



**News Announcement
For immediate release
Grand Island, Nebraska**

Contact: Tom Gdowski
308-382-3136
tgdowski@equitableonline.com
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First Quarter Highlights

- Equitable Financial Corp, parent company of Equitable Bank, reported profits of \$571,000 for the first quarter of fiscal year ending June 30, 2024, or \$.21 per share, compared to \$1,040,000 or .38 per share for the first quarter of fiscal year June 2023.
- Net interest income decreased \$717,000 to \$3.357 million for the quarter ending September 30, 2023, compared to \$4.074 million for the quarter ending September 30, 2022.
- Net loans increased \$6.4 million to \$420 million for the quarter ending September 30, 2023, compared to \$414 million on September 30, 2022. [Click or tap here to enter text.](#)
- Provision for loan losses for the first quarter of fiscal year ending September 30, 2023 was (\$115,000) compared to \$200,000 for the September 30, 2022, quarter end.
- Noninterest income increased \$44,000 to \$1,264,000 for the first quarter of fiscal year ending June 30, 2024 compared to \$1,220,000 for the first quarter of fiscal year ending June 30, 2023. Noninterest income, as in the prior quarter, was affected primarily by a continued decrease in mortgage banking activity and loan originations and sales.
- Noninterest expense was \$3.988 million for the first quarter of fiscal year ending June 30, 2024, compared to \$3.740 million for the first quarter of fiscal year ending June 2023.
- Total assets were \$492,816 million as of September 30, 2023, quarter, compared to \$478,270 million for the quarter of September 30, 2022.
- During the quarter, the company repurchased 8,565 shares of stock, total cost of \$95,517, at an average price per share of \$11.17.

President/CEO Tom Gdowski, stated, “bank performance continues to be impacted by the effects of higher interest rates on balance sheet funding and lower fee income from mortgage banking activities. The pace of Fed interest rate increases has slowed as it appears the primary goal of slowing inflation is beginning to have the desired effect. Overall asset quality remains sound and continues to be a primary focus as well as non-interest expense management.

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>September 30, 2023</u>	<u>June 30, 2023</u>
Assets		
Cash and due from financial institutions	\$ 4,140,886	\$ 6,705,585
Interest-earning deposits	<u>16,418,000</u>	<u>1,698,970</u>
Interest-bearing time deposits in banks	20,558,885	8,404,555
Securities available-for-sale	249,000	249,000
Securities held-to-maturity	28,689,468	30,233,000
Federal Home Loan Bank stock, at cost	6,819	7,979
Federal Reserve Bank stock, at cost	1,858,300	2,016,900
Loans, net of allowance for loan losses of \$6,217,000 and \$5,782,000, respectively	473,550	473,400
Premises and equipment, net	420,323,303	419,720,970
Foreclosed assets, net	8,155,930	8,162,359
Accrued interest receivable	3,750	—
Deferred taxes, net	3,668,267	3,038,319
Customer list intangible	864,349	905,462
Bank-owned life insurance	1,231,220	1,274,391
Other assets	3,969,473	3,942,259
	<u>2,763,380</u>	<u>2,620,129</u>
Total assets	<u>\$ 492,815,694</u>	<u>\$ 481,048,723</u>
Liabilities and Stockholders' Equity		
Liabilities:		
Noninterest-bearing deposits	\$ 52,224,915	\$ 57,448,538
Interest-bearing deposits	<u>374,939,834</u>	<u>354,821,128</u>
	427,164,749	412,269,666
Lines of credit	685,000	685,000
Federal funds purchased	—	2,888,000
Federal Home Loan Bank Borrowings	15,000,000	15,000,000
Advance payments from borrowers for taxes and insurance	434,772	884,811
Accrued interest payable and other liabilities	<u>2,346,555</u>	<u>2,857,233</u>
Total liabilities	<u>445,631,076</u>	<u>434,584,710</u>
Common stock in ESOP subject to contingent repurchase obligation	1,492,645	1,484,656
Stockholders' equity:		
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	26,577	26,663
Additional paid-in capital	17,393,683	17,483,294
Retained earnings	31,148,610	30,535,299
Unearned ESOP shares	(583,192)	(595,096)
Shares reserved for stock compensation	(13,655)	(18,074)
Accumulated other comprehensive loss, net of tax	(787,406)	(968,073)
Reclassification of ESOP shares	<u>(1,492,645)</u>	<u>(1,484,656)</u>
Total stockholders' equity	<u>45,691,973</u>	<u>44,979,357</u>
Total liabilities and stockholders' equity	<u>\$ 492,815,694</u>	<u>\$ 481,048,723</u>

Equitable Financial Corp.

