



Quarterly Report  
September 2025

# Letter To Our Shareholders

Dear Shareholders,

Your continued partnership and confidence in First National Bank of Michigan (FNBK) are deeply valued. As we close the third quarter ended September 30, 2025, we're pleased to share the highlights of our financial performance and the progress we've made toward our strategic goals.

First National Bank of Michigan reported strong financial results for the nine months ending September 30, 2025, with Net Income of \$5.4 million, representing an increase of 33.6% compared to \$4 million for the same period in 2024. Net Interest Income rose by 23.1%, totaling \$19.8 million compared to \$16.0 million last year. Our Pre-Tax, Pre-Provision Net Income—a key measure of core operating performance—grew by 66.1%, or \$2.9 million, reaching \$7.2 million for the first nine months of 2025. This improvement reflects strong net revenue growth combined with disciplined expense management, as Non-Interest Expenses increased by only 4.2% year over year.

We continued to grow our loan portfolio responsibly, with gross loans reaching \$782 million, up from \$740 million a year ago, an increase of 5.7%. This growth was supported by a strategic reduction in the Bank's investment portfolio, which decreased by 26.6%, from \$195 million in 2024 to \$143 million year-to-date. On the funding side, deposits increased by \$8.8 million from a year ago, reaching \$775 million at the end of the third quarter. The growth in deposits, combined with maturities in the investment portfolio, provided funding for loan growth while allowing borrowings to decrease by \$16.4 million, or 13.8%.

As First National Bank of Michigan continues to grow, so do our employees. In recent months, we have celebrated numerous promotions across the organization, reflecting the depth of talent and dedication within our team. Several individuals have advanced to new roles, expanding knowledge and expertise among all locations and further strengthening our ability to serve customers with excellence. We are proud of our team's continued growth—investing in our people ensures we deliver the exceptional banking experience our customers deserve and personifies the differentiating impact of community banking.

During the third quarter of 2025, FNBK continued to show improved profitability as the Bank's net interest margin has expanded each of the last five quarters. This solid performance supported an increase in value to \$47.50 per share as of September 30, 2025. This represents an increase of 5.6% from June 30, 2025, and 8.0% year-to-date. This compares favorably to the NASDAQ Bank Index and KRE Regional Bank Index which were up 3.0% and 6.6%, respectively for the quarter and 1.1% and 4.9% respectively year-to-date.

As always, we remain committed to transparency and open communication. For questions regarding FNBK stock—whether buying, selling, or general inquiries—please contact Stena Buck at 269-488-8858 or via email at [sjbuck@fnbmichigan.bank](mailto:sjbuck@fnbmichigan.bank).

Thank you for your continued support and confidence in First National Bank of Michigan.

Sincerely,



Daniel E. Bitzer  
President & CEO  
Chairman of the Board



James DeKruyter  
Lead Director

Together, We are First.

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

Assets	09/30/2025	09/30/2024
Cash & due from banks	\$25,863	\$16,069
Investments	\$143,199	\$195,039
Loans		
Commercial loans	\$755,318	\$712,373
Residential mortgage loans	\$26,325	\$27,042
Consumer & other loans	\$339	\$392
Gross loans	\$781,982	\$739,807
Allowances for credit losses	(\$11,873)	(\$11,614)
Net loans	\$770,109	\$728,193
Fixed assets	\$5,479	\$5,944
Other assets	\$25,682	\$27,146
Total assets	\$970,332	\$972,391

Liabilities & Shareholders' Equity	09/30/2025	09/30/2024
Demand deposits	\$328,026	\$312,528
Savings deposits	\$209,194	\$189,729
Time deposits	\$237,999	\$264,212
Total deposits	\$775,219	\$766,469
Borrowings	\$102,450	\$118,850
Other liabilities	\$7,089	\$7,807
Total liabilities	\$884,758	\$893,126
Capital		
Common stock	\$11,935	\$15,315
Undivided profits	\$72,660	\$67,170
YTD net income	\$5,399	\$4,042
Unrealized gain(loss) on sec.	(\$4,420)	(\$7,262)
Total capital	\$85,574	\$79,265
Total liabilities & shareholders equity	\$970,332	\$972,391

