

Thoughts from Our Customers

“ I've always preferred working with a local bank with real people I know who respond to me in a timely manner. Our recent business acquisition required an SBA loan which is a demanding process. The First National Bank of Michigan team came together to help i3 both grow and extend job creation right here in West Michigan.”



- Mike Ritsema,
i3 Business Solutions

“ 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 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.

“ The Bank's focus is on relationships that involve the prosperity and growth of the local community. FNBM has helped us navigate through capital expenditures and structuring the best and most economical way to execute on that capital.”



- Tim Tyler
Borroughs Corporation

“ We have partnered with FNBM for over 15 years now. They share our “relationship first” approach to client care, which we greatly appreciate, and earned our trust through honest interactions from corporate to personal finance needs throughout our time with them. Their teams have always been there when we have needed them without question. Excellent service and integrity throughout!”



- Kurt Steensma,
Steensma Lawn & Power Equipment Inc.

“ First National Bank of Michigan has played a significant role in allowing our business to thrive over the years. We value the integrity, honesty and win-win approach they have taken when evaluating our borrowing needs. We look forward to many more years of a successful relationship.”



- Brandon Kaufman
Vision Quest Consulting, Inc.

First National Bank of Michigan Locations

Kalamazoo

348 W. Michigan Ave.
Kalamazoo, MI 49007

Kalamazoo West

5313 W. Main St.
Kalamazoo, MI 49009

Portage

2700 W. Centre Ave.
Portage, MI 49024

Grand Rapids

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

Holland

1 West 8th St.
Holland, MI 49423

Lansing

101 S. Washington Square

Northern Michigan

Loan Production Office

Driving Action in 2025

7 Communities

Served

More Than 240

Local Organizations
Supported by FNBM

1,333

Hours Of FNBM
Employee Volunteer Time

Over 1,200

food insecure
families positively impacted

\$244,000

in donations to the
communities we serve



Annual Report
2025

Letter To Our Shareholders

On behalf of the leadership team and Board of Directors, we are pleased to present the 2025 Annual Report and share the continued progress of First National Bank of Michigan. Your trust and long-term support remain central to our success, and we are proud to report a year marked by meaningful financial growth, disciplined management, and continued expansion of our lending and banking services.

During 2025, the Bank delivered strong earnings growth driven by a combination of loan portfolio expansion, improved asset yields, and disciplined expense management. Net interest income increased to \$27.3 million for the year ending December 31, 2025, compared to \$22.0 million in 2024, representing an increase of \$5.3 million, or approximately 23.8%. Net income for the year totaled \$7.4 million, up from \$5.5 million in 2024, representing an increase of \$1.9 million, or approximately 34.2%. Pre-tax, pre-provision income also showed significant growth, rising to \$10.1 million in 2025 from \$6.1 million in 2024, an increase of \$4.0 million, or approximately 65.8%.

Our lending activity remained robust throughout the year. Gross loans increased to \$813.0 million as of December 31, 2025, compared to \$746.2 million at the end of 2024, representing growth of \$66.8 million, or approximately 8.9%. Total assets grew to \$985.0 million at year-end 2025, compared with \$967.7 million at the end of 2024, an increase of \$17.3 million, or approximately 1.8%.

The progress achieved in 2025 is the result of the dedication of our employees, the loyalty of our customers, and the confidence of our shareholders. As we look ahead, First National Bank of Michigan remains focused on responsible growth, prudent risk management, and delivering high-quality financial services that strengthen the communities we serve.

April 12, 2026, marks the 20th anniversary of First National Bank of Michigan, founded by Larry D. Lueth and John M. Schreuder with a vision of building a truly local financial institution. Two decades later, we are proud to have stayed true to those roots. From the beginning, our commitment has been to serve our communities with decisions made locally by people who understand the needs of our customers. That commitment remains unchanged. While we have grown and evolved over the years, our focus on local leadership, local relationships, and meaningful community impact continues to define who we are and guide everything we do.

As of December 31, 2025, FNBM's stock was valued at \$50.00 per share, an increase of 5.3% from the September 30, 2025 value of \$47.50 per share. FNBM's stock value increased 13.6% for the full year 2025. This compares favorably to the NASDAQ Bank Index and KRE Regional Bank Index which were up 4.2% and 7.4%, respectively during 2025. FNBM's stock increase was supported by a 16% increase in Tangible Book Value Per Share.

We thank you for your continued support and investment in the future of First National Bank of Michigan. 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.

Together, We are First.

Sincerely,



Daniel E. Bitzer
President & CEO
Chairman of the Board

James DeKruyter
Lead Director

Executive Leadership 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

2025–2024 Financial Review

For the Year

	2025	2024
Net interest income	\$27,272,000	\$22,033,000
Provisions for credit losses	\$875,000	(\$863,000)
Non-interest income	\$1,510,000	\$1,783,000
Non-interest expense	\$18,700,000	\$17,736,000
Income tax expense	\$1,840,000	\$1,454,000
Net income	\$7,367,000	\$5,489,000
Pre-tax pre-provision	\$10,082,000	\$6,080,000

