

PRESS RELEASE
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JD Bancshares, Inc.

FOR IMMEDIATE RELEASE
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JD Bancshares, Inc. Reports Increase in Pre-tax, Pre-provision Operating Earnings for Q1 2021

Jennings, La., April 22, 2021 (ACCESSWIRE) – JD Bancshares, Inc. (the “Company”), (OTCQX: JDVB), the parent holding company of JD Bank (the “Bank”), reports its unaudited financial results for the quarter ended March 31, 2021.

Net income for the three-month period ended March 31, 2021 was \$1,919,989 or \$1.12 per share compared to \$2,303,079 or \$1.34 per share for the linked quarter ended December 31, 2020 and \$1,557,713 or \$0.91 per share for the prior year period ended March 31, 2020. There were meaningful differences in provisions for loan losses and non-recurring, non-operating items impacting each of the three comparative periods. Pre-tax, pre-provision operating income for the current quarter was \$2,852,906 or approximately 14% higher than the \$2,508,474 and \$2,502,248 reported for the linked quarter and prior year quarter, respectively. Pre-tax, pre-provision operating income excludes net losses on the sale of other real estate owned, net gains on the disposal of available for sale investment securities and a gain on a casualty loss recognized in the fourth quarter of 2020. The increase in earnings in the current period compared to the two comparative periods was primarily due to lower operating expenses and slightly higher recurring non-interest revenue.

Bruce Elder, President and CEO, commented, “We are pleased with the overall performance of the Company in Q1 compared to the December 2020 and March 2020 quarters. After adjusting for provision and several non-operating income and expense items, earnings for the current quarter reflect a 13.73% and 14.01% increase over the two comparative periods, respectively. We experienced solid loan production in Q1, a significant amount of which represents lines of credit which have yet to fully fund, and look forward to deploying more of our liquidity into higher yielding assets in the coming months. The deposit growth experienced in 2020 has continued into the first quarter of 2021. Aided by additional government stimulus, another round of PPP loans and hurricane related insurance proceeds received by both individuals and small businesses, our total deposits have increased by \$71.6 million since December 31, 2020.”

Asset Quality

Loans past due 30 to 89 days at March 31, 2021 were \$713,000 or 0.11% of the total loans outstanding compared to \$1.3 million or 0.21% of total loans reported at December 31, 2020. Total nonperforming assets, including loans on non-accrual status, other real estate owned (OREO) and repossessed assets were \$8.2 million at March 31, 2021 declining from \$9.1 million at December 31, 2020. Loans on non-accrual status decreased by \$1.0 million to \$7.8 million at March 31, 2021 from \$8.8 million at year end 2020. OREO increased slightly to \$353,000 from \$291,000 at year end. Management performs a quarterly evaluation of OREO properties and believes their adjusted carrying values are representative of their fair market values, although there is no assurance that the ultimate sales will be equal or greater than the carrying values. Also included in total non-performing assets were \$61,000 of repossessions at the current quarter end.

The Bank recorded \$165,000 in provisions for credit losses in Q1 2021 compared to \$190,000 in the linked quarter and \$683,000 for the prior year comparative quarter. The allowance for loan losses (ALLL) was \$8.4 million at March 31, 2021 or 1.34% of total loans compared to \$8.6 million at December 31, 2020 or 1.36% of total loans. Net charge offs were \$368,000 for the current period compared to \$677,000 for the quarter ended December 31, 2020 and \$9,000 for the prior year comparative period. Over the first three quarters of 2020, we increased our provisioning substantially due to the uncertainty of COVID-19 and hurricane impacts on loan quality. We carefully continue to monitor traditional credit metrics of the loan portfolio and while uncertainty

with respect to these events is still present, we believe the current level of our ALLL is adequate. However; there is no assurance that regulators, increased risks in the loan portfolio or changes in economic conditions will not require future adjustments to the ALLL.

