PRESS RELEASE
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JD Bancshares, Inc.

FOR IMMEDIATE RELEASE
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JD Bancshares, Inc. Reports Financial Results for Q1 2023

Jennings, La., April 25, 2023 (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, 2023.

Net income for the three-month period ended March 31, 2023 is $2,085,229 or $0.61 per share compared to $3,421,668 or $1.00 per share for the linked quarter ended December 31, 2022 and $2,108,163 or $0.62 per share for the prior year period ended March 31, 2022. Pre-tax, pre-provision operating income (PTPPOI) for the current quarter is $4,211,047 compared to $4,645,024 for the linked quarter and $2,291,078 for the prior year quarter. PTPPOI excludes taxes, loan loss provision, net losses on the sale of other real estate owned (OREO), net losses on the disposal of available for sale investment securities, other than temporary impairments and the recognition of origination fees on loans made pursuant to the Paychecks Protection Program (PPP). The decrease in PTPPOI for the current period compared to the linked period is primarily due to an increase in interest expense and a decline in non-interest income. Compared to the prior year quarter, the increase in PTPPOI is due to a significant improvement in net interest income and partially offset by an increase in non-interest expenses.

Bruce Elder, President and CEO, commented, “The banking industry has been the focus of news headlines over the past month as two prominent financial institutions failed. Each of these banks had unique business models, customers concentrated in the technology and crypto industries and large percentages of uninsured deposits. While we have experienced a decline in deposits over the first three months of the year, the majority of the decrease occurred prior to these events. These events have raised concerns regarding deposits insured by the Federal Deposit Insurance Fund. JD Bank is a community bank established in 1947 with deep roots in southwest Louisiana, has a broad and diverse customer base across many industries, has managed through various banking cycles and has earned the confidence of our depositors.”

Elder continues, “We recorded two losses related to the investment portfolio in the first quarter; a realized loss on the sale of a group of available for sale securities and a valuation allowance on a corporate bond investment. Despite these non-recurring losses, current quarter net income of $2.1 million was relatively flat compared to the prior year first quarter and is $1.9 million higher on a pre-tax, pre-provision operating basis. Over the final three quarters of 2022, the Company enjoyed rising net interest income due to the unprecedented increases in interest rates and solid loan growth. During that timeframe, our cost of interest-bearing funds remained fairly flat. And although our net interest margin has drifted higher over the past twelve months, we are seeing upward pressure on deposit rates in the first quarter of 2023 leading to higher interest expense. These higher interest expenses resulted in the first quarterly decline in net interest income in a year. We are seeing positive signs from our expansion into Baton Rouge and the Northshore and anticipate loan growth and interest income will increase as we move through the year.”

Paycheck Protection Program Lending

During 2020 and 2021, the Company made 1,422 PPP loans totaling $110.4 million. As of March 31, 2023, there is one remaining loan outstanding in the amount of $945,000. The remaining PPP borrower has received partial forgiveness from the Small Business Administration (SBA) and is making payments on the outstanding balance. We have been repaid $109.5 million through SBA forgiveness and customer payments.

The Company received origination fees from the SBA for participating in the program. At origination, we recognized, as interest income, that portion of the fee estimated to be our internal cost of origination. The remainder is amortized over the contractual life of the loan. If the loan is forgiven or repaid early, the remaining unamortized portion is recognized as interest income in the month of repayment. All origination fees initially collected have been recognized prior to the current and linked quarters and $206,000 of origination fees are included in interest income for the quarter ended March 31, 2022.

Asset Quality

Loans past due 30 to 89 days at March 31, 2023 are $1.6 million or 0.24% of the total loans outstanding compared to $2.3 million or 0.35% of total loans reported at December 31, 2022. Total nonperforming assets, including loans and investment securities in non-accrual status, OREO and repossessed assets are $16.5 million at March 31, 2023, increasing from $14.3 million at December 31, 2022. Loans on non-accrual status increased by $1.6 million to $15.0 million from $13.4 million at December 31, 2022. At March 31, 2023 we had one investment security of $499,000 in non-accrual status. OREO increased slightly to $917,000 from $863,000 and repossessed assets were unchanged from year-end at $37,000. 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.

