

Thoughts from Our Customers

“First National Bank of Michigan is my bank for my companies and my family. I talk to business owners about FNBM because I know first-hand that their value goes far beyond simple banking services. They genuinely seek to be a partner for your success. If you own a business, you owe it to yourself to connect with FNBM. I choose to bank with FNBM because they have repeatedly demonstrated their commitment to the financial success of my companies and my family.”

-David C. Rhoa, Principal
D2R Consulting

“Thanks goes out to the team at First National Bank of Michigan for their prompt and professional attention. It is refreshing to put the term ‘relationship’ back into a business partnership. I moved my business accounts and line of credit to FNBM. The security and Treasury Management features were what I needed. After several months of positive experiences, I moved my personal banking as well. The entire experience was prompt and seamless.”

-Doug Huizenga, Owner
NewCNC Inc.

“At KC Ready 4s we are grateful for the FNBM employees who volunteer to support high-quality pre-K and recognize early childhood educators. Allowing their employees to volunteer during the workday demonstrates FNBM’s commitment to making a difference in our shared community. We appreciate working with bankers who are dedicated to Kalamazoo and local decision making.”

-Kristyn Buhl-Lepisto, Executive Director
KC Ready 4s

“We value our partnership with First National Bank of Michigan and have always been impressed with their community involvement. We’re extremely confident when referring our clients with borrowing needs to them because we know they’ll be in good hands.”

-Bill Burke, Senior Manager
Rehmann

2022
Community
Involvement
6 Communities

More Than 200
Local Organizations
Supported by FNBM

1,534
Hours Of Employee
Volunteer Time

\$305,639
in donations to the
communities we serve

First National Bank of Michigan Locations



Grand Rapids
141 Ionia Ave. N.W.
Grand Rapids, MI 49503



Holland
1 West 8th St.
Holland, MI 49423



Kalamazoo
348 W. Michigan Ave.
Kalamazoo, MI 49007



Kalamazoo West
5313 W. Main St.
Kalamazoo, MI 49009



Lansing
101 S. Washington Square
Lansing, MI 48933



Portage
2700 W. Centre Ave.
Portage, MI 49024



Annual Report
2022

Letter To Our Shareholders

First National Bancorp, Inc., the parent company of First National Bank of Michigan (“FNBM”), continued to experience growth for the sixteenth straight year.

FNBM’s total assets were \$937 million as of December 31, 2022, up 5.6% from December 31, 2021. In 2022, Loans of \$627.9 million were 11% higher than the prior year’s Loans of \$564.9 million and Deposits of \$786.3 million were 6% higher than the prior year’s Deposits of \$741.2 million.

The Office of the Comptroller of the Currency (“OCC”) completed a successful Safety and Soundness Examination for the period ending June 30, 2022. We appreciate the good work our employees do everyday to ensure the safety and soundness of the Bank.

2022 was an interesting and busy year for First National Bank of Michigan. The Bank instituted several technological upgrades as well as the introduction of a new website. The Bank domain was updated from .com to .bank for added security, new mobile apps were created for personal and business customers, and a new core banking system was implemented.

During 2022, our employees volunteered a total of 1,534 hours and as a bank, we made a number of charitable contributions in each of the markets we serve. Our resolve to ensure the success of local businesses and non-profits in our communities remains unwavering.

FNBM’s growth in 2022 resulted in a year-end stock price of \$54 per share, an increase of 4.9% from the December 31, 2021 value of \$51.50. The increase reflects the strong financial performance of FNBM during 2022.

As your local community bank, we take pride in our relationship-based business model focused on building long-term trust with our customers. After all, we live in your community too, and your success is our success.

Together, We are First.

Sincerely,


Daniel E. Bitzer
President & CEO


Larry D. Lueth
Chairman of the Board

Executive Leadership Team



Daniel E. Bitzer
President &
Chief Executive Officer



Jefra Groendyk
Executive Vice President &
Senior Lender



Cindy Kole
Executive Vice President &
Chief Operating Officer



Steve Piper
Executive Vice President &
Chief Credit Officer



Matt Morgan
Senior Vice President,
Chief Financial Officer,
Chief Technology Officer