COVID-19 and Hurricane Impact

In late 2020, Congress extended relief to the nation's small business community by allowing borrowers meeting certain eligibility requirements to apply for additional Small Business Administration (SBA) Paycheck Protection Program (PPP) loans. As of March 31, 2021, the Company had extended 508 second round PPP loans totaling approximately \$31.4 million. Of the original 747 PPP loans made in 2020, 585 totaling \$39.5 million have been repaid through the forgiveness process and 162 totaling \$34.5 million remain outstanding. Currently, there are a total of 670 outstanding PPP loans totaling \$65.8 million. We have recognized \$814,000 in SBA PPP origination fees in the current quarter compared to \$555,000 in the linked quarter. No origination fees had been received or earned during March 31, 2020 quarter. At March 31, 2021, there are approximately \$1.4 million in deferred origination fees associated with outstanding PPP loans that we will amortize into income over the remaining life of those loans.

In response to the COVID-19 pandemic and the two hurricanes hitting the southwest Louisiana region, we deferred payments on certain loans by 90 to 180 days. As of March 31, 2021, these loans have reached the end of the deferral period and any loans still experiencing payment issues are reflected in the past due numbers and percentages shown above in the Asset Quality narrative.

Net Interest Income

Net interest income for the current quarter remained relatively stable compared to the linked quarter at \$8.4 million and was down 2.0% from the \$8.6 million for the quarter ended March 31, 2020. Net interest income is influenced by both the volume and mix of interest-earning assets and interest-bearing liabilities. The net interest margin has experienced substantial compression over the past year. While the volume of interest-earning assets has increased by over 50% year over year, a significant portion of that increase has been in deposits with other banks, low yielding taxable investment securities and PPP loans. The increase in low yielding assets has been driven by growth in average quarterly deposits of \$416.5 million between March 2020 and March 2021. Coupled with the lower interest rate environment throughout the twelve month period ending March 31, 2021, net interest margin for the current quarter was 2.87% compared to 4.36% for the prior year comparative quarter.

The current quarter net interest margin also deteriorated by 32 basis points from the linked quarter margin of 3.19%. Average quarterly deposits increased by \$106.1 million between the December 2020 and March 2021 quarter fueled largely by government stimulus, PPP lending and hurricane-related insurance proceeds. Supply chain issues resulting from the pandemic and labor shortages have caused delays in spending these insurance proceeds to effectuate the necessary repairs to homes and businesses.

Non-Interest Income

Total non-interest income was \$2.7 million for the quarter ended March 31, 2021 compared to \$3.0 million for the linked quarter and \$2.3 million for the prior year quarter. Service charges and fees associated with deposit accounts were \$2.0 million for the current quarter and increased by \$90,000 and \$215,000, respectively over the comparative quarters. Large increases in ATM surcharge and interchange revenue more than offset significant declines in NSF income. Interchange revenue for the current quarter was \$1.1 million and reflects an increase of \$148,000 and \$447,000, respectively, over the linked and prior year comparative quarters. We anticipate continued growth in interchange revenue as we have more customers and increased card activity.

Mortgage loan activity continues at an increased pace as interest rates remain at historic low levels. Revenue from the sale of mortgage loans in the current period was \$337,000 reflecting a 35.2% and 150.6% increase, respectively, over the \$249,000 and \$134,000 gains reported for the linked and prior year quarters. Other non-interest income was \$378,000 for the current quarter, \$895,000 for the linked quarter and \$422,000 for the quarter ended March 31, 2020. The largest components of other non-interest income over the three comparative

periods continues to be revenue from trust and brokerage services. Those two revenue sources totaled \$265,000, \$281,000 and \$227,000, respectively, for the three periods. During the quarter ended December 31, 2020, the Company recognized a gain of \$454,000 on a casualty loss resulting from the August 2020 hurricane. The current quarter included a gain on the disposal of available for sale securities of \$2,000.

Non-Interest Expense

Total non-interest expense was \$8.6 million compared to \$8.5 million for the linked quarter and \$8.4 million for the prior year quarter. Salaries and benefits is the largest component of non-interest expenses and decreased by \$130,000 and \$285,000, respectively when compared to the December 2020 and March 2020 quarters. Total salaries and benefits expense was \$4.3 million, \$4.5 million and \$4.6 million for the three comparative quarters.