Of the $15.0 million in non-accrual loans at March 31, 2023, there are two loans comprising one relationship totaling $11.0 million. The relationship was moved to non-accrual status during the fourth quarter of 2022. Management has been closely monitoring this relationship and believes the issues will be resolved in a favorable manner in the second half of the year, and all principal and interest will be repaid in accordance with the terms of the underlying loan contracts.

The Company invested $499,000 in subordinated debt issued by Signature Bank of New York. That bank failed on March 12, 2023 and at the end of the quarter, our ability to recover our investment is highly uncertain. As such, we evaluated the asset for impairment and have setup a reserve of 90%, or $449,000, for potential losses associated with the investment.

Provisions for loan losses for the quarters ended March 31, 2023 and December 31, 2022 are $82,000 and $533,000, respectively. There were no provisions booked during the quarter ended March 31, 2022. Effective January 1, 2023, the Company changed accounting methods for the calculation of the allowance for loan losses (ALLL) from the incurred loss method to the current expected credit loss (CECL) model. As a result, we made a one-time adjustment to our ALLL of $573,000 effective January 2, 2023. Current accounting standards required the one-time adjustment to be offset against retained earnings and any future provision adjustments go against current earnings. The ALLL is $9.8 million at March 31, 2023 or 1.47% of total loans compared to $9.2 million at December 31, 2022 or 1.32% of total loans. We recognized net charge-offs in the current quarter of $29,000 compared to $57,000 for the linked quarter and $50,000 for the prior year quarter. 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.

Net Interest Income

Net interest income for quarter ended March 31, 2023 is $10.9 million compared to $11.3 million for the linked quarter and $8.8 million for the prior year quarter. The $321,000 decline in net interest income between the current and linked quarters is primarily due to a decline in average earning assets and higher interest expense on deposits. The $2.1 million increase in net interest income year over year is due to a greater average balance of loans outstanding and higher yields on all earning assets.

Interest income on loans for the current quarter is $9.2 million reflecting a decrease of $77,000 compared to the linked quarter and increasing by $1.5 million compared to the prior year quarter. The decrease in net interest income between the current and linked quarters is due to reduced loan volume, two fewer days in the current quarter and partially offset by higher yields. Average loans outstanding for the March 31, 2023 quarter are

$668.2 million compared to $674.3 million for the linked quarter. The yield on loans increased to 5.60% in the current quarter from 5.47% in Q4 2022. The year over year increase in interest income on loans is due to a $44.0 million increase in the volume of average loans outstanding and a 60 basis point increase in yield. Higher rates earned on deposits with banks and investment securities contributed to the average yield of earning assets for the current quarter of 4.32% compared to 4.08% for Q4 2022 and 3.25% for Q1 2022. Interest income from these other earning assets is $3.0 million, $3.0 million and $2.1 million for the three comparative quarters, respectively.

Total interest expense is $1.3 million for the current quarter and $1.0 million in each of the linked and prior year quarters. The increase in interest expense is due to the higher cost of interest-bearing deposits. The cost of interest-bearing deposits has increased to 0.47% for the current quarter compared to 0.36% and 0.29% for the linked and prior year quarters, respectively. The higher deposit interest rates, coupled with an average rate on borrowed funds of 4.30%, caused an increase in the average cost of total interest-bearing liabilities to 0.61% for the current quarter compared to 0.55% and 0.44% for the linked and prior year quarters, respectively.

The increase in the yield on earning assets was more pronounced than the increase in the cost of funds resulting in a net interest margin of 3.86% for the current quarter, reflecting a 12 basis point increase over the 3.74% margin in Q4 2022 and a 95 basis point increase over the 2.91% margin for Q1 2022. As the Federal Reserve Open Market Committee (FOMC) continues its fight against inflation, there could be some compression on the net interest margin in the coming periods. The FOMC has increased short-term interest rates by 475 basis points over the past twelve months, but due to market expectations regarding the level of future interest rates, current loan pricing reflects only a portion of that increase. Furthermore, loan demand has softened into the early part of 2023. This, combined with upward pressure on core deposit rates, could slow the pace of net interest margin expansion or result in slight margin compression.

