

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

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
<b>Assets</b>		
Cash and due from banks	\$ 10,338,273	\$ 5,266,361
Interest bearing deposits	<u>524,427</u>	<u>1,249,947</u>
<b>Total cash and cash equivalents</b>	10,862,700	6,516,308
Time deposits	250,000	250,000
Federal funds sold	55,000	1,716,000
Securities available for sale	20,898,175	32,700,414
Loans, net of allowance for loan losses of \$4,301,307 and \$3,640,145 at December 31, 2022 and December 31, 2021, respectively	307,750,228	283,877,203
Loans held for sale	-	403,920
Premises and equipment, net	6,163,630	6,331,188
Accrued interest receivable	1,309,931	1,007,399
Deferred tax assets	2,652,355	1,793,910
Cash value of life insurance	2,672,025	2,649,941
Goodwill	649,869	649,869
Core deposit intangible	67,567	100,326
Other assets	<u>4,515,880</u>	<u>4,528,862</u>
<b>Total assets</b>	<u>\$ 357,847,360</u>	<u>\$ 342,525,340</u>
<b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities</b>		
Deposits:		
Non-interest bearing	\$ 22,649,512	\$ 22,898,814
Interest bearing	<u>267,431,407</u>	<u>250,152,124</u>
<b>Total deposits</b>	290,080,919	273,050,938
Accrued interest payable	93,942	48,825
FHLB advances	18,750,000	16,524,555
Long Term Debt	2,100,000	-
Other liabilities	<u>3,534,549</u>	<u>4,860,206</u>
<b>Total liabilities</b>	<u>314,559,410</u>	<u>294,484,524</u>
Commitments and Contingencies	2,016,139	2,066,911
ESOP Repurchase Obligation	<u>2,016,139</u>	<u>2,066,911</u>
<b>Stockholders' Equity</b>		
Common stock, \$.01 par value, 12,000,000 shares authorized; 2,561,406 and 2,818,517 shares issued at December 31, 2022 and December 31, 2021, respectively	25,613	28,185
Additional paid-in-capital	24,847,455	28,473,180
Retained earnings	21,861,151	20,536,121
Unallocated ESOP shares	(815,766)	(949,340)
Unallocated management recognition plan shares	(150,663)	(99,352)
Accumulated other comprehensive income	<u>(2,479,840)</u>	<u>52,022</u>
	<u>43,287,950</u>	<u>48,040,816</u>
Less:		
ESOP Owned Shares	<u>(2,016,139)</u>	<u>(2,066,911)</u>
<b>Total stockholders' equity</b>	<u>41,271,811</u>	<u>45,973,905</u>
<b>Total liabilities and stockholders' equity</b>	<u>\$ 357,847,360</u>	<u>\$ 342,525,340</u>

**Ottawa Bancorp, Inc. & Subsidiary**  
**Consolidated Statements of Operations**  
**Three Months and Year Ended December 31, 2022 and 2021**  
(Unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Interest and dividend income:				
Interest and fees on loans	\$ 3,429,290	\$ 2,969,101	\$12,642,349	\$11,906,772
Securities:				
Residential mortgage-backed and related securities	72,658	68,993	313,240	204,046
State and municipal securities	28,611	74,368	161,593	263,212
Dividends on non-marketable equity securities	20,427	8,714	49,318	34,186
Interest-bearing deposits	26,296	4,518	59,172	21,330
<b>Total interest and dividend income</b>	<u>3,577,282</u>	<u>3,125,694</u>	<u>13,225,672</u>	<u>12,429,546</u>
Interest expense:				
Deposits	708,463	273,400	1,615,157	1,266,314
Borrowings	94,898	53,906	279,357	272,709
<b>Total interest expense</b>	<u>803,361</u>	<u>327,306</u>	<u>1,894,514</u>	<u>1,539,023</u>
<b>Net interest income</b>	<u>2,773,921</u>	<u>2,798,388</u>	<u>11,331,158</u>	<u>10,890,523</u>
Provision for loan losses	418,000	25,000	1,148,000	150,000
<b>Net interest income after provision for loan losses</b>	<u>2,355,921</u>	<u>2,773,388</u>	<u>10,183,158</u>	<u>10,740,523</u>
Other income:				
Gain on sale of loans	20,354	115,871	196,015	895,341
Loan origination and servicing income	135,126	290,015	758,859	1,149,174
Origination of mortgage servicing rights, net of amortization	253,778	235,131	263,859	326,083
Customer service fees	103,810	102,649	458,507	393,174
Increase in cash surrender value of life insurance	2,859	11,174	22,084	46,895
Gain on sale of repossessed assets, net	-	(7,791)	-	(7,791)
Gain (Loss) on sale of foreclosed real estate	-	14,334	-	18,390
Other	24,979	39,415	52,702	134,918
<b>Total other income</b>	<u>540,906</u>	<u>800,798</u>	<u>1,752,026</u>	<u>2,956,184</u>
Other expenses:				
Salaries and employee benefits	1,191,032	1,421,998	4,904,943	5,907,034
Directors fees	42,000	35,000	177,000	148,750
Occupancy	165,174	166,852	651,399	624,468
Deposit insurance premium	21,381	25,736	85,229	76,913
Legal and professional services	79,078	96,688	302,504	360,120
Data processing	301,755	297,237	1,150,203	1,077,576
Loss on sale of securities	-	-	13,291	-
Loan expense	97,596	91,534	333,210	500,256
Valuation adjustments and expenses on foreclosed real estate	-	(844)	-	15,859
Other	222,643	287,308	864,079	927,446
<b>Total other expenses</b>	<u>2,120,659</u>	<u>2,421,509</u>	<u>8,481,858</u>	<u>9,638,422</u>
<b>Income before income tax expense</b>	<u>776,168</u>	<u>1,152,677</u>	<u>3,453,326</u>	<u>4,058,285</u>
Income tax expense	230,070	392,718	976,653	1,154,564
<b>Net income</b>	<u>\$ 546,098</u>	<u>\$ 759,959</u>	<u>\$ 2,476,673</u>	<u>\$ 2,903,721</u>
<b>Basic earnings per share</b>	<u>\$ 0.22</u>	<u>\$ 0.28</u>	<u>\$ 0.96</u>	<u>\$ 1.03</u>
<b>Diluted earnings per share</b>	<u>\$ 0.22</u>	<u>\$ 0.28</u>	<u>\$ 0.96</u>	<u>\$ 1.03</u>
<b>Dividends per share</b>	<u>\$ 0.115</u>	<u>\$ 0.105</u>	<u>\$ 0.447</u>	<u>\$ 0.649</u>