



**News Announcement  
For immediate release  
Grand Island, Nebraska  
Fourth Quarter Highlights**

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- For the fourth quarter year ending June 30, 2023, Equitable Financial Corp reported profits of \$667,000 or \$0.25 per share, compared to \$1,253,000 or \$0.46 per share for the fourth quarter year ending June 30, 2022.
- The book value per share June 30, 2023, was \$16.87 per share versus \$15.40 per share June 30, 2022.
- Net interest income decreased by \$254,000 for the fourth quarter year ending June 30, 2023, compared to the same period in fiscal year June 30, 2022.
- Net loans increased \$30.0 million to \$419.7 million for the quarter ending June 30, 2023, compared to \$389.8 million on June 30, 2022.
- Provision for loan losses for the fourth quarter of fiscal year ending June 30, 2023 was \$209,000 compared to \$272,000 for the June 30, 2022, quarter end.
- Noninterest income decreased \$391,000 to \$1,278,000 for the fourth quarter of fiscal year ending June 30, 2023 compared to \$1,669,000 for the fourth quarter of fiscal year ending June 30, 2022. Noninterest income, as in the prior quarter, continues to be affected primarily by a continued decrease in mortgage banking activity and loan originations and sales.
- Noninterest expense was \$3.7 million for the fourth quarter of fiscal year ending June 30, 2023, compared to \$3.5 million for the fourth quarter of fiscal year ending June 2022.
- Total assets were \$481.0 million as of June 30, 2023, an increase of \$26.2 million, or 5.8% from June 30, 2022. This is due to an increase in securities available for sale and loans.
- During the quarter, the company repurchased 12,277 shares of stock for a total of \$155,095, at an average price of \$12.60 per share. During the fiscal year ending June 30, 2023, the company repurchased a total of 93,836 shares for a total value of \$1,221,169 at an average price of \$12.95 per share.

President and CEO Tom Gdowski, stated, "The Federal Reserve's continued efforts to slow the pace of inflation appear to be having the desired impact as housing and other key areas of economic growth appear to be slowing, although not to their desired levels to clearly signal an end to higher rates. We expect continued pressure on our net interest margin as the cost of balance sheet funding rises. Noninterest income from mortgage banking revenue continues to be depressed as the effects of higher mortgage rates, construction cost, insurance and taxes are all factors weighing on the housing market. We expect this to continue for some time. Liquidity management, asset quality and managing non-interest expenses will continue to be top priorities.

We continue to believe investing in our own shares via our stock repurchase program at the current prices is an effective use of capital. Our ability to do so is contingent on the overall performance of the Bank. If interested parties wish to sell their stock, please contact us."

**About Equitable Financial Corp.**

Equitable Financial Corp. is the holding company for Equitable Bank, which is a Nebraska-based community bank headquartered in Grand Island. Equitable Bank has been in operation since 1882. A full-service bank with five branches in Grand Island, North Platte and Omaha, Equitable offers consumer, commercial and Ag loans, home loans, checking and savings accounts, financial planning, and retirement services.

**Forward-Looking Statements**

When used in this Press Release, the words, or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” or similar expressions are intended to identify “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties including, but not limited to, changes in economic conditions in the Company’s market area, changes in policies by regulatory agencies, fluctuations in interest rates, demand for loans in the Bank’s market area, competition that could cause actual results to differ materially from historical earnings and those presently anticipated or projected, and other risks described in the Company’s filings with the Securities and Exchange Commission. The Company cautions readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. The Company advises readers that the factors listed above could affect the Company’s financial performance and could cause the Company’s actual results for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements. The Company does not undertake, and specifically disclaims any obligation, to publicly release the result of any revision which may be made to any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

