GRAND RIVER
COMMERCE, INC.

FINANCIAL STATEMENT

Quarter Ending
March 31, 2022

GRAND RIVER
COMMERCE, INC.

March 31, 2022

To Our Shareholders:

We are pleased to present the results of operations for Grand River Commerce, Inc. (the "Company") and Grand River Bank (the "Bank") for the three-month period ended March 31,2022. As of March 31, 2022, total assets of the Company stood at $476 million, a decrease of $13 million from year-end 2021. The slight shrinkage was primarily attributable to the expected repayment of Paycheck Protection Program ("PPP") loans and the continued winding down of that highly successful program. We also experienced an anticipated reduction in deposits as customers deployed cash to fund investments, repay debt and purchase goods and services. On the other side of the balance sheet, our loan portfolio grew $9.2 million, or 9.7%, during the first quarter.

As reported to you previously, we rigorously monitor the performance of our loan portfolio. Careful management of our lending relationships is always prudent and even more so as we assess the consequences economic instability and uncertainty. Historically, our portfolio has performed exceptionally well. That continues to be the case, with negligible delinquency, no charge-offs and only two well-managed, relatively small non-performing loan relationships.

At quarter-end, our allowance for loan losses, net of fully-guaranteed PPP loans, stood at 1.25%, compared to 1.29% at year-end. Following industry standards, we calculate our reserve, in part, by applying quantitative and qualitative factors, including lagging indicators that represent overall economic conditions and trends. The nominal decrease in our reserve percentage is primarily the result of continued improvement in those economic indicators. Those strengthening indicators favorably impacted the calculation, resulting in a lower provision expense despite growth in the portfolio. On a gross basis, the allowance at quarter-end was 1.24%.

From an earnings perspective, the Company and the Bank reported pre-tax net income of $8,000 and $261,000, respectively, as of March 31, 2022. Company income was impacted by planned expenses associated with the formation of GRMC, a wholly-owned subsidiary that, when fully operational later this year, will engage in mortgage lending on a nationwide basis. As noted in our year-end 2021 report, the Bank's directors, following thorough analysis and due diligence, the board approved the formation of GRMC late last year. Subsequently, an outstanding leader with a long a successful track record of forming and operating companies of this nature, was hired to spearhead the project. In turn, he has recruited similarly well-qualified and highly experienced mortgage professionals to form a core management group. Working in concert with their Bank counterparts, the GRMC team is on schedule with infrastructure buildout and lender recruitment. We anticipate that GRMC will begin to generate revenue from loan originations during the third quarter and is expected to quickly recapture its startup expense.

Our financial modelling for GRMC anticipated rising mortgage rates and broad home inventory supply/demand imbalances (more buyers than homes available for sale) across the country. Despite those headwinds – and others – our conservative forecasts produced favorable results, largely as a result of the skill and experience of the GRMC leadership team. We believe that GRMC will provide additional resources to further support the growth and development of our core banking franchise, will create team member growth opportunities and, most importantly, will significantly and expeditiously translate into added value for our shareholders.

Led by a reduction in interest expense and growth in earning assets, net interest income increased $216,000, or 6.9%, on a year-over-year basis. This increase more than compensated for the $417,000 year-over-year decrease in PPP-related fee income which, in accordance with accounting standards, is recognized over the life of the loans. In fact, the program worked as intended and virtually all PPP loans that we originated have been forgiven. As a result, fees on those loans now have little impact upon interest income.

Non-interest income declined 78% from last year, primarily due to a reduction in the volume of residential mortgage loans sold to secondary market investors and lower aggregate fees realized from those sales. Rising interest rates and a continued supply/demand imbalance may further distort local market dynamics, contribute to production limitations over which we have no control and diminish the contribution from our West Michigan mortgage unit in future reporting periods.

