

First Berlin Bancorp, Inc. and Subsidiary

Consolidated Balance Sheets



**FIRST BERLIN
BANCORP, INC.**

As of December 31,

| | 2023 | 2022 |
|--|-----------------------|-----------------------|
| Assets: | | |
| Cash and due from banks | \$ 21,461,090 | \$ 12,959,364 |
| Interest-bearing deposits | 45,057,553 | 24,356,107 |
| Cash and cash equivalents | 66,518,643 | 37,315,471 |
| Certificates of deposit | 260,497 | 500,837 |
| Debt securities available for sale | 93,451,248 | 120,724,418 |
| Loans, net | 451,940,496 | 422,145,160 |
| Premises and equipment, net | 5,143,089 | 5,189,212 |
| Mortgage servicing rights | 1,826,206 | 2,098,198 |
| Other investments | 1,918,740 | 1,393,500 |
| Bank-owned life insurance | 9,559,020 | 9,343,090 |
| Other assets | 7,895,274 | 8,292,941 |
| Total assets | \$ 638,513,213 | \$ 607,002,827 |
| Liabilities: | | |
| Noninterest-bearing deposits | \$ 138,042,263 | \$ 157,431,979 |
| Interest-bearing deposits | 361,351,709 | 367,779,905 |
| Total deposits | 499,393,972 | 525,211,884 |
| Other borrowings | 60,816,821 | 8,547,575 |
| Capital lease obligations | 32,068 | 597,206 |
| Other liabilities | 15,032,969 | 17,560,128 |
| Total liabilities | 575,275,830 | 551,916,793 |
| Stockholders' equity: | | |
| Common stock - \$0.02 par value and \$0.10 par value; Authorized - 5,000,000 and 1,000,000 shares; Issued - 3,056,310 and 500,000 shares; Outstanding - 2,772,560 and 443,250 shares | 61,126 | 61,126 |
| Additional paid-in capital | 10,502,454 | 10,502,454 |
| Retained earnings | 62,478,028 | 56,211,056 |
| Accumulated other comprehensive income (loss) | (7,572,016) | (9,456,393) |
| Treasury stock, 283,750 and 56,750 shares, at cost | (2,232,209) | (2,232,209) |
| Total stockholders' equity | 63,237,383 | 55,086,034 |
| Total liabilities and stockholders' equity | \$ 638,513,213 | \$ 607,002,827 |

First Berlin Bancorp, Inc. and Subsidiary

Consolidated Statements of Income



**FIRST BERLIN
BANCORP, INC.**

As of December 31,

| | 2023 | 2022 |
|---|---------------------|---------------------|
| Interest and dividend income: | | |
| Loans, including fees | \$ 28,089,456 | \$ 20,783,772 |
| Debt securities: | | |
| Taxable | 1,976,130 | 1,487,030 |
| Tax-exempt | 294,689 | 336,071 |
| Interest-bearing deposits | 1,039,490 | 515,688 |
| Federal funds sold | 209,648 | 74,977 |
| Dividend income | 110,677 | 60,942 |
| Certificates of deposit | 9,841 | 23,698 |
| Total interest and dividend income | 31,729,931 | 23,282,178 |
| Interest expense: | | |
| Deposits | 6,447,609 | 1,516,087 |
| Other borrowings | 2,155,602 | 399,585 |
| Capital lease obligations | 3,547 | 7,132 |
| Total interest expense | 8,606,758 | 1,922,804 |
| Net interest income | 23,123,173 | 21,359,374 |
| Provision for loan losses | 450,000 | 450,000 |
| Net interest and dividend income after provision for loan losses | 22,673,173 | 20,909,374 |
| Noninterest income: | | |
| Customer service fees | 838,121 | 764,827 |
| Interchange fees | 1,215,384 | 1,182,142 |
| Loan servicing fees | 558,959 | 787,302 |
| Net gain from sale of loans | 360,423 | 755,060 |
| Net gain on sale of debt securities available for sale | (157,065) | - |
| Income on bank-owned life insurance, net | 167,430 | 166,084 |
| Premium on sale of branch | - | - |
| Other | 165,521 | 207,878 |
| Total noninterest income | 3,148,773 | 3,863,293 |
| Noninterest expense: | | |
| Salaries | 7,058,599 | 6,529,744 |
| Employee benefits | 2,188,700 | 2,196,700 |
| Occupancy | 1,353,069 | 1,294,294 |
| Furniture and equipment expenses | 357,092 | 388,915 |
| Computer and technology services | 1,202,394 | 1,480,143 |
| Advertising | 279,403 | 263,767 |
| Foreclosed assets, net | 151,558 | 33,846 |
| Other | 3,337,476 | 2,657,216 |
| Total noninterest expense | 15,928,291 | 14,844,625 |
| Net income before income taxes | 9,893,655 | 9,928,042 |
| Provision for income taxes | 3,072,171 | 2,694,000 |
| Net income | \$ 6,821,484 | \$ 7,234,042 |

First Berlin Bancorp, Inc. and Subsidiary

Consolidated Statements of Comprehensive Income



**FIRST BERLIN
BANCORP, INC.**

As of December 31,

| | 2023 | 2022 |
|--|--------------|----------------|
| Net income | \$ 6,821,484 | \$ 7,234,042 |
| Other comprehensive income (loss), before tax effect: | | |
| Change in unrealized gain (loss) on debt securities available for sale | 2,466,079 | (13,318,131) |
| Reclassification adjustment for net gains on debt securities available for sale realized in net income | - | - |
| Other comprehensive income (loss) before tax effect | 2,466,079 | (13,318,131) |
| Income tax expense related to items of other comprehensive income (loss) | (581,703) | 3,880,904 |
| Other comprehensive income (loss), net of tax | 1,884,376 | (9,437,227) |
| Comprehensive income | \$ 8,705,860 | \$ (2,203,185) |

