

Ottawa Bancorp, Inc. & Subsidiary
Consolidated Balance Sheets
September 30, 2023 and December 31, 2022
(Unaudited)

	September 30, 2023	December 31, 2022
Assets		
Cash and due from banks	\$ 4,534,969	\$ 10,338,273
Interest bearing deposits	<u>7,955,475</u>	<u>524,427</u>
Total cash and cash equivalents	12,490,444	10,862,700
Time deposits	-	250,000
Federal funds sold	468,000	55,000
Securities available for sale	19,390,409	20,898,175
Loans held for sale	107,000	-
Loans, net of allowance for loan losses of \$4,388,202 and \$4,301,307 at September 30, 2023 and December 31, 2022, respectively	313,495,420	307,750,228
Premises and equipment, net	6,058,323	6,163,630
Accrued interest receivable	1,507,612	1,309,931
Deferred tax assets	2,952,529	2,652,355
Cash value of life insurance	2,712,687	2,672,025
Goodwill	649,869	649,869
Core deposit intangible	41,908	67,567
Other assets	<u>5,351,892</u>	<u>4,515,880</u>
Total assets	<u><u>\$ 365,226,093</u></u>	<u><u>\$ 357,847,360</u></u>
Liabilities and Stockholders' Equity		
Liabilities		
Deposits:		
Non-interest bearing	\$ 24,511,651	\$ 22,634,695
Interest bearing	<u>260,158,640</u>	<u>267,048,730</u>
Total deposits	284,670,291	289,683,425
Accrued interest payable	294,737	119,769
FHLB advances	32,750,000	18,750,000
Long Term Debt	1,700,000	2,100,000
Other liabilities	<u>3,126,744</u>	<u>3,906,217</u>
Total liabilities	<u>322,541,772</u>	<u>314,559,411</u>
Commitments and Contingencies	<u>1,670,851</u>	<u>1,821,029</u>
ESOP Repurchase Obligation		
Stockholders' Equity		
Common stock, \$.01 par value, 12,000,000 shares authorized; 2,550,691 and 2,561,406 shares issued at September 30, 2023 and December 31, 2022, respectively	25,506	25,613
Additional paid-in-capital	24,697,539	24,847,455
Retained earnings	21,866,223	21,861,151
Unallocated ESOP shares	(815,766)	(815,766)
Unallocated management recognition plan shares	(114,963)	(150,664)
Accumulated other comprehensive income	<u>(2,974,218)</u>	<u>(2,479,840)</u>
	<u>42,684,321</u>	<u>43,287,949</u>
Less:		
ESOP Owned Shares	<u>(1,670,851)</u>	<u>(1,821,029)</u>
Total stockholders' equity	<u>41,013,470</u>	<u>41,466,920</u>
Total liabilities and stockholders' equity	<u><u>\$ 365,226,093</u></u>	<u><u>\$ 357,847,360</u></u>

Ottawa Bancorp, Inc. & Subsidiary
Consolidated Statements of Operations
Three and Nine Months Ended September 30, 2023 and 2022
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Interest and dividend income:				
Interest and fees on loans	\$ 3,660,212	\$3,152,814	\$10,773,586	\$ 9,202,533
Securities:				
Residential mortgage-backed and related securities	85,638	76,531	237,272	240,583
State and municipal securities	25,031	33,589	67,642	132,981
Dividends on non-marketable equity securities	23,253	10,277	53,173	28,891
Interest-bearing deposits	43,166	19,897	129,813	38,139
Total interest and dividend income	3,837,300	3,370,223	11,261,486	10,005,551
Interest expense:				
Deposits	1,386,099	378,237	3,688,342	906,694
Borrowings	162,346	71,739	423,473	184,459
Total interest expense	1,548,445	449,976	4,111,815	1,091,153
Net interest income	2,288,855	2,920,247	7,149,671	8,914,398
Provision (recovery) for loan losses	(209,269)	730,000	(204,186)	730,000
Net interest income after provision for loan losses	2,498,124	2,190,247	7,353,857	8,184,398
Other income:				
Gain on sale of loans	32,746	53,837	96,398	175,660
Loan origination and servicing income	141,415	163,719	433,700	623,733
Origination of mortgage servicing rights, net of amortization	1,667	(279)	56,692	10,081
Customer service fees	117,016	120,026	345,065	354,691
Increase in cash surrender value of life insurance	12,472	(2,303)	36,535	19,226
Other	10,332	7,740	17,140	32,991
Total other income	315,648	342,741	985,530	1,216,383
Other expenses:				
Salaries and employee benefits	1,159,391	1,086,027	3,539,398	3,713,911
Directors' fees	45,000	42,000	135,000	135,000
Occupancy	157,306	163,611	471,349	486,225
Deposit insurance premium	36,762	21,300	97,532	63,848
Legal and professional services	121,701	72,930	284,388	223,426
Data processing	319,176	284,439	921,235	848,447
Loss on sale of securities	-	10,468	-	13,291
Loan expense	60,891	79,756	194,264	235,614
Valuation adjustments and expenses on foreclosed real estate	208	-	3,560	-
Other	249,107	246,039	669,028	641,436
Total other expenses	2,149,542	2,006,570	6,315,754	6,361,198
Income before income tax expense	664,230	449,269	2,023,633	2,677,158
Income tax expense	183,400	127,827	558,566	746,583
Net income	\$ 480,830	\$ 321,442	\$ 1,465,067	\$ 1,930,575
Basic earnings per share	\$ 0.20	\$ 0.13	\$ 0.58	\$ 0.73
Diluted earnings per share	\$ 0.20	\$ 0.13	\$ 0.58	\$ 0.73
Dividends per share	\$ 0.11	\$ 0.12	\$ 0.33	\$ 0.34