Income Statement Unaudited

	For the year ended	
	September 30, 2023	September 30, 2022
Interest income:		
Loans	\$ 5,906,817	\$ 4,618,367
Securities	84,567	102,750
Other	161,804	49,907
Total interest income	6,153,188	4,771,025
Interest expense:		
Deposits	2,626,069	554,995
Federal Home Loan Bank borrowings	153,071	79,849
Other	16,941	62,410
Total interest expense	2,796,080	697,254
Net interest income	3,357,108	4,073,771
Provision for loan losses	(115,447)	200,605
Net interest income after provision for loan losses	3,472,555	3,873,166
Noninterest income:		
Service charges on deposit accounts	315,619	339,416
Brokerage fee income	595,048	469,304
Gain on sale of loans	30,578	54,320
Other loan fees	205,832	237,072
Other income	117,076	120,235
Total noninterest income	1,264,153	1,220,346
Noninterest expense:		
Salaries and employee benefits	2,222,070	2,095,835
Director and committee fees	44,646	40,821
Data processing fees	352,920	272,007
Occupancy and equipment	320,486	330,000
Regulatory fees and deposit insurance premium	82,889	45,405
Advertising and public relations	89,262	108,885
Professional fees	228,505	136,524
Supplies, telephone and postage	22,220	26,775
Other expenses	625,023	683,589
Total noninterest expense	3,988,020	3,739,842
Income before income taxes	748,688	1,353,670
Income tax expense	(177,455)	(313,949)
Net income	\$ 571,233	\$ 1,039,722

Equitable Financial Corp.

Selected Financial Data - Quarterly Trend

Unaudited

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

	Quarter Ended Fiscal Year June 30,									
	2024		2023				2022			
	September 30	June 30	March 31	December 31	September 30	June 30	March 31	December 31	September 30	
Selected Financial Data										
For the period:										
Interest income	\$ 6,153	\$ 5,714	\$ 5,422	\$ 5,406	\$ 4,771	\$ 4,101	\$ 3,772	\$ 3,748	\$ 5,102	
Interest expense	\$ 2,796	\$ 2,295	\$ 1,860	\$ 1,370	\$ 697	\$ 428	\$ 389	\$ 398	\$ 449	
Net interest income	\$ 3,357	\$ 3,419	\$ 3,562	\$ 4,036	\$ 4,074	\$ 3,673	\$ 3,383	\$ 3,350	\$ 4,653	
Provision for loan losses	\$ (115)	\$ 209	\$ (117)	\$ 175	\$ 200	\$ 272	\$ 89	\$ 149	\$ 114	
Noninterest income	\$ 1,264	\$ 1,278	\$ 1,129	\$ 1,183	\$ 1,220	\$ 1,669	\$ 1,451	\$ 1,584	\$ 1,353	
Noninterest expense	\$ 3,988	\$ 3,713	\$ 3,538	\$ 3,774	\$ 3,740	\$ 3,460	\$ 3,522	\$ 3,818	\$ 3,739	
Income tax expense	\$ 177	\$ 108	\$ 364	\$ 295	\$ 314	\$ 357	\$ 255	\$ 235	\$ 515	
Net income	\$ 571	\$ 667	\$ 906	\$ 975	\$ 1,040	\$ 1,253	\$ 968	\$ 732	\$ 1,638	
Period-end:										
Loans (net of deferred origination costs and ALLL)	\$ 420,323	\$ 419,721	\$ 408,850	\$ 431,296	\$ 413,951	\$ 389,757	\$ 361,842	\$ 362,120	\$ 339,922	
Assets	\$ 492,816	\$ 481,049	\$ 472,127	\$ 494,270	\$ 478,270	\$ 454,828	\$ 456,667	\$ 434,842	\$ 431,985	
Deposits	\$ 427,165	\$ 412,270	\$ 414,409	\$ 418,618	\$ 402,703	\$ 396,158	\$ 396,777	\$ 375,867	\$ 374,098	
Shareholders' equity	\$ 45,692	\$ 44,979	\$ 44,355	\$ 43,488	\$ 42,592	\$ 42,410	\$ 41,743	\$ 41,387	\$ 40,982	
Profitability Statistics										
Return on average assets	0.47%	0.56%	0.75%	0.80%	0.89%	1.10%	0.87%	0.68%	1.53%	
Return on average shareholders' equity	5.04%	5.97%	8.25%	9.06%	9.79%	11.91%	9.32%	7.11%	16.23%	
Average shareholders' equity to average assets	9.31%	9.37%	9.09%	8.85%	9.11%	9.23%	9.32%	9.50%	9.45%	
Common Stock Statistics										
Common shares outstanding	2,657,740	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	\$ 17.19	\$ 16.87	\$ 16.56	\$ 16.11	\$ 15.69	\$ 15.40	\$ 15.07	\$ 14.93	\$ 14.68	
Earnings per common share	\$ 0.21	\$ 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%	0.00%	
Regulatory Capital Ratios (Bank)										
Total Capital	12.9%	12.7%	12.7%	11.7%	12.4%	12.3%	12.8%	12.3%	12.6%	
Common equity Tier 1 capital	11.6%	11.4%	11.4%	10.4%	11.1%	11.1%	11.5%	11.1%	11.3%	
Tier 1 capital (to risk-weighted assets)	11.6%	11.4%	11.4%	10.4%	11.1%	11.1%	11.5%	11.1%	11.3%	
Tier 1 capital (to adjusted total assets)	9.3%	9.4%	9.2%	8.8%	9.6%	9.5%	9.2%	9.1%	9.0%	