.93
13	Horizon Bank	3	135,489	1.18
14	Independent Bank	2	120,589	1.05
15	G.W. Jones Exchange Bank	4	98,391	0.86
16	1st Source Bank	3	90,688	0.79
17	Kalamazoo County State Bank	2	86,590	0.76
18	Homestead Savings Bank	2	58,957	0.52
19	Bank Michigan	1	56,147	0.49
20	ChoiceOne Bank	2	43,331	0.38
21	Farmers State Bank	1	28,746	0.25
22	Chelsea State Bank	1	426	0.00
		151	**$ 11,441,530**	**100.00%**

Note: Data as of 6/30/25.

SOUTHERN MICHIGAN
BANCORP, INC.

Deposit Market Share *Branch County Market Service Area*

2025 Rank	Institution	Branches	Deposits in Market ($000)	Market Share (%)
1	Southern Michigan Bank & Trust	6	506,021	49.13
2	Century Bank and Trust	5	280,127	27.20
3	PNC Bank NA	1	77,465	7.52
4	Flagstar Bank NA	1	76,241	7.40
5	Huntington National Bank	2	62,200	6.04
6	Sturgis Bank & Trust Co.	1	27,967	2.72
	Market Total	***16***	***$ 1,030,021***	**100%**

SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data as of 6/30/25.

Deposit Market Share *St. Joseph County Market Service Area*

2025 Rank	Institution	Branches	Deposits in Market ($000)	Market Share (%)
1	Sturgis Bank & Trust Co.	6	389,485	38.31
2	***Southern Michigan Bank & Trust***	6	241,736	23.78
3	Century Bank and Trust	4	104,809	10.31
4	Fifth Third Bank NA	1	67,906	6.68
5	Huntington National Bank	1	66,828	6.57
6	Flagstar Bank NA	2	65,030	6.40
7	Horizon Bank	1	52,161	5.13
8	Farmers State Bank	1	28,746	2.83
	Market Total	***22***	***$ 1,016,701***	**100%**

SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data as of 6/30/25.

Deposit Market Share *Calhoun County Market Service Area*

2025 Rank	Institution	Branches	Deposits in Market ($000)	Market Share (%)
1	Fifth Third Bank NA	3	429,464	31.84
2	Huntington National Bank	4	298,300	22.11
3	Southern Michigan Bank & Trust	3	231,528	17.16
4	PNC Bank NA	1	102,920	7.63
5	Independent Bank	1	66,200	4.91
6	Old National Bank	1	66,092	4.90
7	County National Bank	1	50,352	3.73
8	Homestead Savings Bank	1	48,002	3.56
9	Flagstar Bank NA	1	38,959	2.89
10	Sturgis Bank & Trust Co.	1	17,062	1.26
	Market Total	***17***	***$ 1,348,879***	**100%**

SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data as of 6/30/25.

Deposit Market Share *Hillsdale County Market Service Area*

2025 Rank	Institution	Branches	Deposits in Market ($000)	Market Share (%)
1	County National Bank	5	440,558	56.69
2	***Southern Michigan Bank & Trust***	1	137,236	17.66
3	Fifth Third Bank NA	1	86,785	11.17
4	Flagstar Bank NA	1	85,007	10.94
5	Century Bank and Trust	2	27,560	3.55
	Market Total	***10***	***$ 777,146***	**100%**

SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data as of 6/30/25.

Deposit Market Share *Kalamazoo County Market Service Area*

2025 Rank	Institution	Branches	Deposits in Market ($000)	Market Share (%)
1	Fifth Third Bank NA	11	1,257,400	27.46
2	PNC Bank NA	6	829,412	18.11
3	First National Bank of Michigan	3	585,153	12.78
4	Mercantile Bank	3	434,935	9.50
5	Old National Bank	3	354,936	7.75
6	JPMorgan Chase Bank NA	2	335,675	7.33
7	Huntington National Bank	4	262,407	5.73
8	***Southern Michigan Bank & Trust***	2	127,885	2.79
9	Flagstar Bank NA	2	105,392	2.30
10	Kalamazoo County State Bank	2	86,590	1.89
11	Horizon Bank	2	83,328	1.82
12	1st Source Bank	2	60,619	1.32
13	Sturgis Bank & Trust Co.	2	55,467	1.21
	Market Total	***44***	***$ 4,579,199***	**100%**

SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data as of 6/30/25.

Deposit Market Share *Jackson County Market Service Area*

2025 Rank	Institution	Branches	Deposits in Market ($000)	Market Share (%)
1	Flagstar Bank NA	7	620,807	26.90
2	Fifth Third Bank NA	5	547,744	23.73
3	County National Bank	6	430,975	18.67
4	Huntington National Bank	4	369,351	16.00
5	Southern Michigan Bank & Trust	3	66,297	2.87
6	Bank Michigan	1	56,147	2.43
7	PNC Bank NA	1	54,711	2.37
8	Independent Bank	1	54,389	2.36
9	Old National Bank	1	53,022	2.30
10	ChoiceOne Bank	2	43,331	1.88
11	Homestead Savings Bank	1	10,955	0.47
12	Chelsea State Bank	1	426	0.02
	Market Total	***33***	***$ 2,308,155***	**100%**

SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data as of 6/30/25.