2022–2021 Financial Review

For the Year

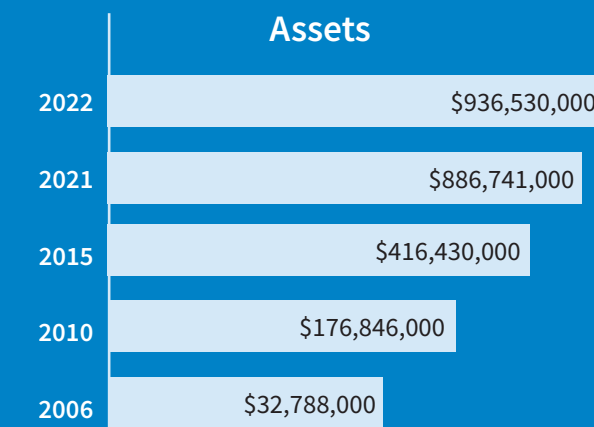
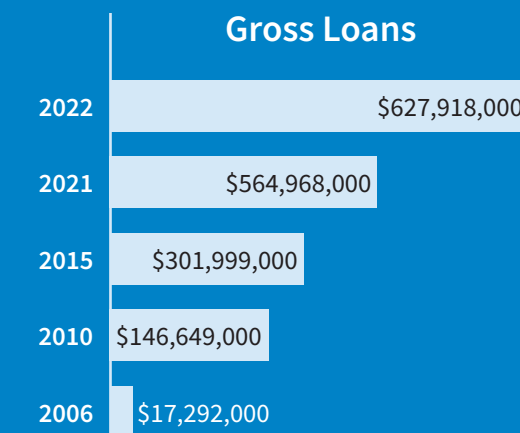
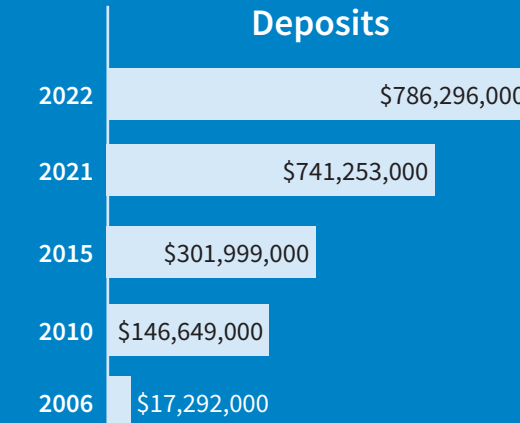
	2022	2021
Net interest income	\$27,733,000	\$26,363,000
Provision for loan losses	\$2,078,000	\$1,896,000
Non-interest income	\$1,225,000	\$1,265,000
Non-interest expense	\$18,198,000	\$16,171,000
Income tax expense	\$1,347,000	\$1,530,000
Net income	\$7,335,000	\$8,031,000
Pre-tax pre-provision	\$10,760,000	\$11,457,000

At Year End

	2022	2021
Assets	\$936,530,000	\$886,741,000
Cash and investments	\$283,733,000	\$306,082,000
Gross loans	\$627,918,000	\$564,968,000
Allowance for loan loss (ALL)	(\$12,603,000)	(\$10,524,000)
Other assets	\$37,482,000	\$26,215,000
Deposits	\$786,296,000	\$741,253,000
Other liabilities	\$87,619,000	\$73,320,000
Shareholder’s equity	\$62,615,000	\$72,168,000

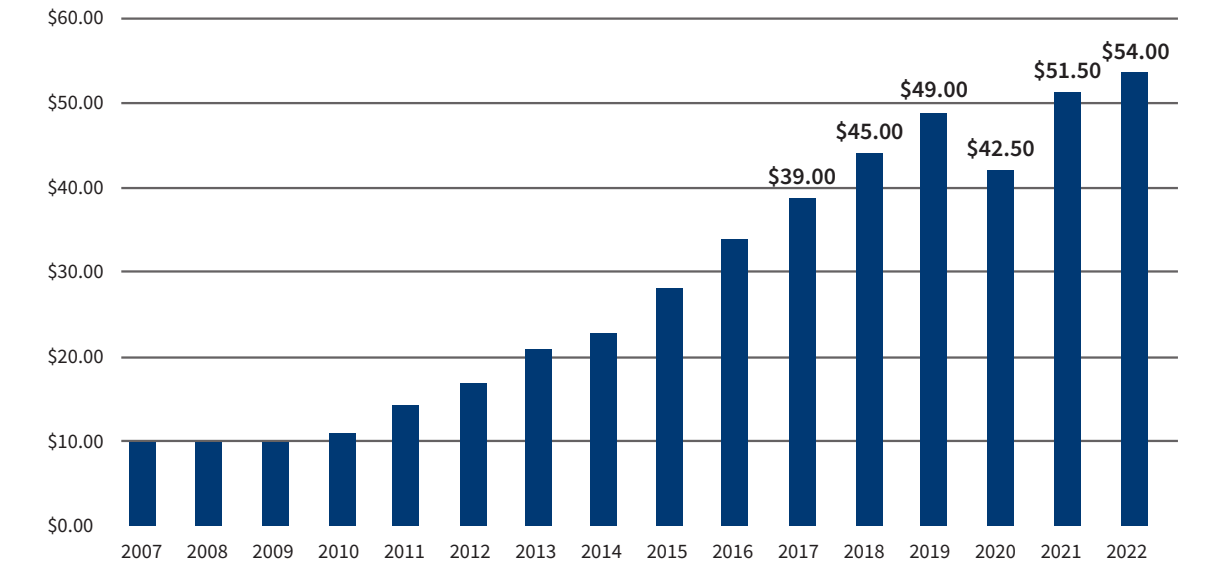
Ratios (%)

	2022	2021
Return on average assets	0.79%	0.95%
Return on average equity	11.31%	11.54%
Total risk-based capital ratio	11.56%	12.05%
ALL percentage of loans	2.01%	1.86%



FIRST NATIONAL BANK OF MICHIGAN Stock Information

Historic Stock Prices



Market Leadership Team



Greg Accardo
Senior Vice President,
Market President,
Holland



Patty Barnas
Senior Vice President,
Market President,
Lansing



Mike Hollander
Senior Vice President,
Market President,
Grand Rapids



Chris Mars
Senior Vice President &
Kalamazoo Commercial
Banking Group Manager

Board of Directors

Larry D. Lueth, Chairman
John M. Schreuder, Chairman Emeritus
Daniel E. Bitzer
Eric V. Brown, Jr.
Joseph Calvaruso

James DeKruyter
James S. DeMoss
David G. Echelbarger
David L. Holmes
Ben Ipema

Bill Manns
Edward B. Montgomery
Sondra K. Phillips
Virginia M. Seyferth
Joshua T. Weiner