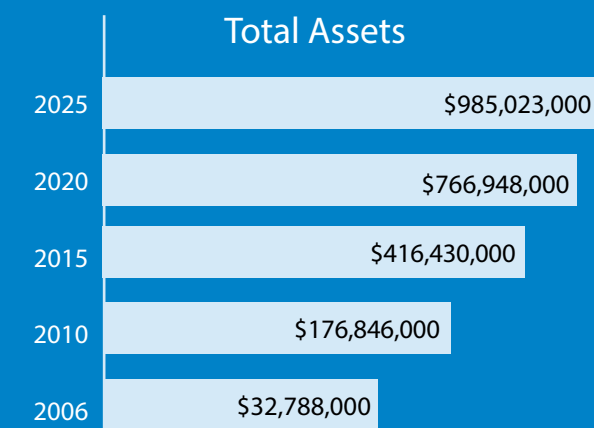
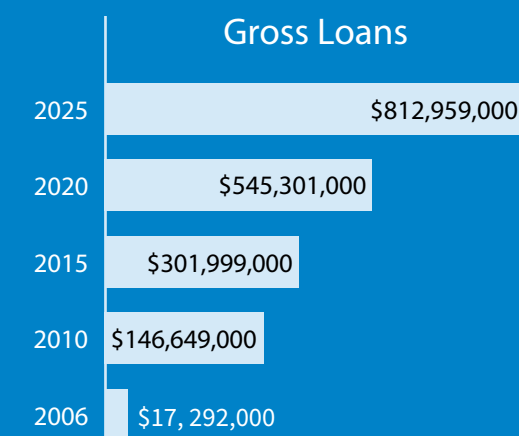
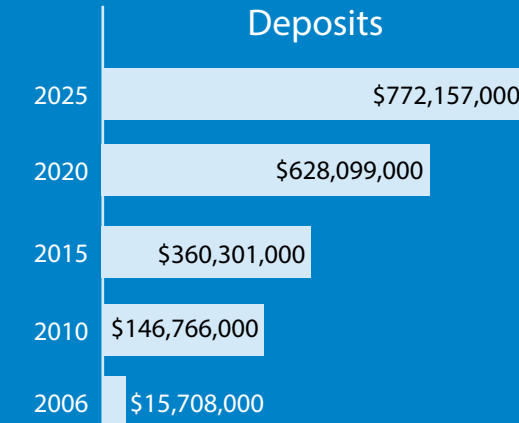
At Year End

	2025	2024
Cash and investments	\$150,001,000	\$196,756,000
Gross loans	\$812,959,000	\$746,235,000
Allowances for credit losses	(\$10,838,000)	(\$10,356,000)
Other assets	\$32,901,000	\$35,016,000
Total assets	\$985,023,000	\$967,651,000

Deposits	\$772,157,000	\$800,549,000
Borrowings	\$116,518,000	\$78,580,000
Other liabilities	\$8,271,000	\$9,039,000
Shareholders' equity	\$88,077,000	\$79,483,000
Total liabilities and shareholders' equity	\$985,023,000	\$967,651,000

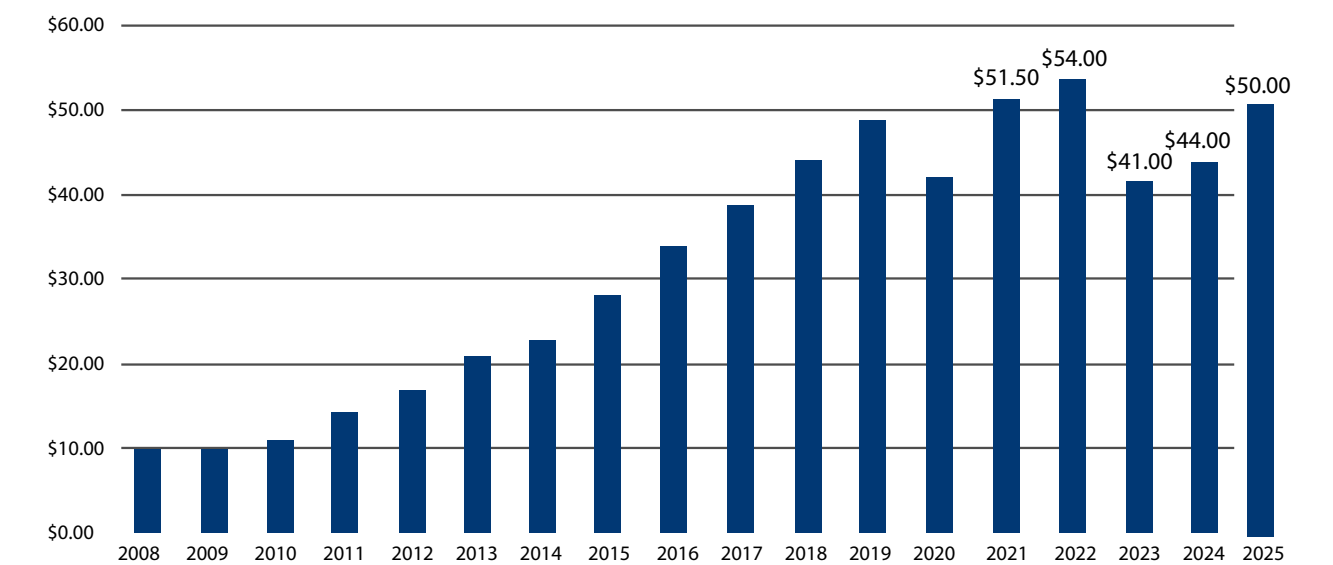
Ratios

	2025	2024
Return on average assets	0.76%	0.56%
Return on average equity	8.83%	7.30%
Total risk-based capital ratio	12.09%	11.96%



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



Sam Drelles
Senior Vice President,
Commercial Relationship Manager,
Northern Michigan



Mike Hollander
Senior Vice President,
Market President,
Grand Rapids



Chris Mars
Senior Vice President,
Market President,
Kalamazoo

Board of Directors

Daniel E. Bitzer
Joseph Calvaruso
James DeKruyter
James S. DeMoss
David G. Echelbarger
David L. Holmes

Ben Ipema
Bill Manns
Rachel S. Michaud
Sondra K. Phillips
Ginny Seyferth
Joshua T. Weiner

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