Wealth Management

Assets Under Management

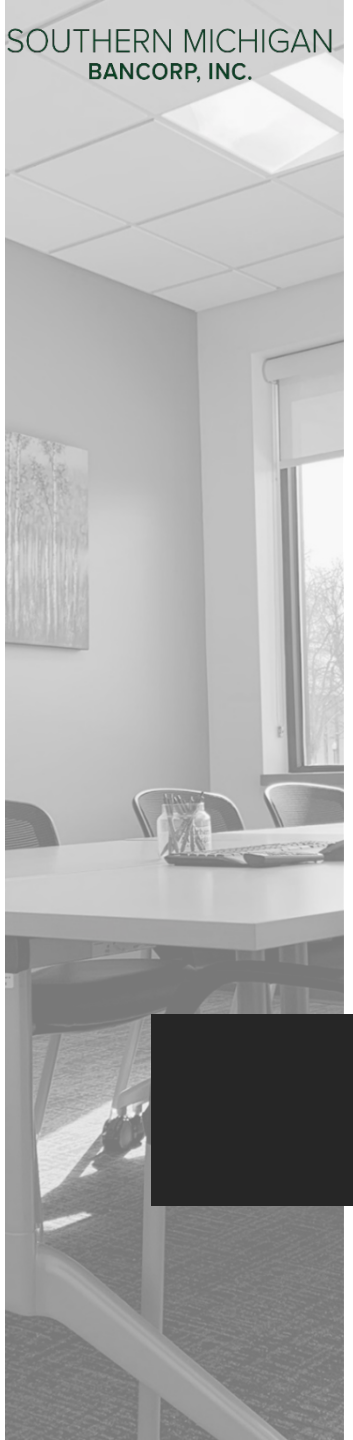
Record High



SOUTHERN MICHIGAN BANCORP, INC.

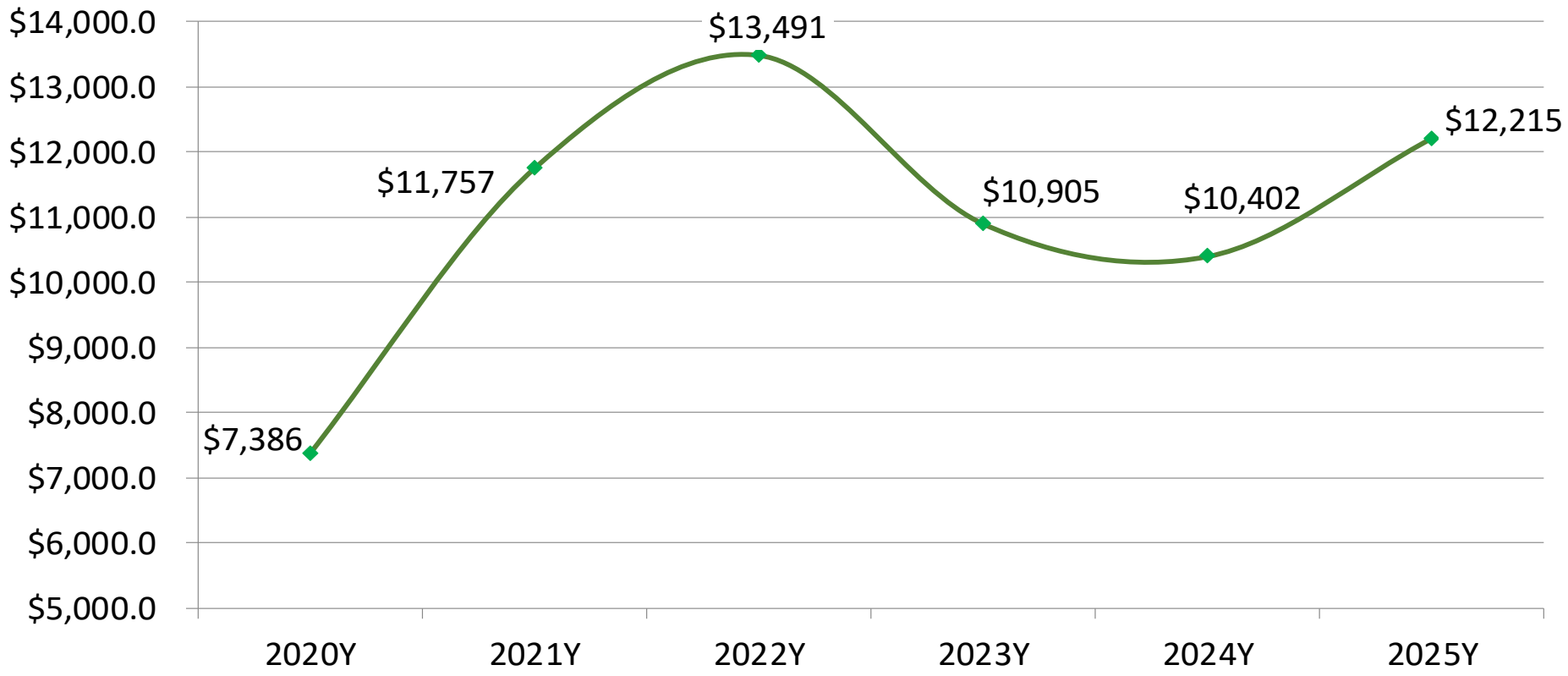
Note: Data in $ millions.