Non-interest expense increased $795,000, or 28%, year-over-year. Approximately $140,000 of the increase resulted from deferred salaries and benefit expenses associated with the second round of PPP lending in 2021. As with PPP-related fee income, origination costs are recognized over the lives of the loans. Funds for PPP expired in 2021 and no additional loans will be made under that program. Net of these PPP-related expenses, the year-over-year NIE increase was 23%, the bulk of which is attributable to startup expenses for GRMC, as referenced earlier in this letter.

Maintaining capital ratios that meet or exceed the regulatory definition of well-capitalized continues to be a priority. As has been the case since its inception, the Bank again met those requirements as of March 31, 2022. The Company also holds reserves that can further support the growth of the Bank and the Company and provide a cushion in the event of unanticipated economic pressure.

Grand River Bank continues to be a West Michigan employer-of-choice and GRMC is quickly earning that distinction among nationwide mortgage companies. Our team members and our board of directors make our Bank a premier financial partner to all those who rely upon us and we're deeply grateful to each of them.

Our financial results are always available via the Investor Relations section of our website, www.grandriverbank.com. We encourage you to use this comprehensive resource to track our performance and to gain valuable information about your investment in our Company. Thank you for your investment and your continued support.

Sincerely,

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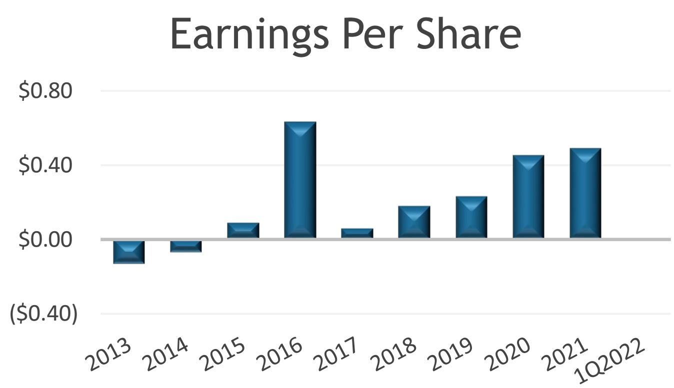
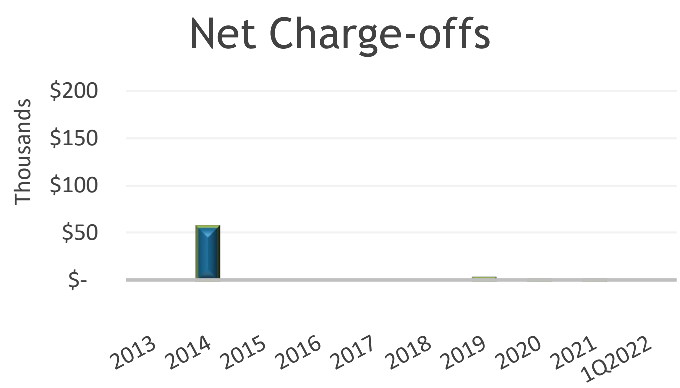
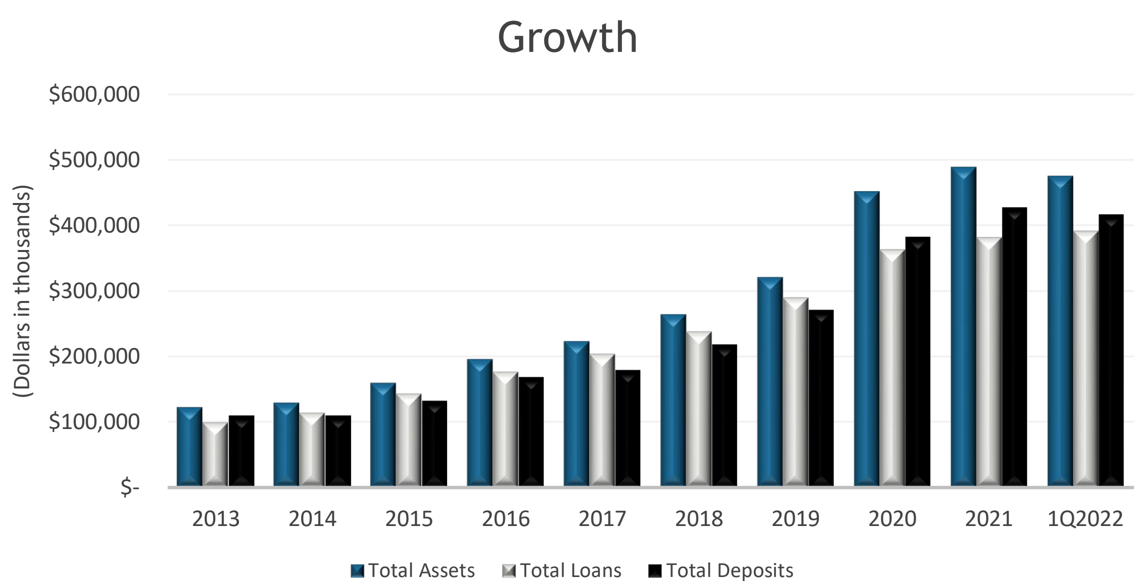
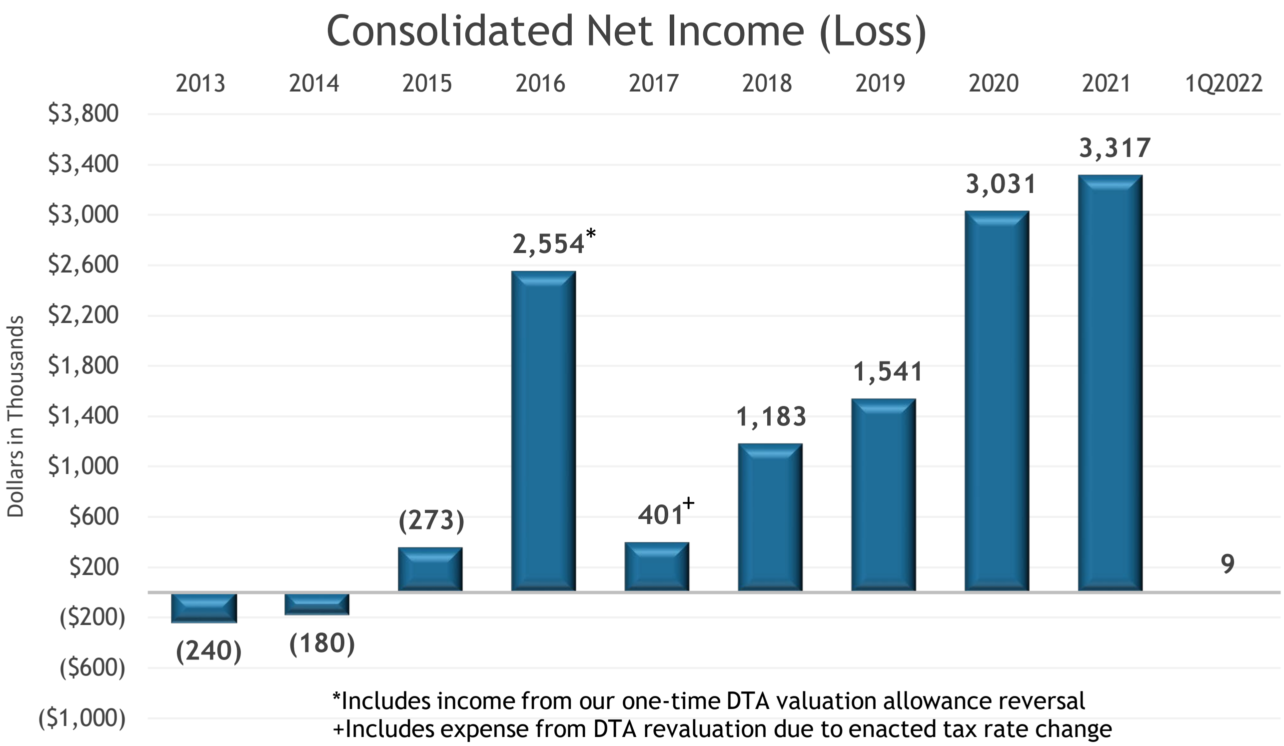
Key ratios

