

GRAND RIVER
COMMERCE, INC.



FINANCIAL STATEMENTS

QUARTER ENDED MARCH 31

2025



April 30, 2025

Dear Shareholders,

We are pleased to report for your review the unaudited results of operations for Grand River Commerce, Inc. (the “Company”) and Grand River Bank (the “Bank”), for the three-month period ended March 31, 2025.

Financial Recovery - Profitability Regained

In our letter which accompanied the 2024 audited financial statement, we summarized strategic initiatives for improving financial results for the Bank and Company. We have regained profitability at the Company level, marking a significant milestone in our recovery journey.

We remain committed to our strategic plan and delivering improved value to our shareholders. Our focus on financial discipline, operational excellence, and prudent risk management will continue to drive our results.

Financial Results for 1st Quarter 2025

As of March 31, 2025, total assets of the Company stood at \$517 million, a decrease of \$7.5 million from year-end 2024, which fits within our strategic plan to further strengthen performance this year, as referenced in the recent annual report. Incidentally, current loan demand across the industry remains soft compared to historical periods. Borrowers continue to delay significant projects and purchases due to uncertainty regarding the rate environment. Additionally, economic concerns regarding recent tariff announcements and shifts in the country’s international relations have likely added to these delays. Residential mortgage production continues to be hampered by elevated interest rates and short housing supply in our market. This softening in demand, coupled with our strategic initiative to shift the portfolio’s mix to increased commercial and industrial lending, has resulted in a \$14.2 million decrease in loan balances, since year end 2024.

Asset quality, a leading indicator of the fundamental strength of our Bank, remains strong. Delinquency is nominal and non-performing loans, as a percentage of the portfolio, remain low, at 0.3%. Our clean, well-performing portfolio allows us to avoid the distraction, expense and losses associated with troubled credits.

The wind up of Grand River Mortgage Company, LLC (GRMC) continues to progress as planned. Its negative impact on the operations of the Company as a whole was de minimis in the first quarter of 2025. A net loss of \$3,000 has been recognized so far this year compared to \$108,000 for the same period of 2024. The Bank results also continue to improve in 2025. Bank only net income rose to \$368,000, compared to \$113,000 in the same period last year. At the Company level, net income of \$56,000 compares favorably to the \$316,000 loss in the 1st quarter last year.

The initiatives we have implemented continue and are producing the desired results. Growth of the net interest margin has led to increased net interest income. We have managed the balance

sheet to anticipate modest rate fluctuations, but if rates remain stable or decrease, we expect to report continued margin improvement throughout the remainder of 2025.

Year-over-year, non-interest income declined \$111,000, primarily as a consequence of lower fee income tied to customer rate swap transactions and less gain on sale of loans. Both sources of income are impacted by interest rates and other economic factors. Management is focused on opportunities to increase the generation of non-interest income in the remainder of 2025 through improved sales efforts.

Prudent management of non-interest expenses is a top priority for the Company. Initiatives implemented to reduce these costs have shown results. Non-interest expense for continuing operations has declined \$265,000 or 7.5% in 1st quarter results year over year.

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 performance and to gain valuable information about your investment in our Company.

We remain committed to the improvement of our performance trajectory and are encouraged by our results to date.

We appreciate your continued support and confidence in our Bank. Together, we are building a stronger, more resilient institution that is poised for sustained growth and profitability.

Thank you for your trust and partnership.

Sincerely,



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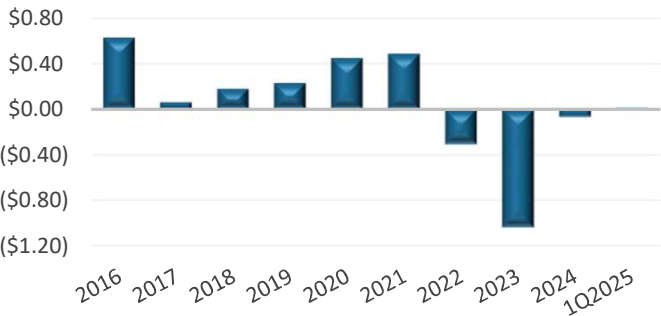
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Forward looking statements

