



**News Announcement  
For immediate release**

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**Grand Island, Nebraska**

**Third Quarter 2022 Highlights**

- Equitable Financial Corp, parent company of Equitable Bank, reported profits of \$968,000 for the third quarter of fiscal year ending June 30, 2022, or \$0.35 per share, compared to \$909,000 or \$0.32 per share for the third quarter of fiscal year June 30, 2021.
- Interest income increased due to loan growth net of allowance for loan losses of \$23 million to \$362 million on March 31, 2022, compared to \$339 million on March 31, 2021, and a continued decrease in interest expense due to lower interest rates.
- Provision for loan losses for the third quarter of fiscal year ending June 30, 2022, was \$89,000 compared to \$85,000 for the third quarter of fiscal year ending June 30, 2021.
- Noninterest income decreased over the prior quarter to \$1,451,000, compared to \$1,584,000 for the second quarter of fiscal year ending June 30, 2022. The majority of the decrease was a reduction in Gain on Sale of Loans of \$71,000 from the prior quarter.
- Noninterest expense increased \$186,000 for the third quarter of fiscal year ending June 30, 2022, compared to the third quarter of fiscal year ending June 2021. This change is mainly due to increased salaries and employee benefits.
- Total assets were \$456.7 million as of March 31, 2022, an increase of \$29 million, from March 31, 2021; this is due to an increase in securities available and net loans. Deposits increased \$27 million to \$397 million on March 31, 2022, compared to \$370 million on March 31, 2021.

During the quarter, the company repurchased 12,643 shares of stock for a total of \$165,047, at an average price per share of \$12.99.

President and CEO, Tom Gdowski stated "The operating results were in line with our expectations. The general economy in our markets continues to be strong. While loans were flat, we were able to replace prior PPP loans that have been forgiven and replace them with new volume and new relationships. Our deposit costs continue to be low and reflect the current environment for rates. This will change as the Fed implements their tightening strategy by raising the Fed Funds overnight borrowing rate charged to banks. With rising rates, we also expect a decrease in mortgage banking fees as mortgage rates begin to rise, although new construction and purchases continue to be strong. Going forward as the interest rate environment changes, we anticipate an increase in our net interest income as our variable rate loans reprice. Deposit pricing and overall balance sheet funding will be the challenge in this changing environment."

**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 5 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

	March 31, 2022	June 30, 2021
<b>Assets</b>		
Cash and due from financial institutions	\$ 3,888,754	\$ 4,168,982
Interest-earning deposits	35,179,133	25,567,226
	39,067,887	29,736,208
Securities available-for-sale	33,128,164	22,111,286
Securities held-to-maturity	15,105	23,915
Federal Home Loan Bank stock, at cost	1,734,000	2,048,000
Federal Reserve Bank stock, at cost	472,300	471,500
Loans, net of allowance for loan losses of \$5,546,000 and \$5,194,000, respectively	361,841,933	349,742,509
Premises and equipment, net	8,991,229	7,117,514
Foreclosed assets, net	-	4,054
Accrued interest receivable	2,026,029	2,122,977
Deferred taxes, net	992,483	771,528
Customer list intangible	1,490,248	1,619,762
Bank-owned life insurance	3,807,269	3,726,055
Other assets	3,100,224	3,083,406
<b>Total assets</b>	<b>\$ 456,666,871</b>	<b>\$ 422,578,714</b>
<b>Liabilities and Stockholders' Equity</b>		
Liabilities:		
Noninterest-bearing deposits	\$ 67,445,152	\$ 57,525,889
Interest-bearing deposits	329,331,943	307,808,272
	396,777,095	365,334,161
Lines of credit	1,609,817	880,000
Federal Home Loan Bank Borrowings	11,000,000	11,000,000
Advance payments from borrowers for taxes and insurance	687,065	602,129
Accrued interest payable and other liabilities	3,290,599	3,471,929
<b>Total liabilities</b>	<b>413,364,576</b>	<b>381,288,219</b>
Common stock in ESOP subject to contingent repurchase obligation	1,558,815	1,549,557
Stockholders' equity:		
Common stock, \$0.01 par value, 25,000,000 shares authorized 2,769,047 and 2,824,286 shares issued and outstanding at March 31, 2022 and June 30, 2021, respectively	27,690	28,243
Additional paid-in capital	18,862,592	19,564,401
Retained earnings	25,694,167	22,356,239
Unearned ESOP shares	(654,616)	(690,328)
Shares reserved for stock compensation	(43,468)	(142,498)
Accumulated other comprehensive loss, net of tax	(584,071)	174,438
Reclassification of ESOP shares	(1,558,815)	(1,549,557)
<b>Total stockholders' equity</b>	<b>41,743,480</b>	<b>39,740,938</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 456,666,871</b>	<b>\$ 422,578,714</b>