Non-Interest Income

Total non-interest income is $1.5 million for the quarter ended March 31, 2023 compared to $2.9 million for the linked quarter and $2.7 million for the prior year quarter. Service charges and fees associated with deposit accounts are relatively flat across the comparative quarters at $2.2 million, $2.3 million and $2.2 million, respectively. The reduction in service charges and fee income between current and linked quarters is primarily due to a decrease in NSF fees as the Company made a decision, in response to new regulatory interpretation, to no longer assess additional fees for items returned and then re-presented.

Mortgage loan originations have declined over the past twelve months. While the demand for housing remains strong in many of our markets, the level of interest rates has caused consumers to delay home purchases. Gains on the sale of newly originated mortgage loans are $110,000 for the most recent quarter, up from $98,000 for Q4 2022 and down from $239,000 for Q1 2022. The FOMC began increasing short-term interest rates in March 2022 and originations have declined significantly from 2021 levels.

Other non-interest income is negative for the current quarter at ($845,000) compared to $580,000 for the linked quarter and $201,000 for the quarter ended March 31, 2022. In early February, the Company sold approximately $26.3 million of available-for-sale investment securities to enhance balance sheet liquidity and recorded a $1.3 million loss on the sale. The largest components of other non-interest income continues to be from trust and brokerage services. Those two revenue sources totaled $213,000, $285,000 and $259,000, respectively, for the three comparative periods.

Non-Interest Expense

Total non-interest expense is $9.9 million in Q1 2023 compared to $9.5 million for the linked quarter and $9.0 million for the prior year quarter. Salaries and benefits is the largest component of non-interest expenses and is $4.9 million for both the current and linked quarters and $4.6 million in the prior year period. Salaries and benefits expense in Q1 2023 increased by $47,000 compared to Q4 2022 and by $319,000 compared to Q1

2022. The establishment of two Loan and Deposit Production Offices (LPO/DPO), in Baton Rouge and the Northshore area, account for more than half of the increase between the current and prior year quarters.

Occupancy expense is $1.4 million in both the current and linked quarters compared to $1.2 million in the prior year quarter. Over the past year we opened two leased LPO/DPO offices and leased additional space for operational functions. Data processing expenses are $1.3 million in the current quarter and $1.2 million in both Q4 and Q1 of 2022. Advertising and public relations expenses are $303,000 for the current three months, $401,000 in the linked quarter and $342,000 a year ago. Marketing expenses associated with the openings of the two new LPO/DPO locations caused the increase in Q4 2022.

All other non-interest expenses are $2.1 million for the current quarter compared to $1.7 million for both the linked quarter and prior year quarter. All three comparative quarters included non-recurring, non-operating expenses. For Q1 2023, we set-up a valuation allowance for the other than temporary impairment of subordinated debt issued by Signature Bank of New York in the amount of $448,000. For Q4 2022 and Q1 2022, we recorded gains and (losses) on OREO of $12,000 and ($1,000), respectively. The largest components of non-interest expenses in the current quarter are comprised of professional fees, ad valorem taxes, FDIC deposit insurance assessments, loan related expenses, and telecommunications. Loan expenses for the current quarter include charges associated with the establishment of a reserve for unfunded loan commitments.

Income tax expense is $332,000 for the current quarter compared with $702,000 for the linked quarter and $388,000 for the prior year quarter. Effective tax rates for the three comparative quarters are 13.74%, 17.03% and 15.54%, respectively.

