

Ottawa Bancorp, Inc. & Subsidiary
Consolidated Balance Sheets
December 31, 2021 and December 31, 2020
(Unaudited)

	<u>December 31,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
Assets		
Cash and due from banks	\$ 6,046,361	\$ 4,793,872
Interest bearing deposits	1,249,947	5,581,139
Total cash and cash equivalents	<u>7,296,308</u>	<u>10,375,011</u>
Time deposits	250,000	3,232,500
Federal funds sold	936,000	3,486,000
Securities available for sale	32,700,414	18,711,631
Loans, net of allowance for loan losses of \$3,640,145 and \$3,479,151 at December 31, 2021 and December 31, 2020, respectively	283,877,203	255,103,054
Loans held for sale	403,920	-
Premises and equipment, net	6,331,188	6,312,256
Accrued interest receivable	1,007,399	972,602
Foreclosed real estate	-	107,100
Deferred tax assets	1,793,910	1,666,339
Cash value of life insurance	2,649,941	2,603,046
Goodwill	649,869	649,869
Core deposit intangible	100,326	131,996
Other assets	4,684,920	4,234,003
Total assets	<u>\$ 342,681,398</u>	<u>\$ 307,585,407</u>
Liabilities and Stockholders' Equity		
Liabilities		
Deposits:		
Non-interest bearing	\$ 22,898,814	\$ 18,285,211
Interest bearing	<u>250,152,124</u>	<u>217,774,806</u>
Total deposits	273,050,938	236,060,017
Accrued interest payable	48,825	54,851
FHLB advances	16,524,555	17,548,560
Other liabilities	<u>5,016,264</u>	<u>4,731,352</u>
Total liabilities	<u>294,640,582</u>	<u>258,394,780</u>
Commitments and Contingencies	1,461,946	957,167
ESOP Repurchase Obligation		
Stockholders' Equity		
Common stock, \$.01 par value, 12,000,000 shares authorized; 2,818,517 and 2,949,324 shares issued at December 31, 2021 and December 31, 2020, respectively	28,185	29,491
Additional paid-in-capital	28,529,543	30,415,091
Retained earnings	20,536,121	19,457,092
Unallocated ESOP shares	(1,005,702)	(1,132,842)
Unallocated management recognition plan shares	(99,353)	(62,070)
Accumulated other comprehensive income	<u>52,022</u>	<u>483,865</u>
	<u>48,040,816</u>	<u>49,190,627</u>
Less:		
ESOP Owned Shares	<u>(1,461,946)</u>	<u>(957,167)</u>
Total stockholders' equity	<u>46,578,870</u>	<u>48,233,460</u>
Total liabilities and stockholders' equity	<u>\$ 342,681,398</u>	<u>\$ 307,585,407</u>

Ottawa Bancorp, Inc. & Subsidiary
Consolidated Statements of Operations
Three and Twelve Months Ended December 31, 2021 and 2020
(Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
Interest and dividend income:				
Interest and fees on loans	\$ 2,969,101	\$ 2,982,253	\$11,896,209	\$11,601,368
Securities:				
Residential mortgage-backed and related securities	68,993	47,476	204,046	231,032
State and municipal securities	74,368	103,831	263,212	386,561
Dividends on non-marketable equity securities	8,714	8,675	34,186	30,180
Interest-bearing deposits	4,518	8,594	21,330	80,937
Total interest and dividend income	<u>3,125,694</u>	<u>3,150,829</u>	<u>12,418,983</u>	<u>12,330,078</u>
Interest expense:				
Deposits	273,400	446,825	1,266,314	2,217,388
Borrowings	53,906	77,949	262,146	283,503
Total interest expense	<u>327,306</u>	<u>524,774</u>	<u>1,528,460</u>	<u>2,500,891</u>
Net interest income	<u>2,798,388</u>	<u>2,626,055</u>	<u>10,890,523</u>	<u>9,829,187</u>
Provision for loan losses	25,000	-	150,000	660,000
Net interest income after provision for loan losses	<u>2,773,388</u>	<u>2,626,055</u>	<u>10,740,523</u>	<u>9,169,187</u>
Other income:				
Gain on sale of loans	115,871	412,897	895,341	1,455,255
Gain on sale of securities, net	-	-	-	847
Loan origination and servicing income	290,015	271,814	1,149,174	1,214,599
Origination of mortgage servicing rights, net of amortization	235,131	(107,168)	326,083	33,545
Customer service fees	102,649	88,323	393,174	367,556
Increase in cash surrender value of life insurance	11,174	35,996	46,895	74,652
Gain on sale of repossessed assets, net	-	550	-	21,433
Gain (Loss) on sale of foreclosed real estate	6,543	(2,982)	10,599	(2,982)
Other	39,415	53,652	123,639	164,667
Total other income	<u>800,798</u>	<u>753,081</u>	<u>2,944,905</u>	<u>3,329,581</u>
Other expenses:				
Salaries and employee benefits	1,421,998	1,442,790	5,907,034	5,532,741
Directors fees	35,000	40,000	148,750	160,000
Occupancy	166,852	145,142	624,468	636,814
Deposit insurance premium	25,736	(1,997)	79,913	31,003
Legal and professional services	96,688	112,716	360,120	439,871
Data processing	297,237	244,873	1,077,576	951,855
Loan expense	91,534	165,955	500,256	586,766
Valuation adjustments and expenses on foreclosed real estate	(844)	3,760	15,859	5,263
Other	287,308	263,791	887,777	931,179
Total other expenses	<u>2,421,509</u>	<u>2,417,030</u>	<u>9,601,753</u>	<u>9,278,492</u>
Income before income tax expense	<u>1,152,677</u>	<u>962,106</u>	<u>4,083,675</u>	<u>3,220,276</u>
Income tax expense	392,718	112,823	1,179,954	739,356
Net income	<u>\$ 759,959</u>	<u>\$ 849,283</u>	<u>\$ 2,903,721</u>	<u>\$ 2,480,920</u>
Basic earnings per share	<u>\$ 0.28</u>	<u>\$ 0.30</u>	<u>\$ 1.03</u>	<u>\$ 0.85</u>
Diluted earnings per share	<u>\$ 0.28</u>	<u>\$ 0.30</u>	<u>\$ 1.03</u>	<u>\$ 0.84</u>
Dividends per share	<u>\$ 0.105</u>	<u>\$ 0.084</u>	<u>\$ 0.647</u>	<u>\$ 0.668</u>