

Ottawa Bancorp, Inc. & Subsidiary
Consolidated Balance Sheets
June 30, 2021 and December 31, 2020
(Unaudited)

	<u>June 30, 2021</u>	<u>December 31, 2020</u>
Assets		
Cash and due from banks	\$ 5,056,495	\$ 4,793,872
Interest bearing deposits	5,857,476	5,581,139
Total cash and cash equivalents	10,913,971	10,375,011
Time deposits	250,000	3,232,500
Federal funds sold	3,828,000	3,486,000
Securities available for sale	17,626,315	18,711,631
Loans, net of allowance for loan losses of \$3,625,450 and \$3,497,150 at June 30, 2021 and December 31, 2020, respectively	280,790,166	255,103,054
Premises and equipment, net	6,288,407	6,312,256
Accrued interest receivable	827,683	972,602
Foreclosed Real Estate	77,265	107,100
Deferred tax assets	1,729,822	1,666,339
Cash value of life insurance	2,627,440	2,603,046
Goodwill	649,869	649,869
Core deposit intangible	112,994	131,996
Other assets	4,766,848	4,234,003
Total assets	<u>\$ 330,488,780</u>	<u>\$ 307,585,407</u>
Liabilities and Stockholders' Equity		
Liabilities		
Deposits:		
Non-interest bearing	\$ 22,875,171	\$ 18,285,211
Interest bearing	236,377,856	217,774,806
Total deposits	259,253,027	236,060,017
Accrued interest payable	56,463	54,851
FHLB advances	17,536,698	17,548,560
Other liabilities	4,866,623	4,731,352
Total liabilities	<u>281,712,811</u>	<u>258,394,780</u>
Commitments and contingencies		
ESOP Repurchase Obligation	1,461,946	957,167
Stockholders' Equity		
Common stock, \$.01 par value, 12,000,000 shares authorized; 2,924,465 and 2,949,324 shares issued at June 30, 2021 and December 31, 2020, respectively	29,244	29,491
Additional paid-in-capital	30,042,863	30,415,091
Retained earnings	19,508,939	19,457,092
Unallocated ESOP shares	(1,069,272)	(1,132,842)
Unallocated management recognition plan shares	(114,245)	(62,070)
Accumulated other comprehensive income	378,440	483,865
	48,775,969	49,190,627
Less:		
ESOP Owned Shares	<u>(1,461,946)</u>	<u>(957,167)</u>
Total stockholders' equity	<u>47,314,023</u>	<u>48,233,460</u>
Total liabilities and stockholders' equity	<u>\$ 330,488,780</u>	<u>\$ 307,585,407</u>

Ottawa Bancorp, Inc. & Subsidiary
Consolidated Statements of Operations
Three and Six Months Ended June 30 2021 and 2020
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Interest and dividend income:				
Interest and fees on loans	\$ 3,051,210	\$ 2,822,580	\$ 5,846,598	\$ 5,731,660
Securities:				
Residential mortgage-backed and related securities	39,153	61,180	80,595	128,411
State and municipal securities	67,682	94,618	135,606	190,562
Dividends on non-marketable equity securities	8,469	6,698	17,140	13,288
Interest-bearing deposits	4,509	19,293	10,681	59,411
Total interest and dividend income	<u>3,171,023</u>	<u>3,004,369</u>	<u>6,090,620</u>	<u>6,123,362</u>
Interest expense:				
Deposits	326,540	563,727	702,677	1,294,546
Borrowings	57,003	65,928	143,526	127,824
Total interest expense	<u>383,543</u>	<u>629,655</u>	<u>846,203</u>	<u>1,422,370</u>
Net interest income	<u>2,787,480</u>	<u>2,374,714</u>	<u>5,244,417</u>	<u>4,700,992</u>
Provision for loan losses	75,000	130,000	125,000	580,000
Net interest income after provision for loan losses	<u>2,712,480</u>	<u>2,244,714</u>	<u>5,119,417</u>	<u>4,120,992</u>
Other income:				
Gain on sale of loans	345,029	463,730	518,842	570,797
Gain on sale of securities, net	-	-	-	857
Gain on sale of repossessed assets, net	5,118	300	6,074	16,331
Loan origination and servicing income	258,336	437,814	563,943	552,771
Origination of mortgage servicing rights, net of amortization	52,374	84,951	61,990	74,508
Customer service fees	97,440	83,011	187,774	189,850
Increase in cash surrender value of life insurance	11,893	12,904	24,394	25,602
Other	21,768	21,273	46,788	58,949
Total other income	<u>791,958</u>	<u>1,103,983</u>	<u>1,409,805</u>	<u>1,489,665</u>
Other expenses:				
Salaries and employee benefits	1,561,034	1,358,457	2,909,426	2,623,102
Directors fees	38,750	47,000	78,750	90,000
Occupancy	157,981	149,392	305,695	327,917
Deposit insurance premium	18,000	16,500	36,178	16,500
Legal and professional services	92,468	101,244	171,677	205,866
Data processing	284,235	251,468	508,531	474,742
Loan expense	107,676	122,102	295,394	256,452
Valuation adjustments and expenses on foreclosed real estate	7,712	389	9,714	948
Other	212,953	234,846	416,966	446,511
Total other expenses	<u>2,480,809</u>	<u>2,281,398</u>	<u>4,732,331</u>	<u>4,442,038</u>
Income before income tax expense	<u>1,023,629</u>	<u>1,067,299</u>	<u>1,796,891</u>	<u>1,168,619</u>
Income tax expense	275,017	317,035	480,591	332,398
Net income	<u>\$ 748,612</u>	<u>\$ 750,264</u>	<u>\$ 1,316,300</u>	<u>\$ 836,221</u>