

Ottawa Bancorp, Inc. & Subsidiary
Consolidated Balance Sheets
June 30, 2022 and December 31, 2021
(Unaudited)

	June 30, 2022	December 31, 2021
Assets		
Cash and due from banks	\$ 7,210,389	\$ 5,266,361
Interest bearing deposits	1,124,335	1,249,947
Total cash and cash equivalents	8,334,724	6,516,308
Time deposits	250,000	250,000
Federal funds sold	-	1,716,000
Securities available for sale	26,513,985	32,700,414
Loans, net of allowance for loan losses of \$3,572,898 and \$3,640,145 at June 30, 2022 and December 31, 2021, respectively	290,567,027	283,877,203
Loans held for sale	234,125	403,920
Premises and equipment, net	6,239,067	6,331,188
Accrued interest receivable	968,292	1,007,399
Deferred tax assets	2,472,771	1,793,910
Cash value of life insurance	2,671,470	2,649,941
Goodwill	649,869	649,869
Core deposit intangible	83,227	100,326
Other assets	4,306,716	4,528,862
Total assets	<u>\$ 343,291,273</u>	<u>\$ 342,525,340</u>
Liabilities and Stockholders' Equity		
Liabilities		
Deposits:		
Non-interest bearing	\$ 24,586,047	\$ 22,898,814
Interest bearing	258,993,647	250,152,124
Total deposits	283,579,694	273,050,938
Accrued interest payable	44,390	48,825
FHLB advances	10,512,322	16,524,555
Other liabilities	4,197,281	4,860,206
Total liabilities	298,333,687	294,484,524
Commitments and contingencies		
ESOP Repurchase Obligation	1,873,688	2,066,911
Stockholders' Equity		
Common stock, \$.01 par value, 12,000,000 shares authorized; 2,694,262 and 2,818,517 shares issued at June 30, 2022 and December 31, 2021, respectively	26,942	28,185
Additional paid-in-capital	26,652,231	28,473,180
Retained earnings	21,550,391	20,536,121
Unallocated ESOP shares	(949,340)	(949,340)
Unallocated management recognition plan shares	(176,020)	(99,352)
Accumulated other comprehensive income	(2,146,618)	52,022
	44,957,586	48,040,816
Less:		
ESOP Owned Shares	(1,873,688)	(2,066,911)
Total stockholders' equity	43,083,898	45,973,905
Total liabilities and stockholders' equity	<u>\$ 343,291,273</u>	<u>\$ 342,525,340</u>

Ottawa Bancorp, Inc. & Subsidiary
Consolidated Statements of Operations
Three and Six Months Ended June 30 2022 and 2021
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Interest and dividend income:				
Interest and fees on loans	\$ 3,030,894	\$ 3,051,210	\$ 6,049,719	\$ 5,846,598
Securities:				
Residential mortgage-backed and related securities	81,243	39,153	164,052	80,595
State and municipal securities	47,088	67,682	99,392	135,606
Dividends on non-marketable equity securities	9,672	8,469	18,647	17,140
Interest-bearing deposits	11,838	4,509	18,242	10,681
Total interest and dividend income	3,180,736	3,171,023	6,350,052	6,090,620
Interest expense:				
Deposits	276,050	326,540	528,457	702,677
Borrowings	53,381	57,003	112,720	143,526
Total interest expense	329,431	383,543	641,177	846,203
Net interest income	2,851,305	2,787,480	5,708,875	5,244,417
Provision for loan losses	-	75,000	-	125,000
Net interest income after provision for loan losses	2,851,305	2,712,480	5,708,875	5,119,417
Other income:				
Gain on sale of loans	31,490	345,029	121,823	518,842
Gain on sale of repossessed assets, net	-	5,118	-	6,074
Loan origination and servicing income	193,231	258,336	460,014	563,943
Origination of mortgage servicing rights, net of amortization	(4,279)	52,374	10,360	61,990
Customer service fees	119,964	97,440	234,671	187,774
Increase in cash surrender value of life insurance	10,816	11,893	21,529	24,394
Other	10,159	21,768	25,246	46,788
Total other income	361,381	791,958	873,643	1,409,805
Other expenses:				
Salaries and employee benefits	1,339,518	1,561,034	2,627,883	2,909,426
Director fees	46,500	38,750	93,000	78,750
Occupancy	154,271	157,981	322,614	305,695
Deposit insurance premium	21,500	18,000	42,548	36,178
Legal and professional services	79,591	92,468	150,496	171,677
Data processing	282,634	284,235	564,008	508,531
Loss on sale of securities	2,823	-	2,823	-
Loan expense	71,117	107,676	155,859	295,394
Valuation adjustments and expenses on foreclosed real estate	-	7,712	-	9,714
Other	208,029	212,953	395,396	416,966
Total other expenses	2,205,983	2,480,809	4,354,628	4,732,331
Income before income tax expense	1,006,703	1,023,629	2,227,889	1,796,891
Income tax expense	276,386	275,017	618,756	480,591
Net income	\$ 730,317	\$ 748,612	\$ 1,609,133	\$ 1,316,300
Basic earnings per share	\$ 0.28	\$ 0.26	\$ 0.59	\$ 0.46
Diluted earnings per share	\$ 0.28	\$ 0.26	\$ 0.59	\$ 0.46
Dividends per share	\$ 0.11	\$ 0.10	\$ 0.23	\$ 0.44