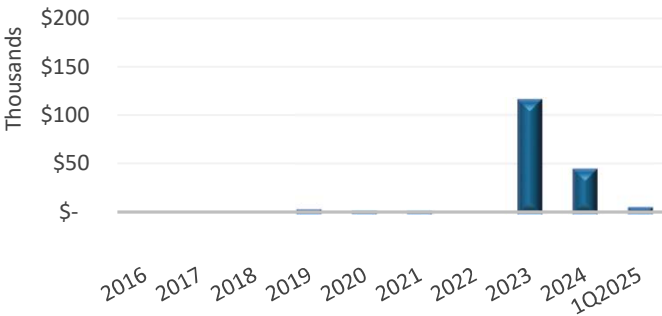
Certain statements contained in this presentation are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to significant risks and uncertainties. Forward-looking statements include information concerning our future results, interest rates, loan and deposit growth, operations, new branch openings and business strategy. These statements often included words such as “may,” “will,” “believe,” “expect,” “anticipate,” “predict,” “intend,” “plan,” “estimate,” or “continue” or the negative thereof or other variations thereon or comparable terminology. As you consider forward-looking statements, you should understand that these statements are not guarantees of future performance or results. They involve risks, uncertainties and assumptions that could cause actual results to differ materially from those in the forward-looking statements. These factors include but are not limited to: (i) the continuing strength of our existing business, which may be affected by various factors, including but not limited to interest rate fluctuations, level of delinquencies, defaults and prepayments by our borrowers, general economic conditions and conditions specifically related to the financial and credit markets, legislative and regulatory changes in banking, securities and tax laws, regulations and their application by our regulators, our competition; and (ii) the risks and uncertainties discussed in this quarterly report, Dated April 30, 2025; and (iii) the risks and uncertainties set forth from time to time in the Company’s other published reports and public statements. You should keep in mind that any forward-looking statements speak only as of the date on which they were made. New risks and uncertainties come up from time to time and it is impossible for us to predict these events or how they may affect us. We do not intend to update or revise any forward-looking statements after the date on which they are made. In light of all of the foregoing risks and uncertainties, you should keep in mind that any forward-looking statement made in this presentation may not reflect actual future results.