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

	For the 9 months ended 09/30/2025	For the 9 months ended 09/30/2024
Interest income		
Loans	\$33,668	\$31,633
Loan fees	\$703	\$723
Investments	\$2,365	\$2,606
Fed funds & due from banks	\$296	\$813
Total interest income	\$37,032	\$35,775
Interest expense		
Deposits	\$14,575	\$15,698
Borrowings	\$2,663	\$4,002
Total interest expense	\$17,238	\$19,700
Net Interest income	\$19,794	\$16,075
Provisions for credit losses	\$516	(\$606)
Net int. income after prov.	\$19,278	\$16,681
Non-interest income		
Fees and services charges	\$451	\$437
Mortgage referral fees	\$79	\$38
Investment referral fees	-	\$390
Other fees and income	\$589	\$545
Total non-interest income	\$1,119	\$1,410
Non-interest expense		
Employee compensation	\$8,711	\$8,362
Occupancy expense	\$1,193	\$1,132
Advertising expense	\$193	\$122
Equipment expense	\$407	\$396
Outside services	\$982	\$952
Other general expense	\$2,207	\$2,175
Total non-interest expenses	\$13,693	\$13,139
Net income before taxes	\$6,704	\$4,952
Federal income taxes	\$1,305	\$910
Net income	\$5,399	\$4,042
Pre Tax Pre Provision Net Income	\$7,220	\$4,346
Earnings per share	\$2.85	\$2.05
Return on average assets	0.75%	0.54%
Return on average equity	8.78%	7.31%

## Executive Team

**Daniel E. Bitzer**  
President &  
Chief Executive Officer

**Jefra Groendyk**  
Executive Vice President &  
Senior Lender

**Rick Jackson**  
Senior Vice President &  
Chief Credit Officer

**Matt Morgan**  
Senior Vice President &  
Chief Financial Officer

**Shaunna Padgett**  
Senior Vice President &  
Chief Operating Officer

## Market Leaders

**Greg Accardo**  
Market President, Holland

**Patty Barnas**  
Market President, Lansing

**Sam Drelles**  
Market Manager,  
Northern Michigan

**Mike Hollander**  
Market President, Grand Rapids

**Chris Mars**  
Market President, Kalamazoo

## Officers

**Sara Amy**  
Residential Lending

**Rochelle Anderson**  
Office Manager, Grand Rapids

**Kelsey Bailey**  
Branch Administration Manager

**Craig Bishop**  
Commercial Relationship  
Manager

**Jason Candelaria**  
Facilities & Equipment  
Support Specialist

**Kayla Chiamulera**  
Office Manager,  
Kalamazoo Downtown

**Brian Clark**  
Commercial Relationship  
Manager

**Nick Conley**  
Credit Manager

**Michelle Crane**  
Office Manager,  
Kalamazoo West

**Eric French**  
Branch Manager, Portage

**Paige Gardner**  
Credit Analyst

**Cheryl Germain**  
Controller

**David Gibbs**  
Branch Manager,  
Kalamazoo Downtown

**Jerry Hinga**  
Office 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

**Joe Ludy**  
Regional Branch Manager

**Kim Melvin**  
Private Banker

**Brian Mick**  
Commercial Relationship  
Manager

**Kirstyn Monroe**  
Commercial Relationship  
Manager

**Emily Newman**  
Loan Operations Manager

**Nickie Peters**  
Facilities Manager & Security  
Officer

**Jesse Prins**  
Commercial Relationship  
Manager

**Autumn Pulido**  
Office Manager

**Laura Reyna**  
Human Resources, Training & DEI  
Manager

**Tonya Schmitt**  
Treasury Management Support  
Specialist

**Charles Slauer**  
Commercial Relationship  
Manager

**Olivia Urwiller**  
Portfolio Manager

**Amy Vervaras**  
Regional Branch Manager

**Kevin Waldie**  
Compliance & Risk Manager

**Chris Williams**  
Treasury Management  
Relationship Manager

**Annie Wittenberg**  
Treasury Management  
Product Specialist

## Board of Directors

**Daniel E. Bitzer**  
Chairman

**Joseph Calvaruso**  
Director

**James DeKruyter**  
Lead Director

**James S. DeMoss**  
Director

**David G. Echelbarger**  
Director

**David L. Holmes**  
Director

**Ben Ipema**  
Director

**Bill Manns**  
Director

**Rachel S. Michaud**  
Director

**Sondra K. Phillips**  
Director

**Ginny Seyferth**  
Director

**Joshua T. Weiner**  
Director

## Directors Emeritus

**John M. Schreuder**  
Founding CEO, Honorary  
Chairman of the Board Emeritus

**Larry D. Lueth**  
Founding President, Honorary  
Chairman of the Board Emeritus

**Eric V. Brown, Jr.**  
Founding Director, Honorary  
Director Emeritus



# Thoughts from Our Customers

“

It is refreshing to put the term “relationship” back into a business partnership. I moved my business accounts and line of credit to FNB. The Treasury Management features were what I needed. Thank you to the Treasury Management team for their patience and guidance. After several months of positive experiences, I moved my personal banking as well.”



- Doug Huizenga,  
NewCNC Inc.

“

First National Bank of Michigan has proven to be a valuable and dependable banking partner for Indian Trails. Their staff is always quick to respond, while their digital tools and resources make it easy for us to manage our business.”



- Chad Cushman,  
Indian Trails, Inc.

[fnbmichigan.bank](https://fnbmichigan.bank)  
Local Commercial and Personal Banking

Kalamazoo | Portage | Grand Rapids | Lansing |  
Holland | Northern Michigan (Loan Production Office)



Member  
**FDIC**