Balance Sheet

Total assets declined by $23.6 million during the first three months of the year and are $1.2 billion at both March 31, 2023 and December 31, 2022. The increase in cash on hand and on deposit with correspondent banks of $5.4 million and was more than offset by declines in other asset categories. The category experiencing the greatest decline is investment securities which decreased by $22.5 million. This decrease is comprised of securities sales of $26.3 million, principal paydowns and net amortization of $7.1 million and offset by an improvement in the fair market value of available for sale securities of $10.9 million. Loans, net of unearned income, declined by $3.1 million and the ALLL was higher primarily due to the one-time CECL adjustment. Other assets decreased by $1.4 million due to a reduction in the deferred tax benefit resulting from a higher market values of securities.

Total deposits declined by $43.8 million during the first quarter of 2023 and are $1.1 billion at both March 31, 2023 and December 31, 2022. As disclosed in prior reports, total deposits increased by $429.3 million between December 31, 2019 and December 31, 2021. The increase was a result of government sponsored programs to help both consumers and businesses through the COVID-19 pandemic and the receipt of insurance proceeds related to the two hurricanes in southwest Louisiana in the fall of 2020. As insurance proceeds are used to effectuate repairs and the cost of goods and services have increased with inflation, those excess deposits have declined. The Company also has significant banking relationships with various public entities who experience large inflows of deposits prior to year-end and substantial outflows in the new calendar year. The decline in total public unit deposits during the first three months of 2023 account for $24.0 million of the total $43.8 million decrease in total deposits. There was a misclassification between interest-bearing and non-interest-bearing deposits at December 31, 2022. The amounts reflected in the accompanying statements for December 31, 2022 have been adjusted to reflect accurate information and the reclassification had no effect on prior earnings.

During the weekend of March 10 through 12, 2023, both Silicon Valley Bank and Signature Bank of New York were taken into receivership by the Federal Deposit Insurance Corporation. The failure of these two banks was due in part to business models catering to the venture technology and crypto industries and was exasperated by very high levels of uninsured deposits. Of the $43.8 million in deposit outflows occurring since December 31, 2022, only $2.4 million occurred during March, the period during which these banking issues surfaced. January 2023 experienced the highest level of deposit decline which is when the buildup of public deposits leaves the Company. At March 31, 2023, the Company has approximately $206.1 million of uninsured deposits which represents approximately 18.73% of total deposits.

Other liabilities increased by $11.6 million during the first three months of 2023. The increase is attributed to Federal Home Loan Bank borrowings and increases in the accrual balances of taxes, unfunded commitments and interest.

Stockholders' equity increased by $8.7 million to $65.8 million at March 31, 2023 from $57.1 million at December 31, 2022. The increase is due to improvement in accumulated other comprehensive income associated with the net unrealized loss on available for sale securities of $8.6 million and net income for the period of $2.1 million, partially offset by the $1.2 million adjustment to implement CECL and $924,000 in dividends paid to stockholders. Tangible book value per common share increased to $18.01 at March 31, 2023 compared to $15.47 at December 31, 2022.

Key Performance Ratios

Return on average assets (ROA) in the current quarter is 0.70% compared to 1.10% and 0.64% for the linked and prior year quarters, respectively. The decline in ROA between Q1 2023 and Q4 2022 was primarily due to the two non-recurring, non-operating items; the realized loss on the sale of available for sale securities and the impairment charge on a corporate bond investment. ROA on a non-GAAP pre-tax, pre-provision operating basis for the three comparative periods is 1.41%, 1.49% and 0.70%, respectively. Return on average equity (ROE) is 14.74% for the current quarter, 27.65% for the linked quarter and 8.42% for the prior year quarter. On a non-GAAP, pre-tax, pre-provision operating basis, the ROE for the three comparative periods is 29.78%, 37.53% and 9.15%, respectively. ROE calculations for the current and linked quarters are favorably impacted by the accumulated other comprehensive income related to the net unrealized loss on available for sale securities.

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 south 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 and two Loan Production/Deposit Production offices located along the Interstate 10/12 corridor from Lake Charles to Mandeville, Louisiana. JD Bancshares, Inc. may be accessed on its website at jdbank.com.

