

FNBM Branch 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

fnbmichigan.bank

Local Commercial and Personal Banking

Kalamazoo | Portage | Grand Rapids | Lansing |
Holland | Traverse City (Loan Production Office)



Executive Team

Daniel E. Bitzer
President &
Chief Executive Officer

Jefra Groendyk
Executive Vice President &
Senior Lender

Shaunna Padgett
Senior Vice President &
Chief Operating Officer

Matt Morgan
Senior Vice President &
Chief Financial Officer

Rick Jackson
Senior Vice President &
Chief Credit Officer

Market Leaders

Greg Accardo
Market President, Holland

Patty Barnas
Market President, Lansing

Sam Drelles
Northern Michigan Market
Manager

Mike Hollander
Market President, Grand Rapids

Chris Mars
Kalamazoo Commercial Banking
Group Manager

Officers

Sara Amy
Residential Lending

Kelsey Bailey
Branch Administration Manager

Craig Bishop
Commercial Relationship
Manager

Jason Candelaria
Facilities & Equipment
Support Specialist

Brian Clark
Commercial Relationship
Manager

Nick Conley
Credit Manager

Eric French
Branch Manager, Portage

Paige Gardner
Credit Analyst

Cheryl Germain
Controller

David Gibbs
Branch Manager,
DT Kalamazoo

Jerry Hinga
Assistant Branch Manager,
Portage

Tim Hoekstra
Commercial Relationship
Manager

Dustin Hopkins
Commercial Relationship
Manager

Melody Janetzke
Branch Administration Specialist

Kathy Jipping
Branch Manager, Holland

Marcus Kole
Commercial Relationship
Manager

Deb Lang
Marketing Manager

Nicole Lowczyk
Treasury Management Specialist

Joe Ludy
Branch Manager, West Main

Jennifer Marsh
Commercial Relationship
Manager

Kim Melvin
Private Banker

Brian Mick
Commercial Relationship
Manager

Kirstyn Monroe
Commercial Relationship
Manager

Sara Mottl
Loan Operations Team Lead

Emily Newman
Loan Operations Manager

Nickie Peters
Facilities Manager & Security
Officer

Jesse Prins
Commercial Relationship
Manager

Laura Reyna
Human Resources, Training & DEI
Manager

Tonya Schmitt
Treasury Management Support
Specialist

Charles Slauer
Commercial Relationship
Manager

Melanie Squires
Treasury Management
& Branch Manager, Lansing

Olivia Urwiller
Portfolio Manager

Amy Vervaras
Branch Manager, Grand Rapids

Kevin Waldie
Compliance & Risk Manager

Chris Williams
Treasury Management
Relationship Manager

Board of Directors

Larry D. Lueth
Chairman

John M. Schreuder
Chairman Emeritus

Daniel E. Bitzer
Director

Eric V. Brown, Jr.
Director Emeritus

Joseph Calvaruso
Director

James DeKruyter
Director

James S. DeMoss
Director

David G. Echelbarger
Director

David L. Holmes
Director

Ben Ipema
Director

Bill Manns
Director

Rachel S. Michaud
Director

Edward B. Montgomery
Director

Sondra K. Phillips
Director

Ginny Seyferth
Director

Joshua T. Weiner
Director



Quarterly Report
December 2024

Letter To Our Shareholders

Dear Shareholders,

On behalf of First National Bank of Michigan (“FNBM”), we extend our gratitude for your continued investment and confidence in our Bank. As we close out the fourth quarter of 2024, we are pleased to report another strong period of financial performance and sustained growth.

In the year ending December 31, 2024, we experienced steady loan and deposit growth, reflecting our focus on building strong relationships and delivering value to our clients. Gross loans increased 4.7% to \$746.5 million and total deposits increased 2.9%, while borrowings decreased 34.3% compared to the same period in the previous year. Our disciplined approach to credit quality and risk management has allowed us to maintain a strong balance sheet as 47% of the Bank's assets repriced within the next year to further improve net interest margins.

FNBM closed out the year with strong growth and other positive financial indicators, as compared to the previous calendar year. Total interest income increased 13.3% to \$47.9 million. Provisions for credit losses decreased by \$1.5 million, demonstrating our continued strong asset quality of our loan portfolio. Total non-interest income increased 24.9% to \$1.7 million while total non-interest expenses decreased 9.0%. Net income increased 30.4%, a \$1.3 million improvement from the prior year, while diluted earnings per share saw a 31.5% increase to \$2.80.