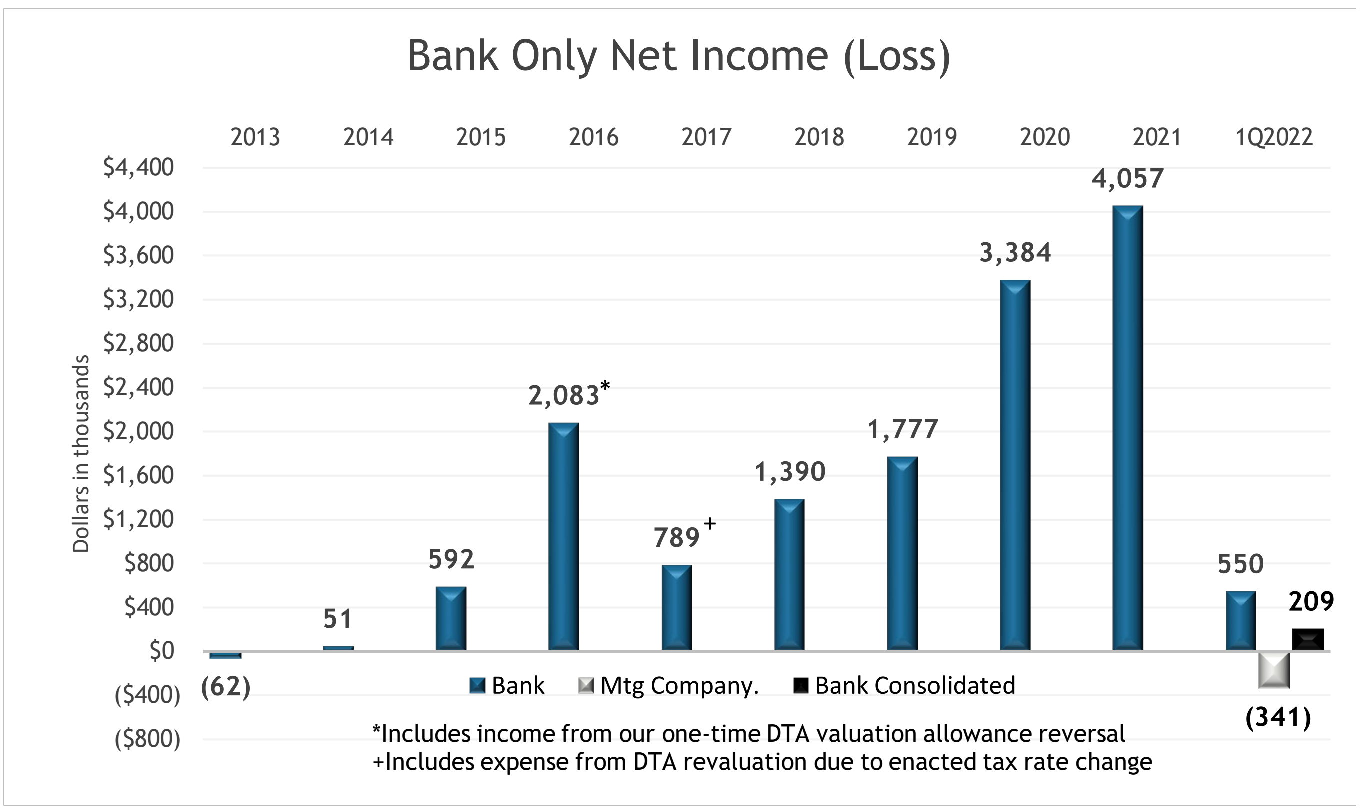

Earnings Per Share
$0.80
$0.40
$0.00
($0.40)
2013
2014
2015
2016
2017
2018
2019
2020
2021
1Q2022


Net Charge-offs
Thousands
$200
$150
$100
$50
$-
2013
2014
2015
2016
2017
2018
2019
2020
2021
1Q2022


Growth
(Dollars in thousands)
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$-
2013
2014
2015
2016
2017
2018
2019
2020
2021
1Q2022
Total Assets
Total Loans
Total Deposits

Key ratios (continued)





Grand River Commerce, Inc.