SOUTHERN MICHIGAN
BANCORP, INC.



II. *Profitability Trend*

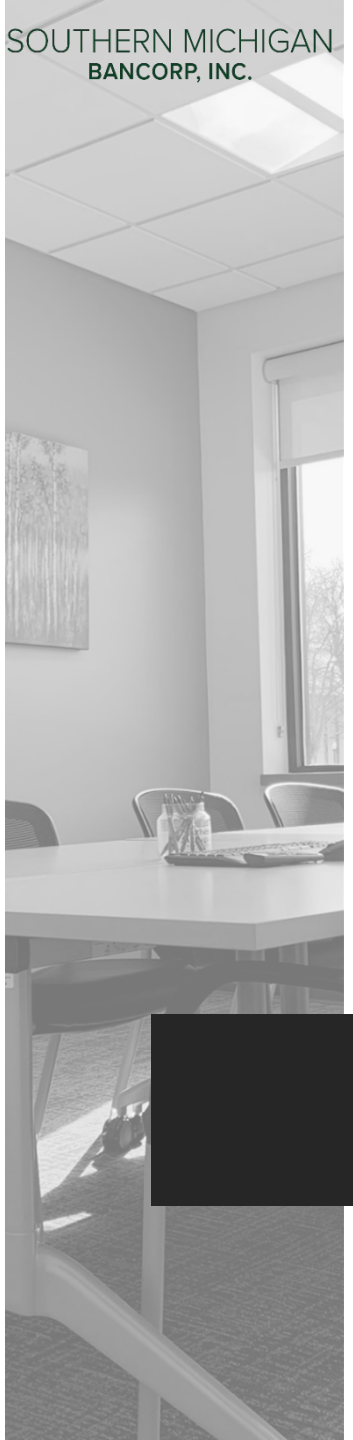
Net Income



SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data in $ thousands.

SOUTHERN MICHIGAN
BANCORP, INC.



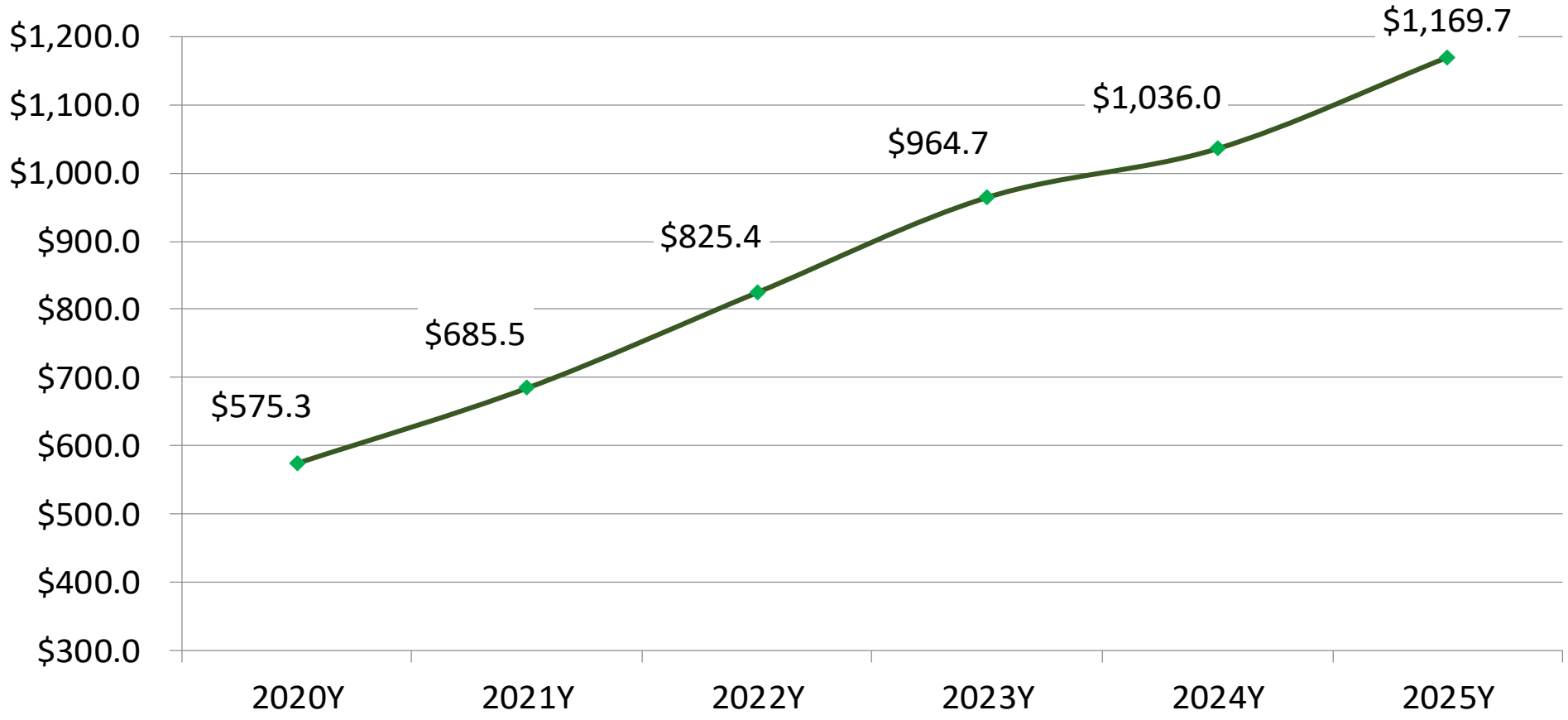
III.