# Equitable Financial Corp.

## Income Statement Unaudited

	For the nine months ended	
	March 31, 2022	March 31, 2021
Interest income:		
Loans	\$ 12,339,688	\$ 11,572,939
Securities	170,314	157,258
Other	111,910	103,195
<b>Total interest income</b>	<b>12,621,913</b>	<b>11,833,392</b>
Interest expense:		
Deposits	1,111,879	2,101,929
Federal Home Loan Bank borrowings	63,746	92,631
Other	60,736	57,831
<b>Total interest expense</b>	<b>1,236,360</b>	<b>2,252,391</b>
<b>Net interest income</b>	<b>11,385,553</b>	<b>9,581,001</b>
Provision for loan losses	351,791	207,793
<b>Net interest income after provision for loan losses</b>	<b>11,033,762</b>	<b>9,373,208</b>
Noninterest income:		
Service charges on deposit accounts	802,867	615,532
Brokerage fee income	1,779,353	1,624,898
Gain on sale of loans	819,549	2,157,864
Other loan fees	584,943	788,730
Other income	401,164	380,025
<b>Total noninterest income</b>	<b>4,387,875</b>	<b>5,567,049</b>
Noninterest expense:		
Salaries and employee benefits	6,116,383	6,330,998
Director and committee fees	108,704	119,004
Data processing fees	767,301	727,872
Occupancy and equipment	1,090,936	945,554
Regulatory fees and deposit insurance premium	187,956	153,939
Advertising and public relations	463,732	366,736
Professional fees	172,808	142,174
Supplies, telephone and postage	91,202	80,946
Loan Fees	673,547	803,006
Other expenses	1,405,964	1,182,056
<b>Total noninterest expense</b>	<b>11,078,533</b>	<b>10,852,285</b>
Income before income taxes	4,343,104	4,087,972
Income tax expense	(1,005,176)	(965,707)
<b>Net income</b>	<b>\$ 3,337,928</b>	<b>\$ 3,122,265</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,											
	2022			2021				2020				
	March 31	December 31	September 30	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	\$ 3,772	\$ 3,748	\$ 5,102	\$ 4,071	\$ 3,823	\$ 4,199	\$ 3,811	\$ 3,883	\$ 3,949	\$ 4,029	\$ 3,879	
Interest expense	\$ 389	\$ 398	\$ 449	\$ 511	\$ 639	\$ 797	\$ 816	\$ 1,356	\$ 1,110	\$ 1,092	\$ 1,075	
Net interest income	\$ 3,383	\$ 3,350	\$ 4,653	\$ 3,560	\$ 3,184	\$ 3,402	\$ 2,995	\$ 2,527	\$ 2,839	\$ 2,937	\$ 2,804	
Provision for loan losses	\$ 89	\$ 149	\$ 114	\$ 57	\$ 85	\$ 79	\$ 44	\$ 63	\$ 276	\$ 53	\$ 140	