Selected Financial Data*

(dollars in thousands, except share data)	*For the three months ended March 31,* 2022	*For the year ended December 31,* 2021	2020	2019	2018
Summary Income Statement Data:					
Total interest income	$ 3,868	$ 16,085	$ 15,085	$ 13,189	$ 10,415
Total interest expense	499	2,530	3,859	4,300	2,434
Net interest income	3,369	13,555	11,226	8,889	7,981
Provision for loan losses	-	160	1,531	536	273
Non interest income	272	3,181	4,314	1,789	679
Non interest expense	3,633	12,333	10,136	8,177	6,881
Income (loss) before income taxes	8	4,243	3,873	1,965	1,506
Income tax expense	(1)	926	842	424	323
Net income (loss)	9	3,317	3,031	1,541	1,183
Pre-provision / Pre-tax income	8	4,403	5,404	2,501	1,779
Per Share Income Data:					
Shares outstanding - ending	6,859,968	6,761,758	6,731,809	6,733,809	6,713,809
Shares outstanding - average	6,804,120	6,749,388	6,733,633	6,727,211	6,707,220
Shares outstanding - diluted average	7,026,850	7,103,892	7,078,933	7,072,511	7,095,261
Earnings per common share	$ 0.00	$ 0.49	$ 0.45	$ 0.23	$ 0.18
Cash dividends per share	-	-	-	-	-
Share market high / low YTD	7.00-7.39	5.05-7.75	4.20-6.35	5.70-8.10	5.85 - 6.50
Closing share price	7.00	7.50	5.05	5.75	6.24
Book value per share	6.47	6.72	6.28	5.81	5.55
Tangible book value per share	6.47	6.72	6.09	5.70	5.46
Share price to book	108%	112%	80%	99%	112%
Selected Balance Sheet Data:					
Total assets	$ 475,993	$ 489,452	$ 451,919	$ 321,326	$ 264,321
Loans, net of allowance for loan losses	386,535	377,343	358,500	286,723	236,062
Memo: Paycheck Protection Program Loans (Net of Unearned Fees and Costs	2,077	4,287	47,286	-	-
Total deposits	416,567	427,859	382,864	270,962	218,914
Shareholder's equity	44,374	45,437	42,244	39,104	37,277
Bank Asset Quality Data:					
Nonperforming Assets	$ 1,560	$ 1,311	$ -	$ -	$ -
NPAs/ Assets	0.3%	0%	0%	0%	0%
NPAs & 90+ PD/ Assets	0.3%	0%	0%	0%	0%
Nonaccrual & 90+ & OREO/ Assets	0.0%	0%	0%	0%	0%
NCOs/ Avg Loans	0.0%	0%	0%	0%	0%
Loan Loss Reserves/ Gross Loans	1.24%	1.27%	1.30%	1.10%	1.10%
Performance Ratios:					
Return on average shareholder's equity	0.08%	7.54%	7.51%	4.04%	3.24%
Return on average assets	0.01%	0.69%	0.76%	0.52%	0.49%
Avg. shareholders' equity to avg. assets	9.14%	9.19%	10.12%	12.91%	15.09%
Asset Growth Rate Annualized	-11%	8%	41%	22%	18%
Efficiency ratio	99.78%	73.69%	65.23%	76.58%	79.46%
Bank Regulatory Capital Ratios:					
Common equity tier 1 capital ratio	10.97%	11.14%	12.61%	11.28%	11.21%
Tier 1 leverage capital ratio	9.24%	8.87%	9.12%	10.50%	10.48%
Tier 1 risk based capital ratio	10.97%	11.14%	12.61%	11.28%	11.21%
Total risk based capital ratio	12.16%	12.36%	13.86%	12.33%	12.29%
Capital Buffer	4.16%	4.36%	5.86%	4.33%	4.29%
YTD average assets	**$ 482,412**	**$ 478,673**	**$ 398,858**	**$ 295,619**	**$ 242,043**
YTD average equity	**$ 44,081**	**$ 44,000**	**$ 40,381**	**$ 38,178**	**$ 36,523**