Key ratios

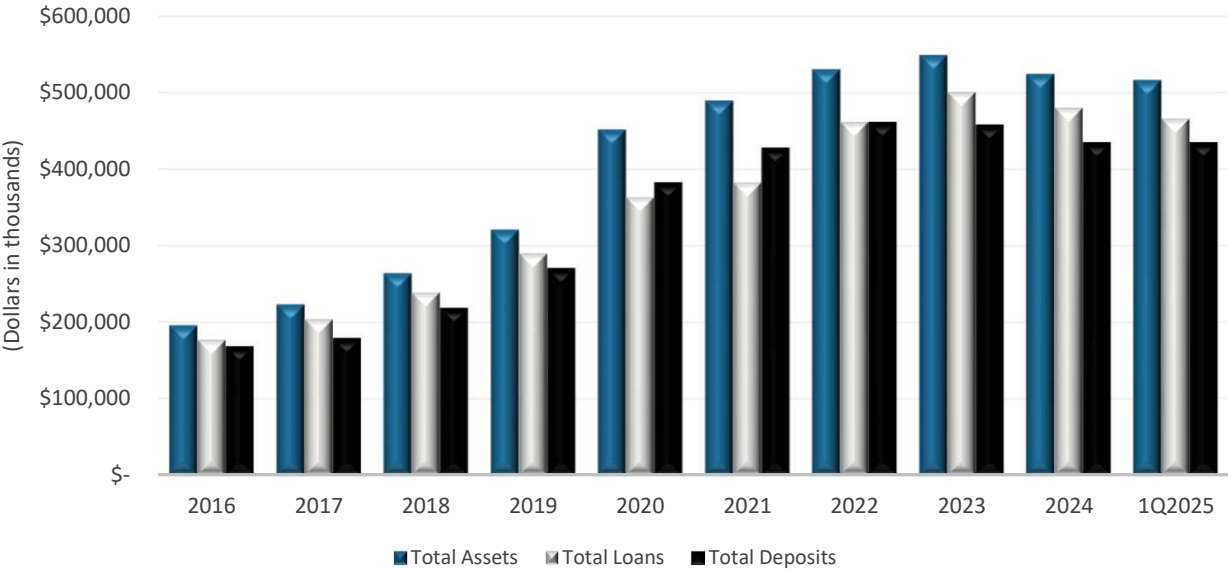
Earnings Per Share



Net Charge-offs

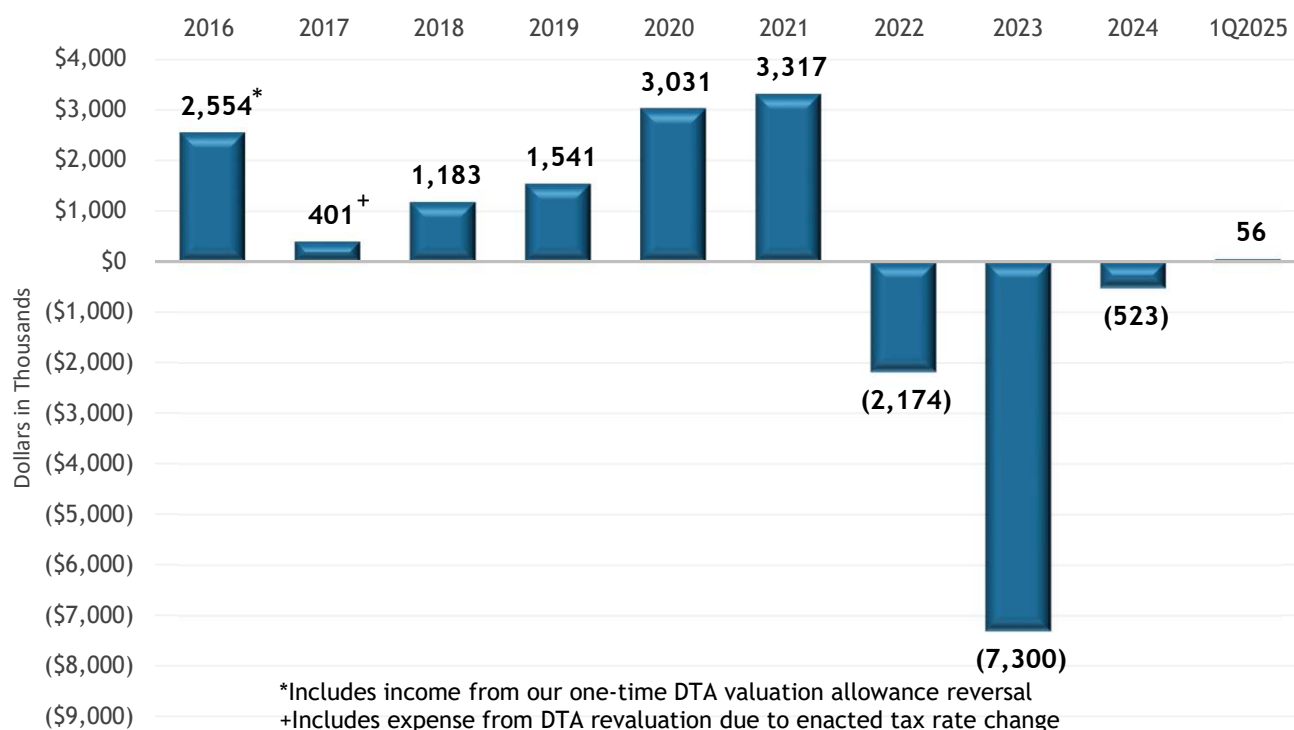


Growth