**Equitable Financial Corp.**

## Balance Sheet

## Unaudited

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
<b>Assets</b>		
Cash and due from financial institutions	\$ 6,705,585	\$ 2,509,013
Interest-earning deposits	<u>1,698,970</u>	<u>8,551,995</u>
	8,404,555	11,061,008
Interest-bearing time deposits in banks	249,000	—
Securities available-for-sale	30,233,000	31,984,463
Securities held-to-maturity	7,979	12,963
Federal Home Loan Bank stock, at cost	2,016,900	1,498,600
Federal Reserve Bank stock, at cost	473,400	472,550
Loans, net of allowance for loan losses of \$6,217,000 and \$5,782,000, respectively	419,720,970	389,756,710
Premises and equipment, net	8,162,359	8,727,274
Foreclosed assets, net	—	—
Accrued interest receivable	3,038,319	2,310,189
Deferred taxes, net	905,462	719,454
Customer list intangible	1,274,391	1,447,077
Bank-owned life insurance	3,942,259	3,834,391
Other assets	<u>2,620,129</u>	<u>3,003,100</u>
<b>Total assets</b>	<u><u>\$ 481,048,723</u></u>	<u><u>\$ 454,827,779</u></u>
<b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities:</b>		
Noninterest-bearing deposits	\$ 57,448,538	\$ 70,265,526
Interest-bearing deposits	<u>354,821,128</u>	<u>325,892,477</u>
	412,269,666	396,158,003
Lines of credit	685,000	1,824,817
Federal funds purchased	2,888,000	3,528,000
Federal Home Loan Bank Borrowings	15,000,000	6,000,000
Advance payments from borrowers for taxes and insurance	884,811	722,446
Accrued interest payable and other liabilities	<u>2,857,233</u>	<u>2,537,016</u>
<b>Total liabilities</b>	<u><u>434,584,710</u></u>	<u><u>410,770,282</u></u>
Common stock in ESOP subject to contingent repurchase obligation	1,484,656	1,647,542
<b>Stockholders' equity:</b>		
Common stock, \$0.01 par value, 25,000,000 shares authorized 2,666,305 and 2,753,047 shares issued and outstanding at June 30, 2023 and June 30, 2022, respectively	26,663	27,530
Additional paid-in capital	17,483,294	18,666,553
Retained earnings	30,535,299	26,947,373
Unearned ESOP shares	(595,096)	(642,712)
Shares reserved for stock compensation	(18,074)	(38,389)
Accumulated other comprehensive loss, net of tax	(968,073)	(902,860)
Reclassification of ESOP shares	<u>(1,484,656)</u>	<u>(1,647,542)</u>
<b>Total stockholders' equity</b>	<u><u>44,979,357</u></u>	<u><u>42,409,955</u></u>
<b>Total liabilities and stockholders' equity</b>	<u><u>\$ 481,048,723</u></u>	<u><u>\$ 454,827,779</u></u>

# Equitable Financial Corp.

## Income Statement

### Unaudited

	For the year ended	
	June 30, 2023	June 30, 2022
Interest income:		
Loans	\$ 20,638,672	\$ 16,279,657
Securities	404,851	274,903
Other	269,586	167,950
<b>Total interest income</b>	<b>21,313,109</b>	<b>16,722,509</b>
Interest expense:		
Deposits	5,602,119	1,495,481
Federal Home Loan Bank borrowings	439,030	81,465
Other	180,625	86,795
<b>Total interest expense</b>	<b>6,221,774</b>	<b>1,663,741</b>
<b>Net interest income</b>	<b>15,091,335</b>	<b>15,058,768</b>
Provision for loan losses	466,853	623,520
<b>Net interest income after provision for loan losses</b>	<b>14,624,482</b>	<b>14,435,248</b>
Noninterest income:		
Service charges on deposit accounts	1,289,063	1,086,742
Brokerage fee income	2,197,116	2,322,006
Gain on sale of loans	172,863	1,190,099
Other loan fees	645,356	883,013
Other income	504,990	575,211
<b>Total noninterest income</b>	<b>4,809,388</b>	<b>6,057,071</b>
Noninterest expense:		
Salaries and employee benefits	8,180,513	7,804,043
Director and committee fees	153,104	154,250
Data processing fees	1,124,904	1,039,384
Occupancy and equipment	1,385,330	1,571,133
Regulatory fees and deposit insurance premium	263,118	235,997
Advertising and public relations	436,665	564,043
Professional fees	365,534	239,870
Supplies, telephone and postage	104,267	113,654
Loan Fees	616,458	950,775
Other expenses	2,135,284	1,865,573
<b>Total noninterest expense</b>	<b>14,765,177</b>	<b>14,538,722</b>
Income before income taxes	4,668,693	5,953,598
Income tax expense	(1,080,767)	(1,362,463)
<b>Net income</b>	<b>\$ 3,587,926</b>	<b>\$ 4,591,134</b>