*Source: unaudited

Balance Sheet*
Grand River Commerce, Inc.

		3/31/2022		12/31/2021		$ Change
Assets						
Cash and due from banks	$	62,134	$	83,586	$	(21,452)
Federal funds sold		416		737		(321)
Total Cash and Cash Equivalents		62,550		84,323		(21,773)
Securities, available for sale		17,783		18,101		(318)
FHLB & FRB stock, at cost		1,484		1,488		(4)
Loans held for sale		1,002		1,014		(12)
Paycheck Protection Program Loans (net of unearned fees and costs)		2,077		4,177		(2,100)
All Other Loans		389,324		378,032		11,292
Less: allowance for loan losses		4,866		4,866		-
Net Loans		386,535		377,343		9,192
Premises and equipment, net		2,512		2,335		177
DTA, net		976		976		-
Interest receivable and other assets		3,151		3,872		(721)
Total assets	**$**	**475,993**	**$**	**489,452**	**$**	**(13,459)**
Liabilities						
Non-interest bearing deposits		106,854		107,899		(1,045)
Interest bearing deposits		309,713		319,960		(10,247)
Total Deposits		416,567		427,859		(11,292)
FHLB borrowings		4,500		4,500		-
Fed Funds Purchased & Other Borrowings		-		-		-
Interest payable and other liabilities		2,526		3,637		(1,111)
Subordinated Debt		8,026		8,019		7
Total liabilities		431,619		444,015		(12,396)
Equity						
Common stock		69		68		1
Additional paid-in capital		38,480		38,236		244
Additional paid-in capital Warrants		1,636		1,256		380
Retained Earnings(Accumulated deficit)		6,005		5,996		9
Accumulated other comprehensive income(loss)		(1,816)		(119)		(1,697)
Total equity		44,374		45,437		(1,063)
Total liabilities and equity	**$**	**475,993**	**$**	**489,452**	**$**	**(13,459)**

*Source: 2022 unaudited; 2021: condensed from audited financial statements.

Statement of Operations*
Grand River Commerce, Inc.

	YTD 3/31/2022	YTD 3/31/2021	$ Change
Interest Income			
Loans, including fees	$ 3,738	$ 3,788	$ (50)
Securities	93	64	29
Federal funds sold and other income	37	18	19
Total interest income	3,868	3,870	(2)
Interest Expense			
Deposits	347	556	(209)
Borrowings	152	161	(9)
Total interest expense	499	717	(218)
Net interest income	3,369	3,153	216
Provision for loan losses	-	64	(64)
Net interest income after provision for loan losses	3,369	3,089	280
Non-interest income			
Service charges and other fees	10	8	2
Gain on sale of loans	206	1,163	(957)
Other income	56	82	(26)
Total non-interest income	272	1,253	(981)
Non-interest expense			
Salaries and benefits	2,595	1,935	660
Occupancy & equipment expense	247	205	42
Data processing & computer support	83	70	13
Professional Services	147	141	6
Insurance	93	90	3
Software	121	80	41
Other	347	317	30
Total non-interest expense	3,633	2,838	795
Income before taxes	**$ 8**	**$ 1,504**	**$ (1,496)**
Income tax expense	(1)	327	(328)
Net income	**$ 9**	**$ 1,177**	**$ (1,168)**

*Source: unaudited