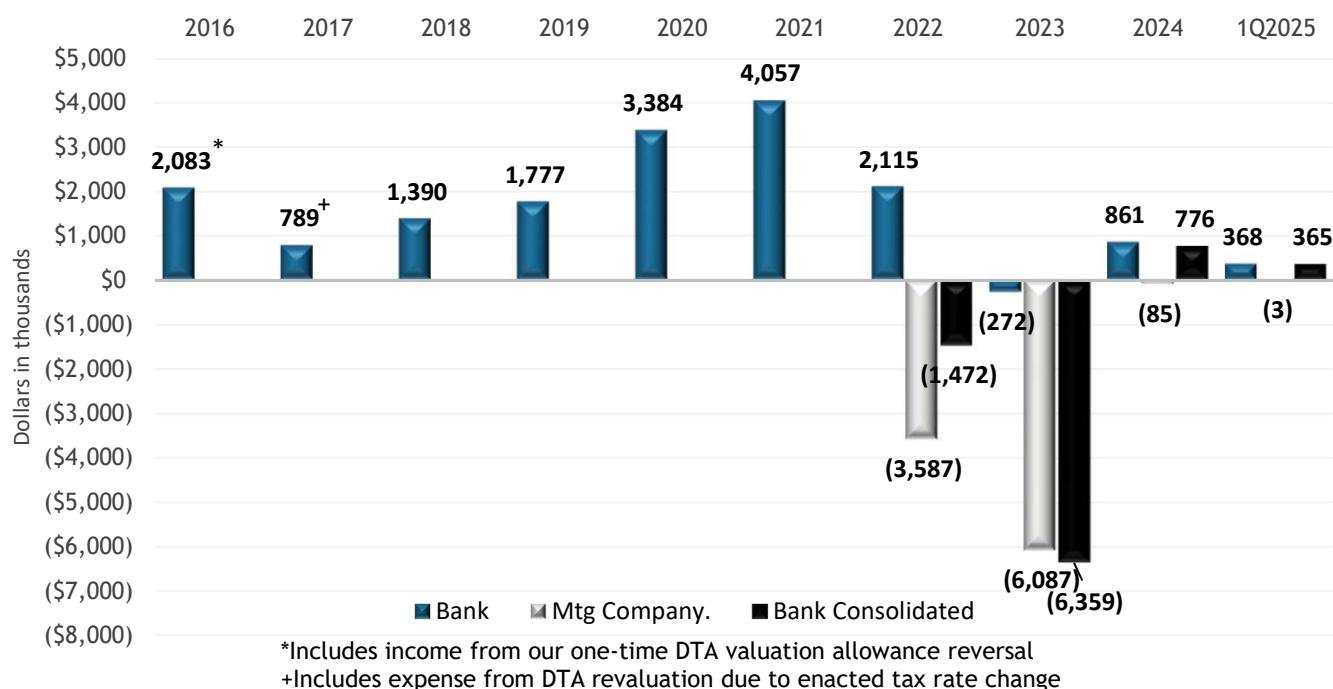


Key ratios (continued)

Consolidated Net (Loss) Income



Bank Only Net (Loss) Income



GRAND RIVER COMMERCE, INC.

