

Equitable Financial Corp.**Balance Sheet****Unaudited**

| | <u>September 30, 2019</u> | <u>June 30, 2019</u> |
|--|---------------------------|-----------------------|
| Assets | | |
| Cash and due from financial institutions | \$ 5,738,879 | \$ 3,149,820 |
| Interest-earning deposits | — | 1,409,852 |
| | <u>5,738,879</u> | <u>4,559,672</u> |
| Securities available-for-sale | 7,199,068 | 9,364,450 |
| Securities held-to-maturity | 267,013 | 270,475 |
| Federal Home Loan Bank stock, at cost | 662,300 | 325,300 |
| Federal Reserve Bank stock, at cost | 469,200 | 469,200 |
| Loans, net of allowance for loan losses of \$4,586,000 and \$4,445,000, respectively | 304,890,656 | 300,087,266 |
| Premises and equipment, net | 6,526,104 | 6,412,662 |
| Foreclosed assets, net | 223,200 | 223,200 |
| Accrued interest receivable | 2,805,903 | 2,120,629 |
| Deferred taxes, net | 387,722 | 386,051 |
| Customer list intangible | 1,921,961 | 1,965,132 |
| Bank-owned life insurance | 3,529,194 | 1,750,000 |
| Other assets | 2,040,564 | 2,300,067 |
| | <u>2,040,564</u> | <u>2,300,067</u> |
| Total assets | <u>\$ 336,661,764</u> | <u>\$ 330,234,104</u> |
| Liabilities and Stockholders' Equity | | |
| Liabilities: | | |
| Noninterest-bearing deposits | \$ 33,508,968 | \$ 33,199,553 |
| Interest-bearing deposits | 248,160,166 | 250,141,818 |
| | <u>281,669,134</u> | <u>283,341,371</u> |
| Lines of credit | 2,423,000 | — |
| Federal Home Loan Bank Borrowings | 12,131,100 | 5,000,000 |
| Advance payments from borrowers for taxes and insurance | 283,654 | 532,175 |
| Accrued interest payable and other liabilities | 2,474,281 | 3,134,690 |
| Total liabilities | <u>298,981,169</u> | <u>292,008,236</u> |
| Common stock in ESOP subject to contingent repurchase obligation | 1,235,981 | 1,235,981 |
| Stockholders' equity: | | |
| Common stock, \$0.01 par value, 25,000,000 shares authorized 3,086,580 and 3,201,105 shares issued and outstanding at September 30, 2019 and June 30, 2019, respectively | 30,856 | 32,011 |
| Additional paid-in capital | 22,550,546 | 23,936,182 |
| Retained earnings | 16,240,110 | 15,465,624 |
| Unearned ESOP shares | (796,363) | (830,966) |
| Shares reserved for stock compensation | (335,592) | (374,308) |
| Accumulated other comprehensive loss, net of tax | (8,962) | (2,675) |
| Reclassification of ESOP shares | (1,235,981) | (1,235,981) |
| Total stockholders' equity | <u>36,444,614</u> | <u>36,989,887</u> |
| Total liabilities and stockholders' equity | <u>\$ 336,661,764</u> | <u>\$ 330,234,104</u> |

Equitable Financial Corp.

Income Statement Unaudited

| | For the three months ended | |
|--|----------------------------|--------------------|
| | September 30, 2019 | September 30, 2018 |
| Interest income: | | |
| Loans | \$ 3,819,244 | \$ 3,139,522 |
| Securities | 49,847 | 16,289 |
| Other | 10,100 | 8,485 |
| Total interest income | 3,879,191 | 3,164,296 |
| Interest expense: | | |
| Deposits | 1,001,448 | 569,092 |
| Federal Home Loan Bank borrowings | 67,637 | 38,744 |
| Other | 5,468 | 4,645 |
| Total interest expense | 1,074,553 | 612,481 |
| Net interest income | 2,804,638 | 2,551,815 |
| Provision for loan losses | 140,054 | 83,786 |
| Net interest income after provision for loan losses | 2,664,584 | 2,468,029 |
| Noninterest income: | | |
| Service charges on deposit accounts | 187,799 | 192,270 |
| Brokerage fee income | 430,032 | 267,271 |
| Gain on sale of loans | 336,939 | 164,134 |
| Other loan fees | 236,722 | 77,424 |
| Other income | 145,267 | 58,290 |
| Total noninterest income | 1,336,759 | 759,389 |
| Noninterest expense: | | |
| Salaries and employee benefits | 1,686,610 | 1,442,950 |
| Director and committee fees | 42,968 | 39,092 |
| Data processing fees | 262,604 | 173,941 |
| Occupancy and equipment | 425,488 | 284,154 |
| Regulatory fees and deposit insurance premium | (8,000) | 76,680 |
| Advertising and public relations | 100,546 | 72,200 |
| Professional fees | 46,739 | 131,569 |
| Supplies, telephone and postage | 84,808 | 72,713 |
| Other expenses | 325,697 | 258,204 |
| Total noninterest expense | 2,967,460 | 2,551,503 |
| Income before income taxes | 1,033,883 | 675,915 |
| Income tax expense | (259,396) | (176,045) |
| Net income | \$ 774,487 | \$ 499,870 |