Asset Quality Metrics

Indicators of Financial Strength

Commercial Loans

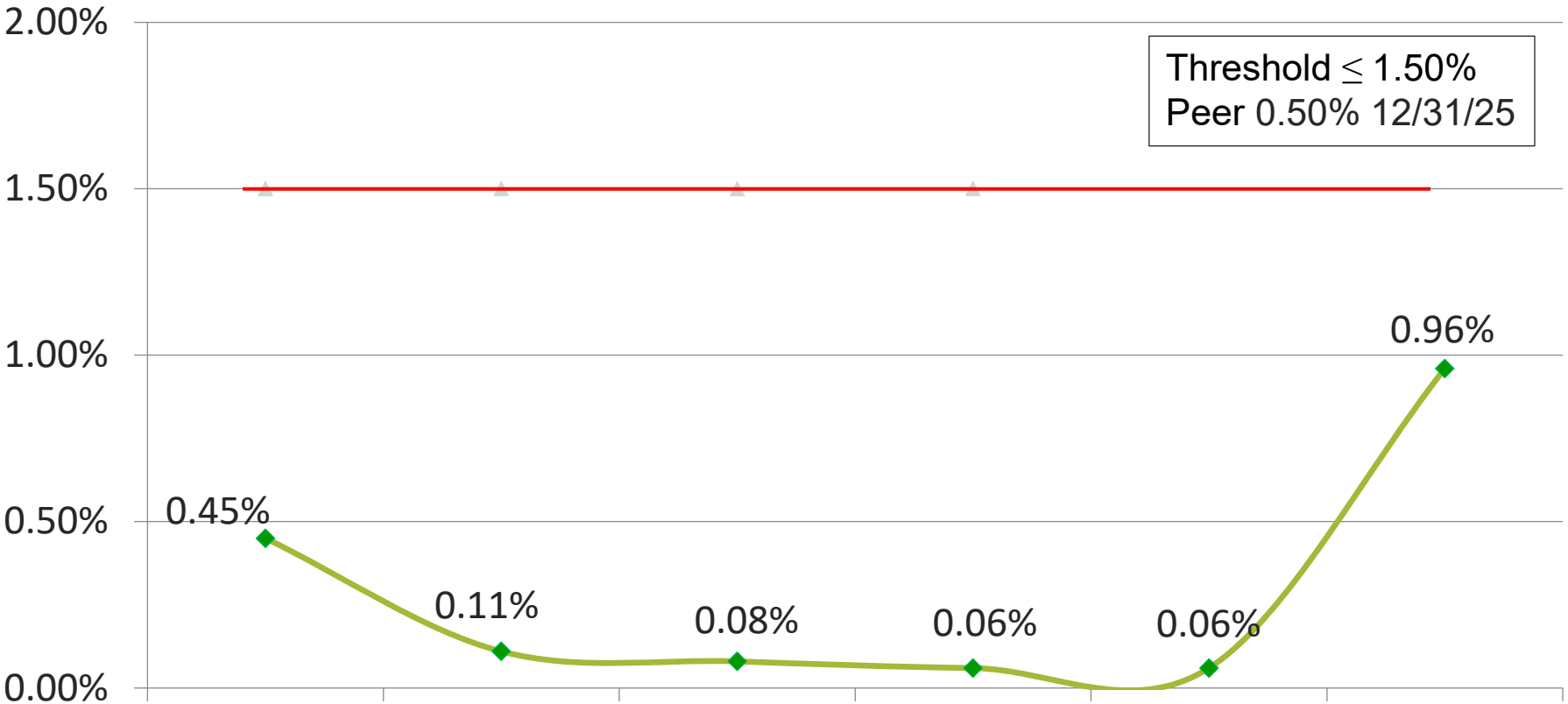
Record High



SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data in $ millions.