Data processing expenses were \$978,000 for the quarter ended March 31, 2021 compared to \$910,000 for the linked quarter and \$958,000 for the prior year quarter. Data processing expenses are always elevated during the first quarter of the year due to additional charges for year-end processing routines, creation of tax documents and other annual processes. Additional data processing expenses were incurred as a result of PPP lending. We would expect data processing costs for the rest of the year to moderate from first quarter 2021 levels.

Occupancy expense recorded in the current, linked and prior year quarter remained relatively constant at \$1.3 million, respectively. Advertising, marketing and business development expenses were also relatively constant at \$352,000, \$362,000 and \$368,000 for the comparative quarters. Both occupancy and marketing expenses could increase marginally as we celebrate the opening of our second office in the Lafayette, LA market during the second quarter of 2021.

All other non-interest expenses totaled \$1.7 million for the current quarter compared to \$1.5 million for the linked quarter and \$1.2 million in the comparative prior year quarter. All three comparative quarters included non-operating losses on the disposal or write-downs on OREO property. Write-downs or losses on OREO for the current quarter were \$408,000, \$45,000 for the linked quarter and \$25,000 in the prior year quarter. Eliminating these non-operating expenses, total other non-interest expenses would have been \$1.3 million, \$1.4 million and \$1.1 million, respectively for the three quarters being analyzed. The largest components of non-interest expenses are comprised of professional fees, FDIC deposit insurance assessments, telecommunication expenses, accruals for ad valorem taxes and other losses.

Income tax expense was \$362,000 for the current quarter compared with \$424,000 for the linked quarter and \$236,000 for the prior year quarter. Effective tax rates for the three comparative quarters were 15.85%, 15.56% and 13.18%. A greater percentage of total pre-tax income was attributable to tax-exempt income in the prior year quarter resulting in a lower effective tax rate.

Balance Sheet

Total assets increased by \$66.5 million or 5.2% to \$1.35 billion at March 31, 2021 from \$1.29 billion at December 31, 2020. The increase in total assets was primarily concentrated in investment securities and mortgage loans held for sale growing by \$96.0 million and \$1.5 million, respectively. Loans held for investment declined by \$4.4 million during the first three months of 2021. We originated approximately \$69.1 million of new, non-PPP loans and lines during Q1 2021 of which \$39.3 million was outstanding at quarter end. We did experience a net decrease of PPP loans of \$8.1 million and lost a \$20.0 plus million relationship to competition during the current quarter. As originated line commitments begin to fully fund, the resulting growth in loans outstanding will be competing against the forgiveness process on the \$65.8 million of PPP loans currently on the books. The Company is focused on growing the loan portfolio in 2021, however; PPP forgiveness is a headwind that community banks must deal with.

Total deposits increased by \$71.6 million or 6.2% to \$1.24 billion at March 31, 2021 from \$1.16 billion at December 31, 2020. Over the three-month period, we have seen increases in every deposit category led by savings with \$32.4 million in growth, money market at \$20.3 million, non-interest bearing demand at \$16.2

million, time deposits at \$2.6 million and interest-bearing NOW at \$130,000. As previously mentioned, the increases can be attributed to the additional stimulus injected into the US economy by the government, which includes direct payments to individuals and an additional round of PPP loans, and the receipt of insurance proceeds by consumers and small businesses as a result of the 2020 hurricane season.

Other liabilities decreased by \$503,000 during the three month period as a result of lower accrual and a reduction in the deferred income tax liability.

Stockholders' equity declined by \$4.6 million to \$94.1 million at March 31, 2021 from \$98.7 million at December 31, 2020. The decrease is primarily due to the reduction in accumulated other comprehensive income of \$5.8 million since December 31, 2020 as rising interest rates had an adverse impact on the Company's unrealized gains on the investment portfolio. Other changes to stockholders' equity include net income of \$1.9 million less \$772,000 in cash dividends declared and paid during the quarter. The Company paid a 10% stock dividend in January 2021 increasing common shares outstanding at March 31, 2021 to 1,714,530 compared to 1,558,757 at December 31, 2020. Due to the large decline in accumulated other comprehensive income, tangible book value per common share decreased to \$52.47 at March 31, 2021 compared to \$55.12 at December 31, 2020.