Consolidated Financial Highlights*

| | | YTD | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| \$ in thousands except for per share data | YTD 1Q2025 | 2024 | 2023 | 2022 | 2021 | 2020 |
| Summary Statement of Operations Data: | | | | | | |
| Total interest income | \$ 6,712 | \$ 28,428 | \$ 26,472 | \$ 19,073 | \$ 16,085 | \$ 15,085 |
| Total interest expense | 3,619 | 16,195 | 13,410 | 4,083 | 2,530 | 3,859 |
| Net interest income | 3,093 | 12,233 | 13,062 | 14,990 | 13,555 | 11,226 |
| Allowance for credit loss/(reversal) | (133) | (377) | (49) | 1,063 | 160 | 1,531 |
| Non-interest income | 128 | 980 | 3,396 | 1,134 | 3,181 | 4,314 |
| Non-interest expense | 3,283 | 14,251 | 25,746 | 17,868 | 12,333 | 10,136 |
| Income (loss) before income taxes | 71 | (661) | (9,239) | (2,807) | 4,243 | 3,873 |
| Income tax expense | 15 | (138) | (1,939) | (633) | 926 | 842 |
| Net income/(loss) | 56 | (523) | (7,300) | (2,174) | 3,317 | 3,031 |
| Pre-provision / Pre-tax income/(Loss) | (62) | (1,038) | (9,288) | (1,744) | 4,403 | 5,404 |
| Per Share Income Data: | | | | | | |
| Shares outstanding - ending | 7,038,924 | 7,039,280 | 7,039,280 | 7,026,423 | 6,761,758 | 6,731,809 |
| Shares outstanding - average | 7,039,043 | 7,039,280 | 7,038,301 | 6,962,466 | 6,749,388 | 6,733,633 |
| Shares outstanding - diluted average | 9,287,022 | 9,270,769 | 7,776,401 | 7,074,279 | 7,119,295 | 7,078,933 |
| Earnings/(loss) per common share | \$ 0.01 | \$ (0.07) | \$ (1.04) | \$ (0.31) | \$ 0.49 | \$ 0.45 |
| Cash dividends per share | - | - | - | - | - | - |
| Share market high / low YTD | 2.85-4.00 | 2.52-3.44 | 3.13-6.00 | 5.50-7.39 | 5.05-7.75 | 4.20-6.35 |
| Closing share price | 3.95 | 2.85 | 3.43 | 5.50 | 7.50 | 5.05 |
| Book value per share | 5.02 | 4.97 | 5.06 | 6.10 | 6.72 | 6.28 |
| Tangible book value per share | 5.02 | 4.97 | 5.06 | 6.10 | 6.72 | 6.09 |
| Share price to book | 0.79 | 0.57 | 0.68 | 0.90 | 1.12 | 0.80 |
| Selected Balance Sheet Data: | | | | | | |
| Total assets | \$ 516,586 | \$ 523,958 | \$ 548,556 | \$ 530,250 | \$ 489,452 | \$ 451,919 |
| Loans, net of allowance for credit losses | 460,658 | 474,822 | 495,128 | 455,362 | 377,343 | 358,500 |
| Total deposits | 435,247 | 435,121 | 458,313 | 461,677 | 427,859 | 382,864 |
| Shareholders' equity | 35,355 | 34,999 | 35,628 | 42,839 | 45,437 | 42,244 |
| Bank Asset Quality Data: | | | | | | |
| Nonperforming Assets (NPA) | \$ 1,542 | \$ 1,562 | \$ 1,641 | \$ 1,244 | \$ 1,311 | \$ - |
| NPAs/ Assets | 0.3% | 0.3% | 0.3% | 0.2% | 0.3% | 0.0% |
| NPAs & 90+ PD/ Assets | 0.3% | 0.3% | 0.3% | 0.2% | 0.3% | 0.0% |
| Nonaccrual & 90+ & OREO/ Assets | 0.1% | 0.1% | 0.1% | 0.0% | 0.0% | 0.0% |
| Net Charge-offs/ Avg Loans | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Allowance for credit losses / Loans | 1.09% | 1.07% | 1.08% | 1.29% | 1.27% | 1.30% |
| Performance Ratios: | | | | | | |
| Return on average shareholders' equity | 0.63% | -1.50% | -18.44% | -4.84% | 7.54% | 7.51% |
| Return on average assets | 0.04% | -0.10% | -1.37% | -0.43% | 0.69% | 0.76% |
| Avg. shareholders' equity to avg. assets | 6.85% | 6.44% | 7.45% | 8.89% | 9.19% | 10.12% |
| Asset Growth Rate Annualized | -23% | -4% | 3% | 8% | 8% | 41% |
| Efficiency ratio | 101.92% | 107.86% | 156.43% | 110.82% | 73.69% | 65.23% |
| Bank Regulatory Capital Ratios: | | | | | | |
| Common equity tier 1 capital ratio | 11.37% | 10.90% | 9.35% | 9.82% | 11.14% | 12.61% |
| Tier 1 leverage capital ratio | 9.47% | 9.19% | 8.15% | 8.85% | 8.87% | 9.12% |
| Tier 1 risk-based capital ratio | 11.37% | 10.90% | 9.35% | 9.82% | 11.14% | 12.61% |
| Total risk-based capital ratio | 12.57% | 12.09% | 10.55% | 11.07% | 12.36% | 13.86% |
| Capital Buffer | 4.57% | 4.09% | 2.55% | 3.07% | 4.36% | 5.86% |
| YTD average assets | \$ 516,157 | \$ 542,332 | \$ 531,405 | \$ 505,311 | \$ 478,673 | \$ 398,858 |
| YTD average equity | \$ 35,378 | \$ 34,929 | \$ 39,597 | \$ 44,911 | \$ 44,000 | \$ 40,381 |

*Note that the financial highlights are inclusive of the discontinued operations of Grand River Mortgage Company (GRMC). These statements do not include all disclosures required by "GAAP" for a complete presentation of our financial condition and results of operations. For further information, please refer to the consolidated financial statements and footnotes included in our annual report for the year ended December 31, 2024.

GRAND RIVER COMMERCE, INC.
CONSOLIDATED BALANCE SHEETS ^(1,2)
(Dollars in thousands)