Total Non-Performing Assets

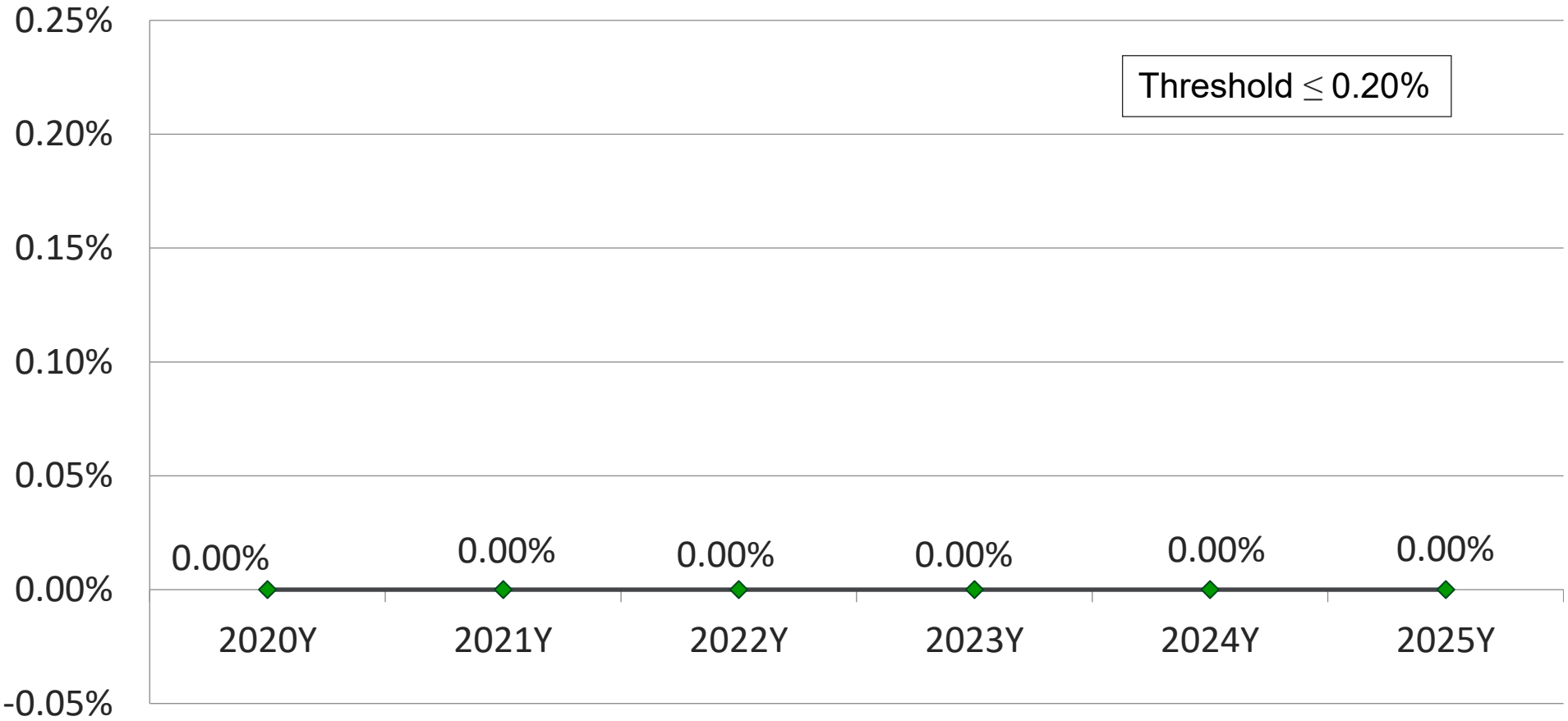


$000s	$4,489	$1,323	$1,044	$889	$914	$16,180

SOUTHERN MICHIGAN
BANCORP, INC.

Non-Performing Assets = Nonaccrual Loans + Loans ≥ 90 Days Past Due + Other Real Estate Owned.

Annual Net Charge-Offs (Recoveries)