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 otcmarkets.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 2023	Actual Dec 2022	$ Variance	% Variance
Assets				
Cash and due from banks	27,006,692	26,434,524	572,168	2.2
Interest bearing deposits with banks	26,727,173	21,855,505	4,871,668	22.3
Investment Securities - Taxable	301,754,335	321,185,999	(19,431,664)	(6.0)
Investment Securities - Tax-exempt	128,447,676	131,488,014	(3,040,338)	(2.3)
Mortgage loans held for sale	150,764	549,984	(399,220)	(72.6)
Loans, net of unearned income	669,552,406	672,632,940	(3,080,534)	(0.5)
Less: Allowance for loan losses	(9,834,239)	(9,208,070)	(626,169)	6.8
Premises and equipment, net	22,547,784	22,692,381	(144,597)	(0.6)
Accrued interest receivable	4,067,402	4,985,487	(918,085)	(18.4)
Other real estate	916,995	863,101	53,894	6.2
Other assets	41,239,403	42,656,191	(1,416,788)	(3.3)
Total Assets	**1,212,576,391**	**1,236,136,056**	**(23,559,665)**	**(1.9)**
Liabilities				
Non-Interest Bearing Deposits	267,936,681	281,921,238	(13,984,557)	(5.0)
Interest bearing demand deposits	338,410,836	383,786,414	(45,375,578)	(11.8)
Savings and Money Market Deposits	380,110,453	376,093,240	4,017,213	1.1
Time Deposits - Retail	113,729,435	102,193,314	11,536,121	11.3
Total Deposits	1,100,187,405	1,143,994,206	(43,806,801)	(3.8)
Accrued expenses and other liabilities	6,806,407	5,281,592	1,524,815	28.9
FHLB Advances	10,000,000	-	10,000,000	-
Other Borrowings	29,800,027	29,764,526	35,501	0.1
Total Liabilities*	**1,146,793,839**	**1,179,040,324**	**(32,246,485)**	**(2.7)**
Equity				
Common stock	21,378,500	21,378,500	-	-
3,420,560 shares outstanding at 3.31.23				
3,420,560 shares outstanding at 12.31.22				
Capital surplus	10,312,636	10,312,636	-	-
Retained earnings	76,837,079	76,844,905	(7,826)	(0.0)
Accumulated other comprehensive income (loss)	(42,266,179)	(50,873,123)	8,606,944	(16.9)
Less: Unearned common stock awards	(479,484)	(567,186)	87,702	(15.5)
Total Equity	**65,782,552**	**57,095,732**	**8,686,820**	**15.2**
Total Liabilities & Equity	**1,212,576,391**	**1,236,136,056**	**(23,559,665)**	**(1.9)**

* Certain line items within the Total Deposit category have been reclassified from previous presentations.