| | <u>3/31/2025</u> | <u>12/31/2024</u> | <u>\$ Change</u> |
|---|-------------------|-------------------|-------------------|
| ASSETS | | | |
| Cash and due from banks | \$ 30,117 | \$ 23,513 | \$ 6,604 |
| Federal funds sold | - | - | - |
| Total Cash and Cash Equivalents | 30,117 | 23,513 | 6,604 |
| Securities, available for sale | 12,484 | 12,431 | 53 |
| FHLB & FRB stock, at cost | 3,692 | 3,657 | 35 |
| Loans held for sale | 445 | 497 | (52) |
| | - | | |
| Loans | 465,741 | 479,962 | (14,221) |
| Less allowance for credit losses | 5,083 | 5,140 | (57) |
| Net Loans | 460,658 | 474,822 | (14,164) |
| Premises and equipment, net | 1,286 | 1,350 | (64) |
| Deferred income tax asset, net | 4,087 | 4,182 | (95) |
| Interest receivable and other assets | 4,271 | 4,038 | 233 |
| Discontinued operations | 14 | 17 | (3) |
| TOTAL ASSETS | \$ 517,054 | \$ 524,507 | \$ (7,453) |
| LIABILITIES | | | |
| Non-interest bearing deposits | \$ 91,553 | \$ 89,828 | \$ 1,725 |
| Interest bearing deposits | 343,694 | 345,293 | (1,599) |
| Total Deposits | 435,247 | 435,121 | 126 |
| Federal Home Loan Bank advances | 27,500 | 35,500 | (8,000) |
| Interest payable and other liabilities | 3,049 | 3,022 | 27 |
| Subordinated debt | 15,564 | 15,525 | 39 |
| Discontinued operations | 339 | 339 | - |
| TOTAL LIABILITIES | 481,699 | 489,507 | (7,808) |
| SHAREHOLDERS' EQUITY | | | |
| Common stock | 70 | 70 | - |
| Additional paid-in capital | 40,989 | 40,992 | (3) |
| Accumulated deficit | (3,945) | (4,001) | 56 |
| Accumulated other comprehensive loss | (1,760) | (2,061) | 301 |
| TOTAL EQUITY | 35,355 | 35,000 | 355 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | \$ 517,054 | \$ 524,507 | \$ (7,453) |

1. 03/31/2025 unaudited financials; 12/31/2024 condensed from audited financial statements.

2. These financial statements do not include all disclosures required by "GAAP" for a complete presentation of the financial condition and results of operations. For further information, please refer to the consolidated financial statements and footnotes included in our annual report for the year ended December 31, 2024.

GRAND RIVER COMMERCE, INC.
CONSOLIDATED STATEMENT OF OPERATIONS ⁽¹⁾

(Dollars in thousands)

| | YTD | | |
|--|--------------|-----------------|---------------|
| | 3/31/2025 | 3/31/2024 | \$ Change |
| | (unaudited) | | |
| INTEREST INCOME | | | |
| Loans, including fees | \$ 6,341 | \$ 6,580 | \$ (239) |
| Securities | 130 | 129 | 1 |
| Federal funds sold and other income | 243 | 330 | (87) |
| TOTAL INTEREST INCOME | 6,713 | 7,039 | (325) |
| INTEREST EXPENSE | | | |
| Deposits | 2,972 | 3,459 | (487) |
| Borrowings | 648 | 686 | (38) |
| TOTAL INTEREST EXPENSE | 3,620 | 4,145 | (525) |
| NET INTEREST INCOME | 3,093 | 2,894 | 199 |
| Credit loss (reversal)/expense | (133) | (151) | 18 |
| NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES | 3,226 | 3,045 | 182 |
| NONINTEREST INCOME | | | |
| Service charges and other fees | 18 | 14 | 4 |
| Gain on sale of loans | 57 | 98 | (41) |
| Other income | 53 | 127 | (74) |
| TOTAL NONINTEREST INCOME | 128 | 239 | (111) |
| NONINTEREST EXPENSE | | | |
| Salaries and benefits | 2,068 | 2,351 | (283) |
| Occupancy & equipment expense | 272 | 267 | 5 |
| Data processing & computer support | 150 | 118 | 32 |
| Software | 231 | 246 | (15) |
| Professional Services | 159 | 117 | 42 |
| Insurance | 169 | 176 | (7) |
| Other expense | 230 | 269 | (39) |
| TOTAL NONINTEREST EXPENSE | 3,279 | 3,544 | (265) |
| Net income (loss) before taxes | 75 | (260) | 335 |
| Income tax expense (benefit) | 16 | (52) | 68 |
| NET INCOME (LOSS) FROM CONTINUING OPERATIONS | 59 | (208) | 267 |
| Loss from discontinued operations | (4) | (140) | 136 |
| Income tax benefit | (1) | (32) | 31 |
| NET LOSS FROM DISCONTINUED OPERATIONS | (3) | (108) | 105 |
| NET INCOME (LOSS) | \$ 56 | \$ (316) | \$ 372 |

1. These financial statements do not include all disclosures required by "GAAP" for a complete presentation of the financial condition and results of operations. For further information, please refer to the consolidated financial statements and footnotes included in our annual report for the year ended December 31, 2024.