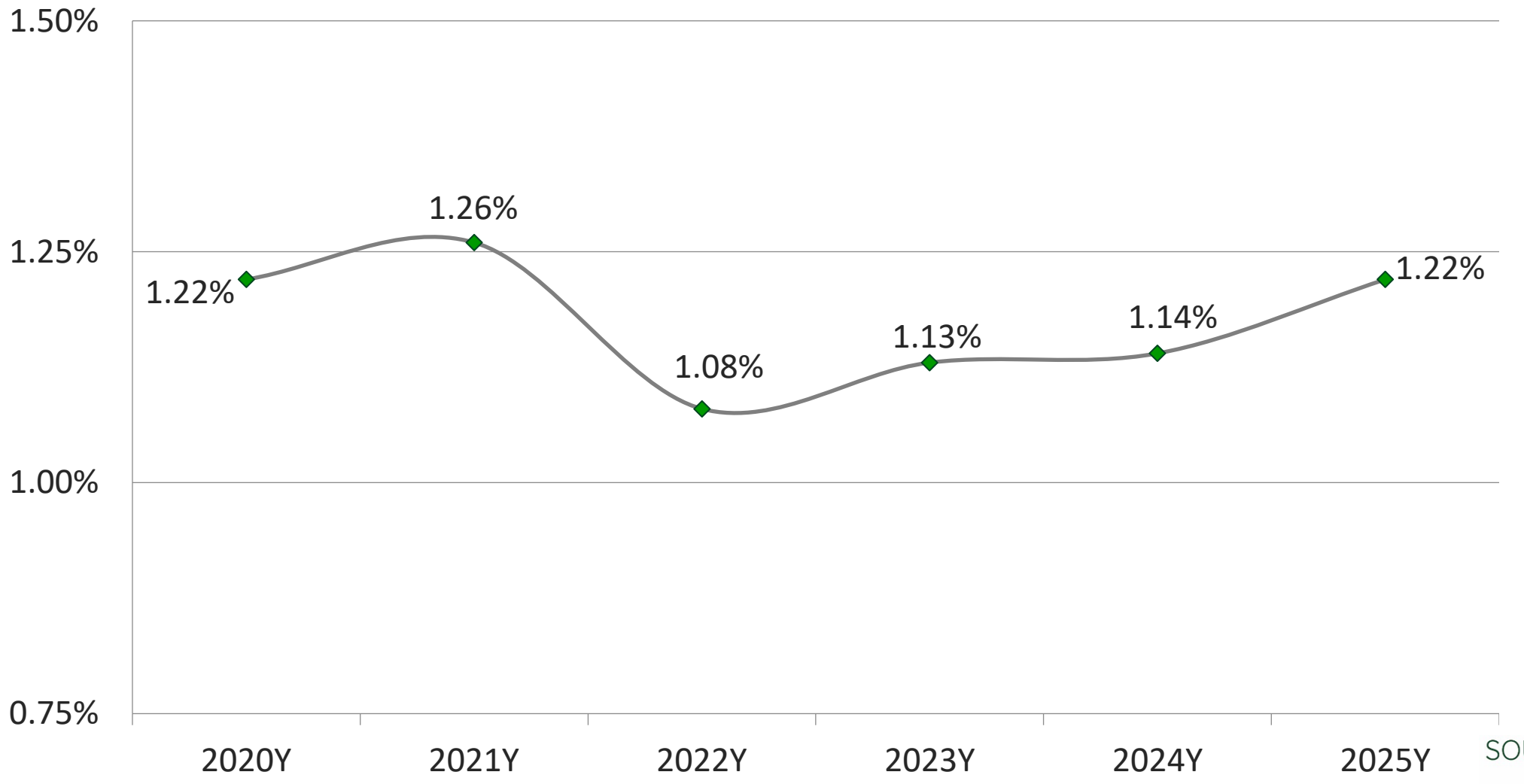


	2020Y	2021Y	2022Y	2023Y	2024Y	2025Y
% of Average Loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
$ Net Charge-Offs	($5)	($31)	$7	$15	$28	$53

SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data in $000s.

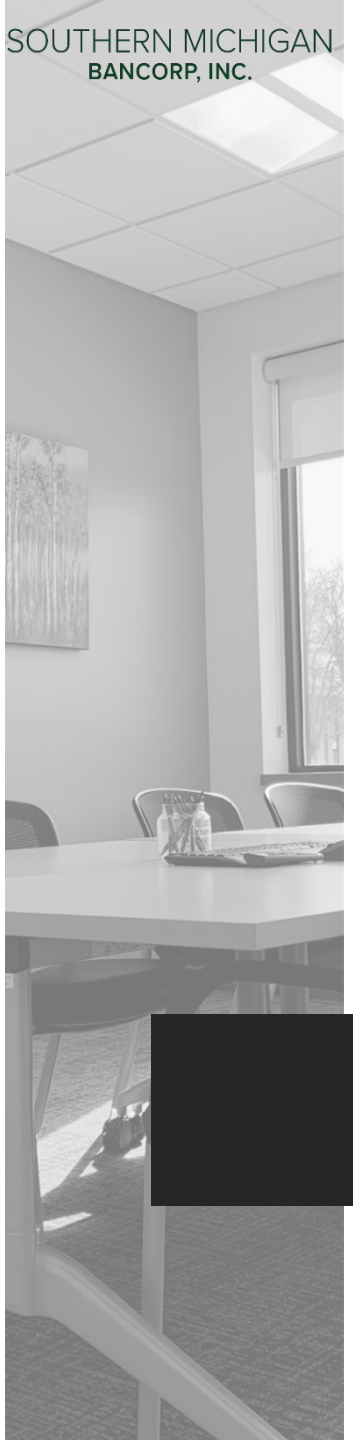
Loan Loss Reserve



SOUTHERN MICHIGAN BANCORP, INC.

As a Percentage of Gross Loans.