**Equitable Financial Corp.**

Selected Financial Data - Quarterly Trend

Unaudited

(Dollars in thousands, except per share amounts and percentages)

**Quarter Ended Fiscal Year June 30,**

	2023				2022			
	June 30	March 31	December 31	September 30	June 30	March 31	December 31	September 30
<b>Selected Financial Data</b>								
For the period:								
Interest income	\$ 5,714	\$ 5,422	\$ 5,406	\$ 4,771	\$ 4,101	\$ 3,772	\$ 3,748	\$ 5,102
Interest expense	\$ 2,295	\$ 1,860	\$ 1,370	\$ 697	\$ 428	\$ 389	\$ 398	\$ 449
Net interest income	\$ 3,419	\$ 3,562	\$ 4,036	\$ 4,074	\$ 3,673	\$ 3,383	\$ 3,350	\$ 4,653
Provision for loan losses	\$ 209	\$ (117)	\$ 175	\$ 200	\$ 272	\$ 89	\$ 149	\$ 114
Noninterest income	\$ 1,278	\$ 1,129	\$ 1,183	\$ 1,220	\$ 1,669	\$ 1,451	\$ 1,584	\$ 1,353
Noninterest expense	\$ 3,713	\$ 3,538	\$ 3,774	\$ 3,740	\$ 3,460	\$ 3,522	\$ 3,818	\$ 3,739
Income tax expense	\$ 108	\$ 364	\$ 295	\$ 314	\$ 357	\$ 255	\$ 235	\$ 515
Net income	\$ 667	\$ 906	\$ 975	\$ 1,040	\$ 1,253	\$ 968	\$ 732	\$ 1,638
Period-end:								
Loans (net of deferred origination costs and ALLL)	\$ 419,721	\$ 408,850	\$ 431,296	\$ 413,951	\$ 389,757	\$ 361,842	\$ 362,120	\$ 339,922
Assets	\$ 481,049	\$ 472,127	\$ 494,270	\$ 478,270	\$ 454,828	\$ 456,667	\$ 434,842	\$ 431,985
Deposits	\$ 412,270	\$ 414,409	\$ 418,618	\$ 402,703	\$ 396,158	\$ 396,777	\$ 375,867	\$ 374,098
Shareholders' equity	\$ 44,979	\$ 44,355	\$ 43,488	\$ 42,592	\$ 42,410	\$ 41,743	\$ 41,387	\$ 40,982
<b>Profitability Statistics</b>								
Return on average assets	0.56%	0.75%	0.80%	0.89%	1.10%	0.87%	0.68%	1.53%
Return on average shareholders' equity	5.97%	8.25%	9.06%	9.79%	11.91%	9.32%	7.11%	16.23%
Average shareholders' equity to average assets	9.37%	9.09%	8.85%	9.11%	9.23%	9.32%	9.50%	9.45%
<b>Common Stock Statistics</b>								
Common shares outstanding	2,666,305	2,678,582	2,698,838	2,714,438	2,753,047	2,769,047	2,771,884	2,791,914
Book value per common share	\$ 16.87	\$ 16.56	\$ 16.11	\$ 15.69	\$ 15.40	\$ 15.07	\$ 14.93	\$ 14.68
Earnings per common share	\$ 0.25	\$ 0.34	\$ 0.36	\$ 0.38	\$ 0.46	\$ 0.35	\$ 0.26	\$ 0.59
Cash dividends declared per common share	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Dividend payout ratio	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Regulatory Capital Ratios (Bank)</b>								
Total Capital	12.7%	12.7%	11.7%	12.4%	12.3%	12.8%	12.3%	12.6%
Common equity Tier 1 capital	11.4%	11.4%	10.4%	11.1%	11.1%	11.5%	11.1%	11.3%
Tier 1 capital (to risk-weighted assets)	11.4%	11.4%	10.4%	11.1%	11.1%	11.5%	11.1%	11.3%
Tier 1 capital (to adjusted total assets)	9.4%	9.2%	8.8%	9.6%	9.5%	9.2%	9.1%	9.0%