



Quarterly Report  
March 2026

# Letter To Our Shareholders

Dear Shareholders,

As we conclude the first quarter of 2026, we want to thank you for your continued trust and investment in First National Bank of Michigan ("FNBM"). Your support remains fundamental to our ability to grow and serve our communities.

In the quarter ending March 31, 2026, FNBM experienced significant growth compared to the previous year, reflecting our focus on building strong relationships and delivering value to our clients. Gross loans increased 9.7% to \$825.5 million. Net Interest Income increased 23.7% to \$7.7 million. Net income increased 44.8%, to \$2.3 million, a \$1.6 million improvement over the same period in the previous year. Pre Tax Pre Provision Net income grew to \$3.2 million, a substantial 58.9% increase, while earnings per share saw a 47.6% increase to \$1.23. Within the next year, 40% of the Bank's earning assets will reprice to further improve net interest margins. FNBM closed out the first quarter of 2026 with strong growth and other positive financial indicators, as compared to the previous calendar year. Our disciplined approach to credit quality and risk management has allowed us to maintain a strong balance sheet.

As of March 31, 2026, FNBM's stock was valued at \$52.00 per share, an increase of 4.0% from the December 31, 2025 value of \$50.00 per share. This increase was supported by the continued strong upward trend of the company's net income and book value. FNBM's first quarter increase also compared favorably to publicly traded bank stocks, which were negatively impacted by higher oil prices, inflation fears, and higher interest rates. During the first quarter of 2026 the NASDAQ Bank Index was down 0.34% and KRE Regional Bank Index was up only 0.52%.

We are pleased to announce the addition of two talented commercial bankers, Shain Showers and Simay Newell, to our Grand Rapids market. Each brings nine years of banking experience, with strong backgrounds in commercial lending, relationship management, and business development. Their shared commitment to relationship-focused banking aligns closely with our values and will be a tremendous asset to our organization.

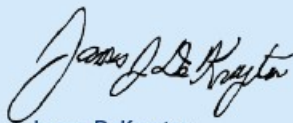
First National Bank of Michigan is happy to announce that our Board of Directors approved the payment of our first cash dividend to all shareholders of record as of March 31, 2026. This cash dividend celebrates our 20th anniversary since opening in 2006 and rewards our shareholders for their support of our company over those years. We hope you see this as a sign of strength and optimism for continued success of FNBM. The cash payment will be equal to \$1.00 per share and will be distributed on April 13. It should be considered as one more piece of the overall return on your investment in the company's stock. The payment and amount of future cash dividends will be dependent on the financial condition, capital levels, current earnings, and projected earnings of FNBM, and as such, future cash dividends cannot be guaranteed. We hope you share our excitement about this cash dividend and the future of our company.

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](mailto:sjbuck@fnbmichigan.bank).

Together, We are First.



Daniel E. Bitzer  
President & CEO  
Chairman of the Board



James DeKruyter  
Lead Director

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

Assets	03/31/2026	03/31/2025
Cash & due from banks	\$13,019	\$11,873
Investments	\$121,077	\$172,952
Loans		
Commercial loans	\$800,013	\$725,787
Residential mortgage loans	\$25,153	\$26,571
Consumer & other loans	\$344	\$9
Gross loans	\$825,510	\$752,367
Allowances for credit losses	(\$12,566)	(\$11,423)
Net loans	\$812,944	\$740,944
Fixed assets	\$8,827	\$5,756
Other assets	\$25,482	\$26,689
Total assets	\$981,349	\$958,214

Liabilities & Shareholders' Equity	03/31/2026	03/31/2025
Demand deposits	\$330,519	\$313,146
Savings deposits	\$206,351	\$206,173
Time deposits	\$223,521	\$249,020
Total deposits	\$760,391	\$768,339
Borrowings	\$125,100	\$101,700
Other liabilities	\$6,405	\$7,405
Total liabilities	\$891,896	\$877,444
Capital		
Common stock & paid in capital	\$10,675	\$13,208
Undivided profits	\$80,027	\$73,803
YTD net income	\$2,254	\$415
Unrealized gain(loss) on sec.	(\$3,504)	(\$6,656)
Total capital	\$89,452	\$80,770
Total liabilities & shareholders equity	\$981,348	\$958,214

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

	For the 3 months ended 03/31/2026	For the 3 months ended 03/31/2025
Interest income		
Loans	\$11,762	\$10,763
Loan fees	\$304	\$246
Investments	\$675	\$818
Fed funds & due from banks	\$102	\$128
Total interest income	\$12,843	\$11,955
Interest expense		
Deposits	\$4,285	\$4,980
Borrowings	\$864	\$755
Total interest expense	\$5,149	\$5,735
Net Interest income	\$7,694	\$6,220
Provisions for credit losses	\$482	\$66
Net int. income after prov.	\$7,212	\$6,154
Non-interest income		
Fees and services charges	\$170	\$149
Mortgage referral fees	\$28	\$20
Investment referral fees	-	-
Other fees and income	\$211	\$189
Total non-interest income	\$409	\$358
Non-interest expense		
Employee compensation	\$3,026	\$2,887
Occupancy expense	\$457	\$395
Advertising expense	\$109	\$51
Equipment expense	\$146	\$121
Outside services	\$336	\$328
Other general expense	\$790	\$758
Total non-interest expenses	\$4,864	\$4,540
Net income before taxes	\$2,757	\$1,972
Federal income taxes	\$503	\$415
Net income	\$2,254	\$1,557
Pre Tax Pre Provision Net Income	\$3,239	\$2,038
Earnings per share	\$1.23	\$0.84
Return on average assets	0.93%	0.66%
Return on average equity	10.22%	7.91%

## Executive Team

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

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

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

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

**Kalani Ballinger**  
BSA Compliance and Risk  
Specialist

**Kathryn Ballinger**  
Senior Credit Analyst

**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**  
Senior Credit Analyst

**Cheryl Germain**  
Controller

**David Gibbs**  
Branch Manager,  
Kalamazoo Downtown

**Jerry Hinga**  
Office Manager,  
Portage

**Tim Hoekstra**  
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

**Brian Mick**  
Commercial Relationship  
Manager

**Kirstyn Monroe**  
Commercial Relationship  
Manager

**Emily Newman**  
Loan Operations Manager

**Simay Newell**  
Commercial Relationship  
Manager

**Nickie Peters**  
Facilities Manager & Security  
Officer

**Jesse Prins**  
Commercial Relationship  
Manager

**Autumn Pulido**  
Office Manager, Lansing

**Laura Reyna**  
Human Resources & Training  
Manager

**Shain Showers**  
Commercial Relationship  
Manager

**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

**Glnny Seyferth**  
Director

**Joshua T. Welner**  
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

“

We looked into many options when we purchased the property for our new location. What set FNBM apart was their experience, knowledge, and wisdom regarding small business. Their ties to our community were invaluable in helping us navigate all of the details of the purchase.”



- Rich Burkholder,  
Avalon Music Academy

“

The product lines offered by FNBM are highly competitive and are designed to protect the assets of their customers. Their team is knowledgeable, highly responsive and takes care of our banking needs so that we can focus on providing successful outcomes for our clients.”



- Jeff Tippett  
Truscott Rossman Group

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

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



Member  
**FDIC**