Key Performance Ratios

Return on average assets (ROA) in the current and linked quarters were impacted by the significant increase in average assets over the March 2020 quarter. ROA is 0.60% for the quarter ended March 31, 2020 compared to 0.76% for the linked quarter and 0.70% for the prior year quarter. ROA on a non-GAAP pre-tax, pre-provision operating basis for the three comparative periods was 0.88%, 0.83% and 1.14%, respectively. Return on average equity (ROE) was 7.97% for the current quarter, 10.16% for the linked quarter and 6.92% for the prior year quarter. On a non-GAAP, pre-tax, pre-provision operating basis, the ROE for the three comparative periods was 11.84%, 10.37% and 11.07%, respectively.

About JD Bancshares, Inc.

JD Bancshares, Inc. is the bank holding company of JD Bank, a state chartered bank headquartered in Jennings, Louisiana. JD Bank has been serving the citizens of southwest Louisiana since 1947 and offers a variety of personal and commercial lending and deposit products through both physical and digital delivery channels. The Bank also offers both trust and investment services. JD Bank operates through 22 full service branch offices located along the Interstate 10 corridor from Lake Charles to Lafayette, Louisiana. JD Bancshares, Inc. may be accessed on its website at www.jdbank.com/investor-relations.

JD Bancshares, Inc. (OTCQX: JDVB) trades on the OTCQX Best Market. Companies meet high financial standards, follow best practice corporate governance, demonstrate compliance with U.S. securities laws, and have a professional third-party sponsor introduction. Investors can find current financial disclosure and Real-Time Level 2 quotes for the Company on www.otcmarts.com.

Forward-Looking Statements

Statements contained in this release, which are not historical facts, are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated due to a number of factors which include the effects of future economic conditions, governmental fiscal and monetary policies, legislative and regulatory changes, the risks of changes in interest rates, the effects of competition, and including without limitation to other factors that could cause actual results to differ materially as discussed in documents filed by the Company with the Securities and Exchange Commission from time to time.

(OTCQX: JDVB)

JD BANCSHARES, INC. AND SUBSIDIARIES
JENNINGS, LOUISIANA

CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	Actual Mar 2021	Actual Dec 2020	\$ Variance	% Variance
Assets				
Cash and due from banks	30,734,392	23,526,805	7,207,587	30.6
Interest bearing deposits with banks	207,443,890	241,606,805	(34,162,916)	(14.1)
Investment Securities - Taxable	311,867,038	218,990,753	92,876,285	42.4
Investment Securities - Tax-exempt	124,656,627	121,492,318	3,164,308	2.6
Mortgage loans held for sale	2,420,382	918,649	1,501,733	163.5
Loans, net of unearned income	625,815,419	630,199,440	(4,384,021)	(0.7)
Less: Allowance for loan losses	-8,379,893	-8,583,238	203,345	2.4
Premises and equipment, net	22,971,485	23,130,055	(158,570)	(0.7)
Accrued interest receivable	4,215,045	4,837,067	(622,022)	(12.9)
Other real estate	352,615	290,700	61,915	21.3
Other assets	32,140,972	31,351,043	789,929	2.5
Total Assets	1,354,237,970	1,287,760,397	66,477,573	5.2
Liabilities				
Non-Interest Bearing Deposits	464,409,386	448,228,877	16,180,508	3.6
Interest bearing demand deposits	244,467,640	244,337,657	129,982	0.1
Savings and Money Market Deposits	397,977,532	345,297,866	52,679,667	15.3
Time Deposits - Retail	128,251,605	125,681,460	2,570,145	2.0
Total Deposits	1,235,106,163	1,163,545,860	71,560,303	6.2
Accrued expenses and other liabilities	4,602,346	4,962,953	(360,607)	(7.3)
FHLB Advances	2,700,493	2,763,431	(62,937)	(2.3)
Other Borrowings	17,689,008	17,768,330	(79,322)	(0.4)
Total Liabilities	1,260,098,011	1,189,040,574	71,057,437	6.0
Equity				
Common stock	10,715,812	9,742,231	973,581	10.0
Capital surplus	10,525,694	3,790,069	6,735,625	177.7
Retained earnings	70,269,960	71,579,869	(1,309,909)	(1.8)
Accumulated other comprehensive income (loss)	853,051	6,606,445	(5,753,394)	(87.1)
Less: Notes Receivable common stock	-144,547	-202,500	57,952	28.6
Net Income	1,919,989	7,203,708	(5,283,719)	(73.3)
Total Equity	94,139,959	98,719,822	(4,579,863)	(4.6)
Total Liabilities & Equity	1,354,237,970	1,287,760,397	66,477,573	5.2