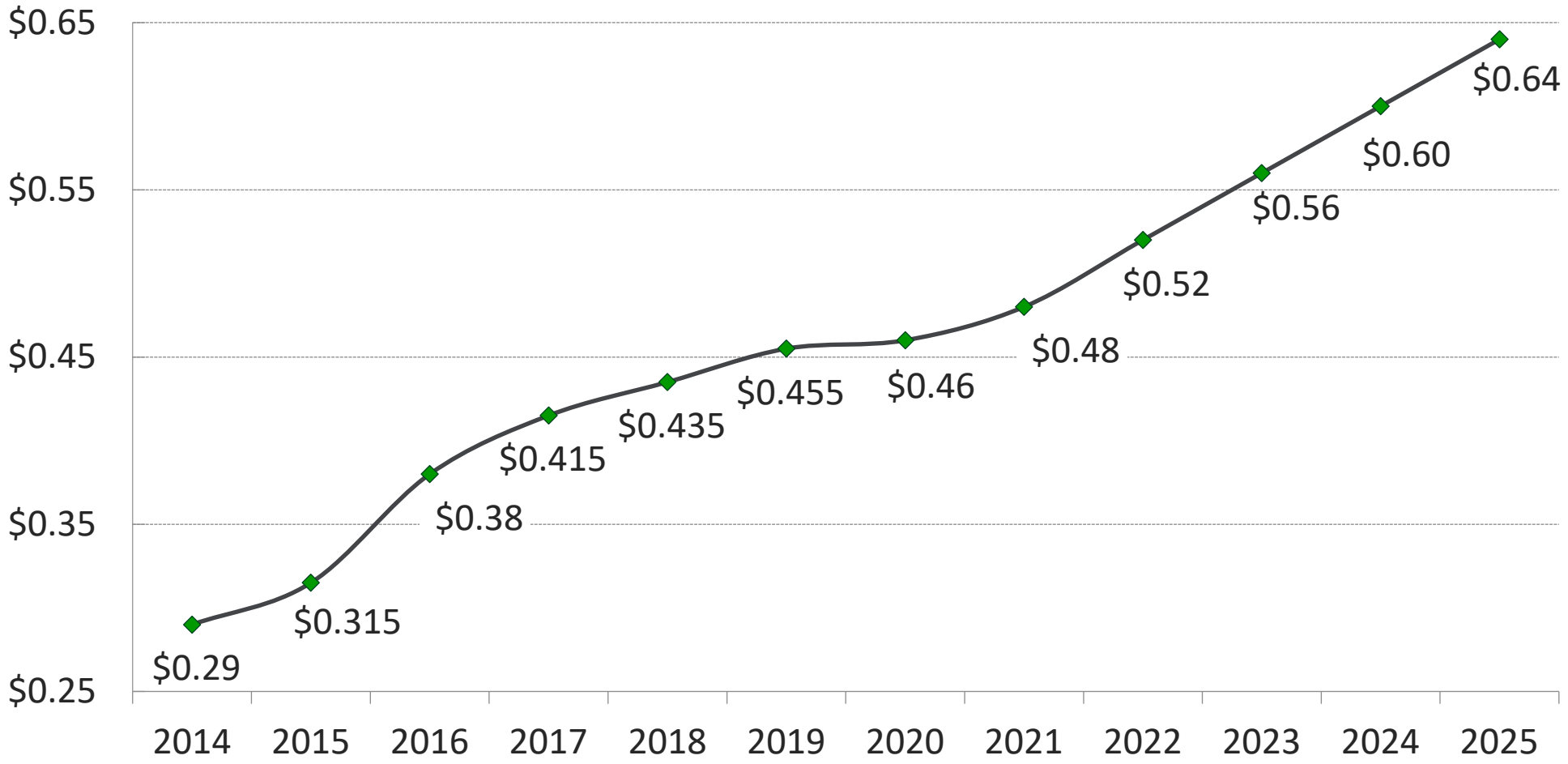
SOUTHERN MICHIGAN
BANCORP, INC.