JD BANCSHARES, INC. AND SUBSIDIARIES
JENNINGS, LOUISIANA

CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	QTD Actual Mar 2023	QTD Actual Dec 2022	$ Variance	% Variance	QTD Actual Mar 2022	$ Variance	% Variance
Interest Income							
Interest on Loans	9,218,160	9,295,379	(77,219)	(0.8)	7,692,991	1,525,169	19.8
Mortgage Loans Held For Sale	5,774	7,729	(1,955)	(25.3)	6,666	(892)	(13.4)
Interest on deposits with banks	263,765	264,754	(989)	(0.4)	82,507	181,258	219.7
Investment Securities - Taxable	1,973,953	1,933,989	39,964	2.1	1,246,884	727,069	58.3
Investment Securities - Tax-exempt	796,132	809,529	(13,397)	(1.7)	791,016	5,116	0.6
Total Interest Income	12,257,784	12,311,380	(53,596)	(0.4)	9,820,064	2,437,720	24.8
Interest Expense							
Interest bearing demand deposits	224,752	220,006	4,746	2.2	205,294	19,458	9.5
Savings and Money Market Deposits	427,055	325,950	101,105	31.0	212,474	214,581	101.0
Time Deposits - Retail	332,748	182,799	149,949	82.0	238,005	94,743	39.8
Total Interest Expense on Deposits	984,555	728,755	255,800	35.1	655,773	328,782	50.1
FHLB Advances	10,836	-	10,836	-	-	10,836	-
Interest on other borrowings	316,772	316,366	406	0.1	363,909	(47,137)	(13.0)
Total Interest Expense	1,312,163	1,045,121	267,042	25.6	1,019,682	292,481	28.7
Net Interest Income	**10,945,621**	**11,266,259**	**(320,638)**	**(2.8)**	**8,800,382**	**2,145,239**	**24.4**
Provision for loan losses	81,651	533,000	(451,349)	(84.7)	-	81,651	-
Net In. Inc. After Prov. for Loan Losses	**10,863,970**	**10,733,259**	**130,711**	**1.2**	**8,800,382**	**2,063,588**	**23.4**
Non Interest Income							
Service charges and fees	2,228,042	2,253,309	(25,267)	(1.1)	2,224,632	3,410	0.2
Mortgage loan and related fees	109,628	97,928	11,700	11.9	238,911	(129,283)	(54.1)
Other noninterest income	(844,977)	580,365	(1,425,342)	(245.6)	200,507	(1,045,484)	(521.4)
Total Non Interest Income	1,492,693	2,931,602	(1,438,909)	(49.1)	2,664,050	(1,171,357)	(44.0)
Non Interest Expense							
Salaries and employee benefits	4,914,778	4,867,737	47,041	1.0	4,596,179	318,599	6.9
Occupancy	1,358,046	1,367,330	(9,284)	(0.7)	1,203,330	154,716	12.9
Advertising and public relations	303,290	400,555	(97,265)	(24.3)	342,034	(38,744)	(11.3)
Data Processing	1,295,130	1,216,896	78,234	6.4	1,151,010	144,120	12.5
Other noninterest expense	2,068,015	1,688,367	379,648	22.5	1,675,690	392,325	23.4
Total Non Interest Expense	9,939,259	9,540,885	398,374	4.2	8,968,243	971,016	10.8
Income Before Taxes	**2,417,404**	**4,123,976**	**(1,706,572)**	**(41.4)**	**2,496,189**	**(78,785)**	**(3.2)**
Income taxes	332,175	702,308	(370,133)	(52.7)	388,026	(55,851)	(14.4)
Net Income	**2,085,229**	**3,421,668**	**(1,336,439)**	**(39.1)**	**2,108,163**	**(22,934)**	**(1.1)**
Per common share data:							
Earnings	**$ 0.61**	**$ 1.00**			**$ 0.62**		
Weighted average number of shares outstanding	**3,420,560**	**3,414,370**			**3,426,160**		