As a local community bank, FNBM remains dedicated to supporting our customers. Beyond financial services, we serve as a strategic resource providing education on the economy, business trends, and risk mitigation related to fraud. Our team is built on deep industry expertise. The Commercial Relationship Banking Team collectively average 28 years of banking experience, branch managers average 26 years of experience, and the internal customer service departments represent over 300 years of industry expertise. By taking significant strides to improve operational efficiencies and welcoming talented professionals to our team, we strengthen our ability to serve our customers with excellence.

As we enter 2025, we remain committed to delivering sustainable growth and strong financial returns. Our focus on customer service and responsible banking practices will continue to drive our success. We are optimistic about the opportunities ahead and confident in our ability to navigate the evolving financial landscape.

FNBM's net interest margin and profitability continued to improve during the fourth quarter of 2024 resulting in an increase of First National Bancorp's stock value. As of December 31, 2024, the stock was valued at \$44.00 per share, an increase of 2.3% in the quarter and 7.3% for 2024.

We appreciate your trust and investment in First National Bank of Michigan. Your support enables us to remain a strong, community-focused financial institution. We look forward to another year of progress and shared success. If you have questions regarding FNBM stock, including buying or selling shares, please contact Stena Buck at 269-488-8858 or via email at sjbuck@fnbmichigan.bank.

Sincerely,



Daniel E. Bitzer
President & CEO

Larry D. Lueth
Chairman of the Board

Together, We are First.

Consolidated Balance Sheet (Unaudited) (in '000's)

Assets	12/31/2024	12/31/2023
Cash & due from banks	\$20,535	\$21,802
Investments	\$179,601	\$220,990
Loans		
Commercial loans	\$719,724	\$689,092
Residential mortgage loans	\$26,392	\$23,574
Consumer & other loans	\$464	\$650
Gross loans	\$746,580	\$713,316
Allowances for credit losses	(\$11,357)	(\$12,220)
Net loans	\$735,223	\$701,096
Fixed assets	\$5,852	\$6,259
Other assets	\$26,989	\$30,339
Total assets	\$968,200	\$980,486
Liabilities & Shareholders' Equity	12/31/2024	12/31/2023
Demand deposits	\$326,440	\$353,103
Savings deposits	\$210,712	\$191,080
Time deposits	\$263,397	\$233,788
Total deposits	\$800,549	\$777,971
Borrowings	\$80,000	\$121,800
Other liabilities	\$8,168	\$10,009
Total liabilities	\$888,717	\$909,780
Capital		
Common stock	\$15,026	\$16,253
Undivided profits	\$67,171	\$62,961
YTD net income	\$5,489	\$4,210
Unrealized gain(loss) on sec.	(\$8,203)	(\$12,718)
Total capital	\$79,483	\$70,706
Total liabilities & shareholders equity	\$968,200	\$980,486

Consolidated Income Statement (Unaudited) (in '000's)

	For the 12 months ended 12/31/2024	For the 12 months ended 12/31/2023
Interest income		
Loans	\$42,603	\$35,971
Loan fees	\$1,014	\$1,393
Investments	\$3,438	\$3,824
Fed funds & due from banks	\$896	\$1,133
Total interest income	\$47,951	\$42,321
Interest expense		
Deposits	\$20,967	\$14,066
Borrowings	\$4,951	\$4,589
Total interest expense	\$25,918	\$18,655
Provisions for credit losses	(\$863)	\$660
Net int. income after prov.	\$22,896	\$23,006
Non-interest income		
Fees and services charges	\$580	\$413
Mortgage referral fees	\$64	\$13
Investment referral fees	\$390	\$67
Other fees and income	\$749	\$934
Total non-interest income	\$1,783	\$1,427
Non-interest expense		
Employee compensation	11,147	11,587
Occupancy expense	\$1,512	\$1,532
Advertising expense	\$178	\$461
Equipment expense	\$538	\$537
Outside services	\$1,269	\$1,205
Other general expense	\$3,092	\$4,177
Total non-interest expenses	\$17,736	\$19,499
Net income before taxes	\$6,943	\$4,934
Federal income taxes	\$1,454	\$724
Net income	\$5,489	\$4,210
Pre Tax Pre Provision Net Income	\$6,080	\$5,594
Earnings per share	\$2.80	\$2.13
Return on average assets	0.6%	0.4%
Return on average equity	7.3%	6.4%