Noninterest income	\$ 1,451	\$ 1,584	\$ 1,353	\$ 1,590	\$ 1,448	\$ 1,929	\$ 2,190	\$ 1,887	\$ 955	\$ 1,503	\$ 1,337	
Noninterest expense	\$ 3,522	\$ 3,818	\$ 3,739	\$ 3,821	\$ 3,336	\$ 3,790	\$ 3,726	\$ 3,529	\$ 3,059	\$ 3,256	\$ 2,967	
Income tax expense	\$ 255	\$ 235	\$ 515	\$ 133	\$ 302	\$ 326	\$ 338	\$ 193	\$ 101	\$ 262	\$ 259	
Net income	\$ 968	\$ 732	\$ 1,638	\$ 1,139	\$ 909	\$ 1,136	\$ 1,077	\$ 629	\$ 358	\$ 869	\$ 775	
Period-end:												
Loans (net of deferred origination costs and ALLL)	\$ 361,842	\$ 362,120	\$ 339,922	\$ 349,743	\$ 338,825	\$ 338,058	\$ 342,212	\$ 341,676	\$ 318,909	\$ 312,829	\$ 304,891	
Assets	\$ 456,667	\$ 434,842	\$ 431,985	\$ 422,579	\$ 427,968	\$ 412,126	\$ 402,172	\$ 394,389	\$ 367,629	\$ 357,020	\$ 336,662	
Deposits	\$ 396,777	\$ 375,867	\$ 374,098	\$ 365,334	\$ 370,586	\$ 352,740	\$ 340,461	\$ 328,291	\$ 305,539	\$ 292,761	\$ 281,669	
Shareholders' equity	\$ 41,743	\$ 41,387	\$ 40,982	\$ 39,741	\$ 39,524	\$ 38,823	\$ 38,118	\$ 37,260	\$ 36,410	\$ 37,193	\$ 36,445	
<b>Profitability Statistics</b>												
Return on average assets	0.87%	0.68%	1.53%	1.07%	0.87%	1.12%	1.08%	0.66%	0.40%	1.00%	0.93%	
Return on average shareholders' equity	9.32%	7.11%	16.23%	11.50%	9.28%	11.81%	11.43%	6.83%	3.89%	9.44%	8.44%	
Average shareholders' equity to average assets	9.32%	9.50%	9.45%	9.32%	9.33%	9.45%	9.46%	9.67%	10.16%	10.62%	11.01%	
<b>Common Stock Statistics</b>												
Common shares outstanding	2,769,047	2,771,884	2,791,914	2,824,286	2,870,047	2,887,747	2,928,513	2,949,536	2,964,136	3,066,683	3,086,580	
Book value per common share	\$ 15.07	\$ 14.93	\$ 14.68	\$ 14.07	\$ 13.77	\$ 13.44	\$ 13.02	\$ 12.63	\$ 12.28	\$ 12.13	\$ 11.81	
Earnings per common share	\$ 0.35	\$ 0.26	\$ 0.59	\$ 0.40	\$ 0.32	\$ 0.39	\$ 0.37	\$ 0.21	\$ 0.12	\$ 0.28	\$ 0.25	
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%	0.00%	0.00%	
<b>Regulatory Capital Ratios (Bank)</b>												
Total Capital	12.8%	12.3%	12.6%	12.5%	11.9%	11.7%	11.2%	11.0%	11.5%	11.8%	11.2%	
Common equity Tier 1 capital	11.5%	11.1%	11.3%	11.2%	10.6%	10.5%	10.0%	9.7%	10.3%	10.5%	10.0%	
Tier 1 capital (to risk-weighted assets)	11.5%	11.1%	11.3%	11.2%	10.6%	10.5%	10.0%	9.7%	10.3%	10.5%	10.0%	
Tier 1 capital (to adjusted total assets)	9.2%	9.1%	9.0%	8.7%	8.7%	8.9%	8.7%	8.4%	9.0%	9.4%	9.3%	