JD BANCSHARES, INC. AND SUBSIDIARIES

Margin Analysis Compare

	Average Yield and Rate			Average Funds			Interest Income/Expense		
	QTD Actual Mar 2023	QTD Actual Mar 2022	Change	QTD Actual Mar 2023	QTD Actual Mar 2022	Change	QTD Actual Mar 2023	QTD Actual Mar 2022	Change
Earning Assets									
Loans	5.60	4.87	0.73	668,166,084	624,205,639	43,960,445	9,218,160	7,486,877	1,731,283
PPP fee recognition	-	0.13	(0.13)	-	-	-	-	206,114	(206,114)
Loans with fees	5.60	5.00	0.60	668,166,084	624,205,639	43,960,445	9,218,160	7,692,991	1,525,169
Mortgage loans held for sale	7.29	3.50	3.79	316,876	761,398	(444,522)	5,774	6,666	(892)
Deposits with banks	5.99	0.25	5.74	17,870,832	135,360,577	(117,489,745)	263,765	82,507	181,258
Investment securities - taxable	2.14	1.38	0.76	368,323,542	361,214,796	7,108,746	1,973,953	1,246,884	727,069
Investment securities - tax-exempt	3.66	3.06	0.60	129,906,479	130,697,324	(790,846)	796,132	791,016	5,116
Total Earning Assets	**4.32**	**3.25**	**1.07**	**1,184,583,813**	**1,252,239,734**	**(67,655,921)**	**12,257,784**	**9,820,064**	**2,437,720**
Interest bearing liabilities									
Interest bearing demand	0.26	0.23	0.03	357,297,408	368,536,803	(11,239,395)	224,752	205,294	19,458
Savings and Money Market	0.46	0.20	0.26	378,853,936	421,404,354	(42,550,418)	427,055	212,474	214,582
Time deposits - Retail	1.27	0.84	0.43	106,251,813	114,662,693	(8,410,880)	332,749	238,005	94,743
Total interest bearing deposits	0.47	0.29	0.18	842,403,157	904,603,850	(62,200,693)	984,556	655,773	328,783
Federal home Loan Bank advances	6.29	-	6.29	688,889	-	688,889	10,836	-	10,836
Other borrowings	4.25	4.45	(0.20)	29,807,267	32,701,242	(2,893,975)	316,772	363,909	(47,137)
Total borrowed funds	4.30	4.45	(0.15)	30,496,156	32,701,242	(2,205,086)	327,608	363,909	(36,301)
Total interest-bearing liabilities	**0.61**	**0.44**	**0.17**	**872,899,313**	**937,305,092**	**(64,405,779)**	**1,312,164**	**1,019,682**	**292,482**
Net interest rate spread	**3.71**	**2.80**	**0.91**				**10,945,620**	**8,800,383**	**2,145,237**
Effect of non-interest bearing deposits	(0.15)	(0.10)	(0.05)	271,433,553	289,349,013	(17,915,460)			
Cost of funds	0.46	0.34	0.12						
Net interest margin	**3.86**	**2.91**	**0.95**						

JD BANCSHARES, INC. AND SUBSIDIARIES

SUPPLEMENTAL FINANCIAL INFORMATION

Financial Ratios

	For the Qtr Ended March 31, 2023	For the Qtr Ended December 31, 2022	For the Qtr Ended March 31, 2022
Performance Ratios			
Return on Average Assets (ROA)	0.70%	1.10%	0.64%
ROA based on Pre-tax, pre-provision operating income	1.41%	1.49%	0.70%
Return on Average Equity (ROE)	14.74%	27.65%	8.42%
ROE based on Pre-tax, pre-provision operating income	29.78%	37.53%	9.15%
Earnings per Share	$0.61	$1.00	$0.62
Net Interest Margin	3.86%	3.74%	2.91%
Efficiency Ratio **	71.44%	66.28%	76.81%
Non-Interest Income as a % of Avg. Assets**	0.92%	0.94%	0.82%
Non-Interest Expense as a % of Avg. Assets**	3.33%	3.07%	2.72%

	As of March 31, 2023	As of December 31, 2022
Bank Level Capital Ratios:		
Tier 1 Leverage Ratio	10.32% (Est.)	10.04%
Common Equity Tier 1 Ratio	15.87% (Est.)	15.45%
Tier 1 Risk-Based Capital Ratio	15.87% (Est.)	15.45%
Total Risk-Based Capital Ratio	17.08% (Est.)	16.55%
Company:		
Tangible Equity / Total Assets	5.08%	4.28%
Tangible Book Value per Share	$ 18.01	$ 15.47

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

	For the Qtr Ended March 31, 2023	For the Qtr Ended December 31, 2022	For the Qtr Ended March 31, 2022
Net Income (GAAP)	$ 2,085,229	$ 3,421,668	$ 2,108,163
Provision for Loan Lossess	81,651	533,000	-
Net (Gain) Loss on OREO	-	(11,952)	1,003
Net (Gain) Loss on Securities	1,263,100	-	-
Non-recurring Revenue	-	-	-
Non-recurring Expenses	-	-	-
Nonrecurring Revenue - PPP origination fees	448,892	-	(206,114)
Income Tax Expense	332,175	702,308	388,026
Pre-tax, Pre-Provision Operating Income	$ 4,211,047	$ 4,645,024	$ 2,291,078

** Non-recurring items are eliminated for this ratio