IV. *SOMC Dividend*

Stock Performance

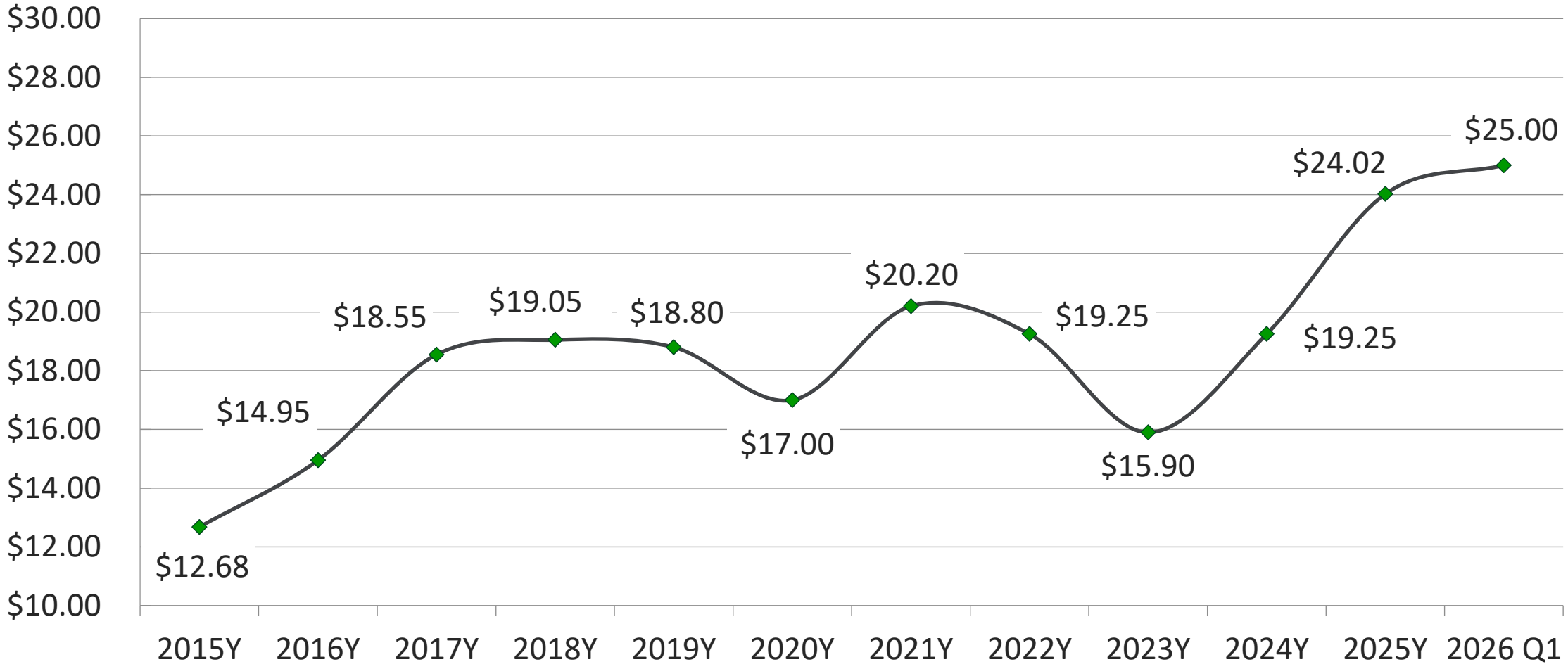
SOMC Cash Dividends Declared



SOUTHERN MICHIGAN
BANCORP, INC.

Dividend rate adjusted for 100% stock dividend declared April 2021.

SOMC Stock Price



SOUTHERN MICHIGAN
BANCORP, INC.

Price adjusted for 100% stock dividend declared April 2021.

SOMC Insider and Employee Holdings

as of December 31, 2025

	Shares	% of Total
Directors & Executive Officers	443,948	9.60%
Employee Stock Ownership Plan*	138,733	3.00%
Total Shares	582,681	12.60%

*Excludes shares held by executive officers.

SOUTHERN MICHIGAN BANCORP, INC.

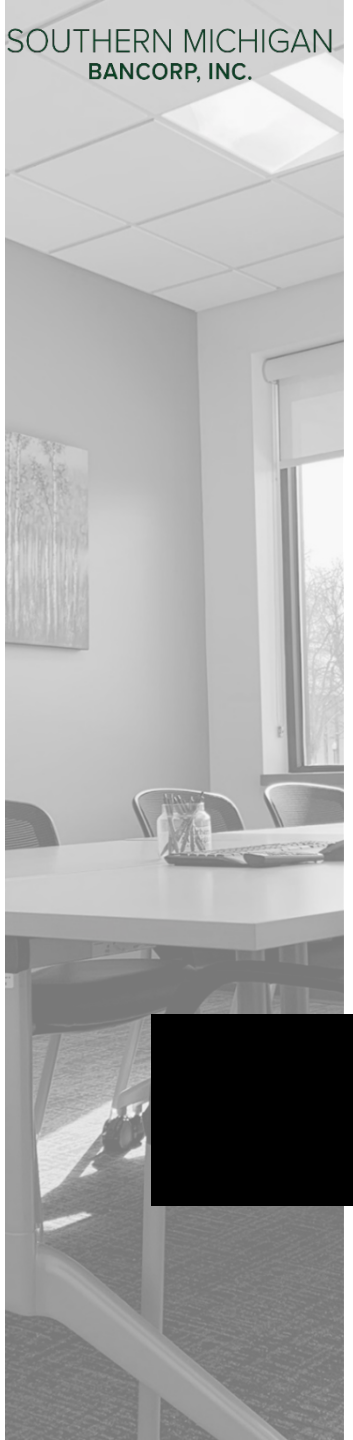
Southern's 2025 Highlights

Record Total Assets	$ 1,690,477,000
Record Total Deposits	$ 1,416,798,000
Record Total Loans	$ 1,273,408,000
Record Wealth AUM	$ 452,686,000
Dividends Per Share/Yield*	$ 0.64 / 2.66%

SOUTHERN MICHIGAN
BANCORP, INC.

*Yield based on stock price of $24.02 as of December 31, 2025.

SOUTHERN MICHIGAN
BANCORP, INC.



V.

Southern's Quarterly Results

March 31, 2026

1st Quarter 2026 Results

	1Q 2026	1Q 2025	Change
Total Assets *RECORD HIGH*	$1,705,671	$1,562,904	9.13%
Total Loans *RECORD HIGH*	$1,306,671	$1,137,739	14.85%
Total Deposits *RECORD HIGH*	$1,431,081	$1,315,342	8.80%
Total Equity	$123,001	$110,423	11.39%
Net Income	$3,306	$3,046	8.54%
Earnings Per Share	$0.71	$0.66	7.58%

SOUTHERN MICHIGAN
BANCORP, INC.

Note: Data in $000s except per share data.

Cash Dividend Increase - 1st Quarter 2026

The Board voted at the March 2026 Board Meeting to increase the quarterly dividend to $0.17 per share from the previous rate of $0.16 per share.

This new annualized rate of $0.68 per share results in a dividend yield of 2.67%.(1)

SOUTHERN MICHIGAN
BANCORP, INC.

(1) Based on the March 16, 2026 market price of $25.50 per share.

SOUTHERN MICHIGAN
BANCORP, INC.

2026 Annual Meeting