

Bank of Marshall Islands
(A Wholly Owned Subsidiary of Marshall Islands Holdings, Inc.)

Statements of Condition

Assets	December 31,	
	<u>2023</u>	<u>2022</u>
Cash and due from banks	\$ 62,389,983	\$ 72,464,981
Interest-bearing deposits in banks	<u>2,327,956</u>	<u>1,910,038</u>
Cash and cash equivalents	64,717,939	74,375,019
Interest-bearing deposits in banks	4,265,000	---
Time certificates of deposit	12,489,750	12,171,266
Loans, net	65,748,880	60,833,599
Accrued interest receivable	773,955	738,542
Premises and equipment, net	110,063	131,536
Other assets	<u>476,987</u>	<u>378,906</u>
	<u>\$148,582,574</u>	<u>\$148,628,868</u>
Liabilities and Stockholder's Equity		
Liabilities:		
Deposits:		
Noninterest-bearing	\$ 20,881,623	\$ 19,813,627
Interest-bearing	<u>95,906,182</u>	<u>99,376,685</u>
Total deposits	116,787,805	119,190,312
Accrued expenses and other liabilities	<u>2,155,295</u>	<u>826,910</u>
Total liabilities	<u>118,943,100</u>	<u>120,017,222</u>
Commitments and contingencies		
Stockholder's equity:		
Common stock, \$10 par value, 5,000,000 shares authorized, 184,934 shares issued and outstanding	1,849,340	1,849,340
Additional paid-in capital	557,009	557,009
Retained earnings	<u>27,233,125</u>	<u>26,205,297</u>
Total stockholder's equity	<u>29,639,474</u>	<u>28,611,646</u>
	<u>\$148,582,574</u>	<u>\$148,628,868</u>

See accompanying notes.

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Statements of Income

	Year ended December 31,	
	<u>2023</u>	<u>2022</u>
Interest income:		
Loans, including fees	\$ 7,900,516	\$ 8,598,306
Deposits in banks	<u>434,880</u>	<u>10,190</u>
Total interest income	8,335,396	8,608,496
Interest expense:		
Time certificates of deposit	1,419,291	1,173,662
Savings	340,633	398,831
Money market	<u>42,093</u>	<u>59,953</u>
Total interest expense	1,802,017	1,632,446
Net interest income	6,533,379	6,976,050
Provision for loan losses	(<u>400,000</u>)	(<u>5,370,000</u>)
Net interest income after loan losses	6,133,379	1,606,050
Noninterest income:		
Customer service fees	1,084,304	1,090,502
Premiums earned	979,382	985,851
Other	<u>97,369</u>	<u>78,387</u>
Total noninterest income	<u>2,161,055</u>	<u>2,154,740</u>
Noninterest expenses:		
Salaries and employee benefits	2,650,821	2,792,989
Allocated salaries	1,175,184	1,445,427
Rent	387,093	345,085
Gross revenue tax	301,642	330,109
Insurance loss provision	225,000	225,000
Printing, stationery and advertising	208,303	200,291
AML training, travel and other related	179,705	132,562
Professional fees	170,362	250,844
Utilities	164,655	146,938
Communication	160,842	201,063
Travel, representation and entertainment	110,663	67,361
Bank charges	107,821	171,510
Cash shipments	100,011	92,807
Depreciation and amortization	88,798	143,085
Licenses, taxes and insurance	54,751	92,509
Board meetings	48,614	35,864
Repairs and maintenance	37,513	29,576
Donations	26,434	55,699
Other	<u>245,339</u>	<u>273,464</u>
Total noninterest expenses	<u>6,443,551</u>	<u>7,032,183</u>
Net income (loss)	<u>\$1,850,883</u>	<u>\$(3,271,393)</u>

See accompanying notes.