JD BANCSHARES, INC. AND SUBSIDIARIES
JENNINGS, LOUISIANA

CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	QTD Actual Mar 2021	QTD Actual Dec 2020	\$ Variance	% Variance	QTD Actual Mar 2020	\$ Variance	% Variance
Interest Income							
Interest on Loans	8,068,107	8,327,843	(259,736)	(3.1)	8,642,222	(574,115)	(6.6)
Mortgage Loans Held For Sale	8,580	9,441	(861)	(9.1)	6,338	2,242	35.4
Interest on deposits with banks	58,765	51,956	6,809	13.1	58,842	(77)	(0.1)
Investment Securities - Taxable	664,049	507,798	156,252	30.8	454,490	209,560	46.1
Investment Securities - Tax-exempt	800,813	735,946	64,867	8.8	720,311	80,502	11.2
Total Interest Income	9,600,314	9,632,983	(32,669)	(0.3)	9,882,203	(281,889)	(2.9)
Interest Expense							
Interest bearing demand deposits	244,836	248,121	(3,285)	(1.3)	227,580	17,256	7.6
Savings and Money Market Deposits	211,300	178,807	32,493	18.2	212,164	(864)	(0.4)
Time Deposits - Retail	364,276	396,605	(32,328)	(8.2)	472,186	(107,910)	(22.9)
Total Interest Expense on Deposits	820,413	823,533	(3,120)	(0.4)	911,930	(91,517)	(10.0)
FHLB Advances	30,256	30,655	(399)	(1.3)	54,513	(24,257)	(44.5)
Interest on other borrowings	338,792	338,674	118	-	332,916	5,876	1.8
Total Interest Expense	1,189,461	1,192,862	(3,401)	(0.3)	1,299,359	(109,898)	(8.5)
Net Interest Income	8,410,853	8,440,122	(29,268)	(0.3)	8,582,844	(171,990)	(2.0)
Provision for loan losses	165,000	190,000	(25,000)	(13.2)	683,000	(518,000)	(75.8)
Net In. Inc. After Prov. for Loan Losses	8,245,853	8,250,122	(4,268)	(0.1)	7,899,844	346,010	4.4
Non Interest Income							
Service charges and fees	1,961,005	1,871,350	89,655	4.8	1,746,479	214,525	12.3
Mortgage loan and related fees	336,766	249,131	87,635	35.2	134,400	202,366	150.6
Other noninterest income	377,681	894,955	(517,274)	(57.8)	421,794	(44,112)	(10.5)
Total Non Interest Income	2,675,452	3,015,436	(339,984)	(11.3)	2,302,672	372,779	16.2
Non Interest Expense							
Salaries and employee benefits	4,337,839	4,467,426	(129,587)	(2.9)	4,622,703	(284,863)	(6.2)
Occupancy	1,307,920	1,329,177	(21,258)	(1.6)	1,294,305	13,614	1.1
Advertising and public relations	351,774	362,350	(10,576)	(3.0)	368,149	(16,375)	(4.4)
Data Processing	977,918	909,798	68,120	7.0	958,038	19,880	2.1
Other noninterest expense	1,664,135	1,469,362	194,773	11.7	1,165,213	498,922	42.8
Total Non Interest Expense	8,639,586	8,538,113	101,473	1.2	8,408,408	231,178	2.7
Income Before Taxes	2,281,719	2,727,444	(445,725)	(16.3)	1,794,108	487,611	27.2
Income taxes	361,730	424,365	(62,636)	(14.8)	236,395	125,334	53.0
Net Income	1,919,989	2,303,079	(383,090)	(16.6)	1,557,713	362,276	23.3

