

Second Quarter Report • June 30, 2024

Apollo Bancorp, Inc.

Consolidated Balance Sheets (unaudited)

	June 30, 2024	December 31, 2023
ASSETS		
Cash and due from banks	\$ 2,548,635	\$ 2,869,920
Investment securities available for sale, at fair value	12,000,514	12,880,656
Loans	174,366,253	171,849,322
Less allowance for credit losses	(1,239,100)	(1,235,496)
Net loans	173,127,153	170,613,826
Premises and equipment, net	1,851,783	1,884,934
Bank owned life insurance	5,516,177	5,524,360
Accrued interest and other assets	4,627,265	4,483,337
TOTAL ASSETS	\$ 199,771,527	\$ 198,257,033
LIABILITIES		
Deposits	\$ 146,847,352	\$ 145,025,036
Short-term borrowings	25,700,000	27,150,000
Accrued interest and other liabilities	3,885,910	3,000,690
TOTAL LIABILITIES	176,433,262	175,175,726
STOCKHOLDERS' EQUITY		
Common stock, par value \$2; 2,000,000 shares authorized; 600,000 shares issued; 519,952 and 519,952 shares outstanding	1,200,000	1,200,000
Capital surplus	3,615,097	3,615,097
Retained earnings	23,388,590	23,154,092
Accumulated other comprehensive loss	(1,499,042)	(1,521,502)
Treasury stock, at cost (80,048 and 80,048 shares)	(3,366,380)	(3,366,380)
TOTAL STOCKHOLDERS' EQUITY	23,338,265	23,081,307
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 199,771,527	\$ 198,257,033

Apollo Bancorp, Inc.

Consolidated Statements of Income (unaudited)

	Six Months Ended June 30,	
	2024	2023
INTEREST AND DIVIDEND INCOME		
Interest and fees on loans	\$ 4,177,735	\$ 3,570,790
Interest on deposits	24,194	50,478
Interest on investment securities	217,563	282,622
Dividend income	55,248	13,490
Total interest and dividend income	4,474,740	3,917,380
INTEREST EXPENSE		
Deposits	198,016	86,589
Short-term borrowings	802,101	228,478
Total interest expense	1,000,117	315,067
NET INTEREST INCOME	3,474,623	3,602,313
Provision for credit losses	6,928	68,255
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	3,467,695	3,534,058
NONINTEREST INCOME		
Service charges on deposit accounts	443,311	478,065
Fiduciary income	-	80,974
Bank owned life insurance	91,817	75,575
Other	138,365	34,337
Total noninterest income	673,493	668,951
NONINTEREST EXPENSE		
Compensation and employee benefits	1,843,991	1,911,009
Premises and equipment	563,868	575,217
Other	793,364	778,549
Total noninterest expense	3,201,223	3,264,775
Income before income tax expense	939,965	938,234
Income tax expense	123,121	134,898
NET INCOME	\$ 816,844	\$ 803,336
EARNINGS PER SHARE	\$ 1.57	\$ 1.55
DIVIDENDS PER SHARE	\$ 1.12	\$ 1.10
AVERAGE SHARES OUTSTANDING	519,952	519,952
ACTUAL SHARES OUTSTANDING	519,952	519,952

Financial Highlights (unaudited)

Balance Sheet	June 30, 2024	December 31, 2023
Assets	\$ 199,771,526	\$ 198,257,033
Loans	174,366,253	171,849,322
Deposits	146,847,352	145,025,036
Equity	23,338,265	23,081,307
Earnings		
(Ratios are annualized)	Six Months Ended June 30, 2024	2023
Net income	\$ 816,844	\$ 803,336
Return on average assets	0.82%	0.86%
Return on average equity	7.04%	7.16%

Dear Shareholders:

Net income totaled \$450,000, or \$0.87 per share, for the quarter ended June 30, 2024 compared with \$395,000, or \$0.76 per share, reported for the second quarter of 2023. The increase in net income between periods was primarily due to a \$48,000 decrease in provision for credit losses and a \$40,000 increase in noninterest income. Net interest income decreased \$44,000 due to a \$293,000 increase in interest expense offset by a \$249,000 increase in interest income.

Balance sheet growth has slowed during 2024 due to higher interest rates and lower inventory of real estate, which results in fewer opportunities for financing. Nevertheless, the loan portfolio has grown \$2.5 million year-to-date, or 1.5%. Deposits have also grown \$1.8 million due to higher interest rates paid this year on certificate of deposit specials.

For the six-month period ended June 30, 2024, net income totaled \$817,000. Annualized return on average assets was 0.82% and return on equity was 7.04%.

A dividend of \$0.56 per share was paid July 1. Please do not hesitate to contact me if you have any questions.

Sincerely,

Nelson L. Person
President & CEO