

Media Release



Bank of Ann Arbor Completes Merger with First National Bank in Howell ***Two High Performing Michigan-based Financial Institutions*** ***Merge to Expand Reach, Services and Offerings***

Ann Arbor, Michigan – December 1, 2021 – Arbor Bancorp, Inc. (“Arbor Bancorp”), the holding company for Bank of Ann Arbor, and FNBH Bancorp, Inc. (“FNBH”), the holding company for First National Bank in Howell (“First National”), today announced the completion of their merger and the resulting consolidation of First National with and into Bank of Ann Arbor, effective as of the close of business on November 30, 2021. As a result of the merger, each share of FNBH common stock was converted into the right to receive cash in the amount of \$4.20 per share. The aggregate value of the merger consideration is approximately \$116.5 million.

The size of the combined organization is approximately \$3.26 billion in assets, \$1.89 billion in loans, and \$2.83 billion in deposits, based on information as of November 30, 2021. The combined organization has more than 300 employees across 17 locations in Washtenaw, Livingston, western Wayne and Oakland counties.

“We are excited to welcome the First National Bank in Howell clients, team members and communities to Bank of Ann Arbor,” said Tim Marshall, President and Chief Executive Officer of Bank of Ann Arbor. “We believe that First National is the perfect partnership for us to expand into Livingston County, which is a natural and geographical fit for Bank of Ann Arbor,” continued Marshall. “By bringing together two high-performing and like-minded community banks that share a commitment to serving their local communities, we will continue to provide individuals and businesses with excellent service and a full range of financial services”.

Ron Long, President and Chief Executive Officer of First National, concurred. “The combination of these two established institutions allows us to provide a broader range of banking services to our client base, including equipment leasing and services provided by Bank of Ann Arbor’s Trust and Investment Management Group and its Technology Industry Group,” Long said. “In addition, it will greatly expand our lending limits and capabilities in our primary market of Livingston County and will allow us to use Bank of Ann Arbor’s infrastructure to meet growing compliance and regulatory burdens, giving our team members more time to focus on our clients.”

Current banking centers of First National will continue to operate under the First National Bank in Howell name until the system conversion is completed on March 21, 2022, when they will be transitioned to the Bank of Ann Arbor name. Signage conversion will occur simultaneous with the system conversion. Upon completion of the conversion, clients will have access to a larger network of banking centers, a wider array of products and services, and the same commitment to personal service and community values they are accustomed to from First National.

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In conjunction with the completion of the merger, Bank of Ann Arbor is pleased to announce that Stan Dickson, the largest shareholder and Vice Chairman of the First National Board, will be joining the Arbor Bancorp, Inc and Bank of Ann Arbor Board of Directors. Mr. Dickson has a long and distinguished career in law and business and has been a long time director of First National.

Bank of Ann Arbor has successfully acquired and integrated other Michigan financial services organizations since its founding in 1996, including: Bank of Birmingham in Birmingham in January 2017, New Liberty Bank in Plymouth in May 2010, and UniFi Equipment Finance in Ann Arbor in January 2013.

Advisors:

Bank of Ann Arbor was advised by the investment banking firm of Performance Trust Capital Partners, LLC and the law firm of Bodman PLC. First National was advised by the investment banking firm of Donnelly Penman & Partners, Inc. and the law firm of Varnum LLP.

About Bank of Ann Arbor:

Bank of Ann Arbor is a locally owned and operated bank serving people and businesses in Washtenaw, western Wayne and Oakland counties with offices at the corner of Fifth Avenue and Washington Street in downtown Ann Arbor, in the Traver Village Shopping Center, at the corner of Stadium and Liberty streets, on West Ellsworth Road in Pittsfield Township, on West Michigan Avenue in downtown Ypsilanti, in Plymouth on Ann Arbor Road, on East Michigan Avenue in downtown Saline, on Woodward Avenue in Birmingham. UniFi Equipment Finance based in Ann Arbor has a national presence in the small ticket vendor leasing market. For more information, visit www.boaa.com or follow Bank of Ann Arbor on Facebook, Twitter, and LinkedIn.

Forward Looking Statements

This press release contains forward-looking statements, including expectations of future events and actions. These forward-looking statements express our current expectations and, by their nature, are subject to assumptions, risks, and uncertainties. Although we believe that the expectations reflected in these forward-looking statements are reasonable, actual results and outcomes could differ materially for a variety of reasons. While we believe the forward-looking statements in this press release are reasonable, investors should not place undue reliance on any forward-looking statement. In addition, these statements speak only as of the date made. We do not undertake, and expressly disclaim, any obligation to update or alter any statements, whether as a result of new information, future events, or otherwise, except as required by applicable law.

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