Per common share data:**

Earnings	\$	1.12	\$	1.34	\$	0.91
Weighted average number of shares outstanding		1,714,530		1,715,098		1,716,000

** Prior period shares outstanding adjusted for 10% stock dividend

JD BANCSHARES, INC. AND SUBSIDIARIES

Margin Analysis Compare

	Average Yield and Rate			Average Funds			Interest Income/Expense		
	QTD	QTD	Change	QTD	QTD	Change	QTD	QTD	Change
	Actual	Actual		Actual	Actual		Actual	Actual	
	Mar 2021	Dec 2020		Mar 2021	Dec 2020		Mar 2021	Dec 2020	
Earning Assets									
Loans	5.24	5.12	0.12	624,241,627	647,367,342	(23,125,715)	8,068,107	8,327,843	(259,735)
Mortgage loans held for sale	2.72	3.05	(0.33)	1,260,471	1,238,141	22,330	8,580	9,441	(861)
Deposits with banks	0.10	0.13	(0.03)	239,993,634	164,779,741	75,213,893	58,765	51,956	6,809
Investment securities - taxable	1.16	1.28	(0.12)	228,676,053	158,431,627	70,244,426	664,049	507,798	156,252
Investment securities - tax-exempt	3.31	3.51	(0.20)	122,598,685	106,214,538	16,384,147	800,813	735,946	64,867
Total Earning Assets	3.26	3.63	(0.37)	1,216,770,470	1,078,031,390	138,739,081	9,600,314	9,632,983	(32,669)
Interest bearing liabilities									
Interest bearing demand	0.42	0.47	(0.05)	234,684,129	212,156,507	22,527,622	244,836	248,121	(3,285)
Savings and Money Market	0.23	0.22	0.01	376,138,216	325,458,543	50,679,673	211,300	178,807	32,493
Time deposits - Retail	1.16	1.28	(0.12)	127,333,190	122,874,110	4,459,080	364,276	396,605	(32,328)
Total interest bearing deposits	0.45	0.50	(0.05)	738,155,535	660,489,160	77,666,375	820,413	823,533	(3,120)
Federal home Loan Bank advances	4.42	4.30	0.12	2,735,730	2,786,576	(50,846)	30,256	30,655	(399)
Other borrowings	7.60	7.49	0.11	17,827,374	17,701,345	126,029	338,792	338,674	118
Total borrowed funds	7.18	7.05	0.13	20,563,105	20,487,921	75,184	369,049	369,329	(281)
Total interest-bearing liabilities	0.63	0.69	(0.06)	758,718,640	680,977,080	77,741,559	1,189,461	1,192,862	(3,401)
Net interest rate spread	2.63	2.94	(0.31)				8,410,853	8,440,122	(29,268)
Effect of non-interest bearing deposits	(0.23)	(0.26)	0.03	446,848,393	418,451,260	28,397,133			
Cost of funds	0.40	0.43	(0.03)						
Net interest margin	2.87	3.19	(0.32)						

JD BANCSHARES, INC. AND SUBSIDIARIES

Margin Analysis Compare

	Average Yield and Rate			Average Funds			Interest Income/Expense		
	QTD Actual	QTD Actual	Change	QTD Actual	QTD Actual	Change	QTD Actual	QTD Actual	Change
	Mar 2021	Mar 2020		Mar 2021	Mar 2020		Mar 2021	Mar 2020	
Earning Assets									
Loans	5.24	5.60	(0.36)	624,241,627	620,482,135	3,759,492	8,068,107	8,642,222	(574,115)
Mortgage loans held for sale	2.72	2.77	(0.05)	1,260,471	913,959	346,512	8,580	6,338	2,242
Deposits with banks	0.10	1.06	(0.96)	239,993,634	22,376,953	217,616,681	58,765	58,842	(77)
Investment securities - taxable	1.16	2.74	(1.58)	228,676,053	66,362,406	162,313,647	664,049	454,490	209,560
Investment securities - tax-exempt	3.31	3.68	(0.37)	122,598,685	99,142,671	23,456,014	800,813	720,311	80,502
Total Earning Assets	3.26	5.00	(1.74)	1,216,770,470	809,278,124	407,492,346	9,600,314	9,882,203	(281,889)
Interest bearing liabilities									
Interest bearing demand	0.42	0.59	(0.17)	234,684,129	154,835,179	79,848,950	244,836	227,580	17,256
Savings and Money Market	0.23	0.36	(0.13)	376,138,216	235,152,732	140,985,484	211,300	212,164	(864)
Time deposits - Retail	1.16	1.65	(0.49)	127,333,190	115,086,990	12,246,200	364,276	472,186	(107,910)
Total interest bearing deposits	0.45	0.73	(0.28)	738,155,535	505,074,901	233,080,634	820,413	911,930	(91,517)
Federal home Loan Bank advances	4.42	2.01	2.41	2,735,730	10,721,884	(7,986,153)	30,256	54,513	(24,257)
Other borrowings	7.60	7.15	0.45	17,827,374	18,431,449	(604,075)	338,792	332,916	5,876
Total borrowed funds	7.18	5.26	1.92	20,563,105	29,153,332	(8,590,228)	369,049	387,429	(18,381)
Total interest-bearing liabilities	0.63	0.97	(0.34)	758,718,640	534,228,233	224,490,406	1,189,461	1,299,359	(109,898)
Net interest rate spread	2.63	4.03	(1.40)						
Effect of non-interest bearing deposits	(0.23)	(0.32)	0.09	446,848,393	263,392,252	183,456,141			
Cost of funds	0.40	0.65	(0.25)						
Net interest margin	2.87	4.36	(1.49)						

JD BANCSHARES, INC. AND SUBSIDIARIES

SUPPLEMENTAL FINANCIAL INFORMATION

Financial Ratios

	For the Qtr Ended March 31, 2021	For the Qtr Ended December 31, 2020	For the Qtr Ended March 31, 2020
Performance Ratios			
Return on Average Assets (ROA)	0.60%	0.76%	0.70%
ROA based on Pre-tax, pre-provision operating income	0.88%	0.83%	1.14%
Return on Average Equity (ROE)	7.97%	10.16%	6.92%
ROE based on Pre-tax, pre-provision operating income	11.84%	10.37%	11.07%
Earnings per Share***	\$ 1.12	\$ 1.34	\$ 0.91
Net Interest Margin	2.87%	3.19%	4.36%
Efficiency Ratio **	72.86%	75.85%	75.81%
Non-Interest Income as a % of Avg. Assets**	0.83%	0.85%	1.05%
Non-Interest Expense as a % of Avg. Assets**	2.55%	2.81%	3.81%

	As of March 31, 2021	As of December 31, 2020
Capital		
Tier 1 Leverage Ratio	6.84%(est.)	7.44%
Common Equity Tier 1 Ratio	13.03%(est.)	13.12%
Tier 1 Risk-Based Capital Ratio	13.03%(est.)	13.12%
Total Risk-Based Capital Ratio	14.25%(est.)	14.37%
Tangible Equity / Total Assets	6.64%	7.34%
Tangible Book Value per Share***	\$52.47	\$55.12

Reconciliation of GAAP to Pre-tax, Pre-Provision Operating Income:

	For the Qtr Ended March 31, 2021	For the Qtr Ended December 31, 2020	For the Qtr Ended March 31, 2020
Net Income (GAAP)	\$ 1,919,989	\$ 2,303,079	\$ 1,557,713
Provision for Loan Losses	165,000	190,000	683,000
Net Loss on OREO	408,360	45,300	25,140
Gain on Casualty Loss	-	(454,270)	-
Less: Net Gain on Securities	(2,173)	-	-
Income Tax Expense	361,730	424,365	236,395
Pre-tax, Pre-Provision Operating Income	<u>\$ 2,852,906</u>	<u>\$ 2,508,474</u>	<u>\$ 2,502,248</u>

** Non-recurring items are eliminated for this ratio

*** Prior period shares outstanding adjusted for 10% stock dividend