

BASIS OF PRESENTATION

The accompanying unaudited interim consolidated condensed financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. For further information, the reader should refer to the Annual Report of Crazy Woman Creek Bancorp Incorporated (the "Company") for the fiscal years ended September 30, 2024 and 2023.

In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation have been included. The results of operations for the three months ended December 31, 2024 are not necessarily indicative of the results, which may be expected for an entire year or any other period.

The accompanying consolidated financial statements include the accounts of the Company and Buffalo Federal Bank (the "Bank"), a wholly-owned subsidiary of the Company. All significant intercompany balances and transactions have been eliminated in consolidation.

FORWARD LOOKING STATEMENTS

The Company may from time to time make written or oral “forward-looking statements”, including statements contained in the Company’s filings with the Federal Reserve Bank of Kansas City (including this Quarterly Report and the exhibits thereto), in its reports to stockholders and in other communications by the Company, which are made in good faith by the Company pursuant to the “safe harbor” provision of the Private Securities Litigation Reform Act of 1995.

These forward-looking statements involve risks and uncertainties, such as statements of the Company’s plans, objectives, expectations, estimates and intentions, that are subject to changes based on various important factors (some of which are beyond the Company’s control). The following factors, among others, could cause the Company’s financial performance to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements: the strength of the United States economy in general and the strength of the local economy in which the Company conducts operations; the effects of, and changes in, trade, monetary and fiscal policies and laws, including interest rate policies of the board of governors of the federal reserve system, inflation, interest rates, market and monetary fluctuations; the timely development of and acceptance of new products and services of the Company and the perceived overall value of these products and services by users, including the features, pricing and quality compared to competitors’ products and services; the willingness of users to substitute competitors’ products and services for the Company’s products and services; the success of the Company in gaining regulatory approval of its products and services, when required; the impact of changes in financial services’ laws and regulations (including laws concerning taxes, banking, securities and insurance); technological changes; acquisitions; changes in consumer spending and saving habits; and the success of the Company at managing the risks resulting from these factors.

The Company cautions that the listed factors are not exclusive. The Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of the Company.

(UNAUDITED)
CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Balance Sheets
(Dollars in thousands except share and per share data)

	<u>December 31,</u> <u>2024</u>	<u>September 30</u> <u>2024</u>
ASSETS		
Cash and due from banks	\$ 856	\$ 1,015
Federal funds	20,195	15,528
Interest-bearing due from banks	4,772	2,854
Cash and cash equivalents	25,823	19,397
Investment and mortgage-backed securities available-for-sale	22,698	23,780
Stock in Federal Reserve Bank of Kansas City, at cost	196	196
Stock in Federal Home Loan Bank of Seattle, at cost	497	497
Loans held-for-sale	290	460
Loans receivable, net	134,698	134,529
Bank-owned life insurance	4,108	4,079
Accrued interest receivable	1,139	1,333
Premises and equipment, net	3,022	3,059
Repossessed other assets owned	412	324
Income tax receivable	-	-
Deferred income tax	1,691	1,461
Goodwill	132	132
SBA Receivable	273	273
Other assets	59	97
Total assets	\$ 195,038	\$ 189,617
 LIABILITIES AND STOCKHOLDERS' EQUITY		
	<u>December 31,</u> <u>2024</u>	<u>September 30</u> <u>2024</u>
Liabilities:		
Deposits	\$ 168,843	\$ 162,648
Advances from Federal Home Loan Bank	8,500	8,500
Other borrowed money	2,000	2,000
Advance payments by borrowers for taxes and insurance	(3)	78
Income taxes payable	46	25
Accrued expenses and other liabilities	514	684
Total liabilities	179,900	173,935
 Stockholders' equity:		
Common stock, par value \$.10 per share, 5,000,000 shares authorized; 1,058,000 issued, 530,014 and 530,014 outstanding at December 31, 2024 and September 30, 2024, respectively.	106	106
Additional paid-in capital	10,303	10,303
Retained earnings	17,747	17,437
Accumulated other comprehensive income (loss), net	(4,550)	(3,696)
Treasury stock at cost, 527,986 shares at December 31, 2024 and September 30, 2024, respectively	(8,468)	(8,468)
Total stockholders' equity	15,138	15,682
Total liabilities and stockholders' equity	\$ 195,038	\$ 189,617

(UNAUDITED)
CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Statements of Stockholders' Equity and Comprehensive Income
(Dollars in thousands except share and per share data)

	Quarter ended December 31,	
	<u>2024</u>	<u>2023</u>
INTEREST INCOME:		
Loans receivable	\$ 2,216	\$ 2,103
Mortgage-backed securities	-	1
Investment securities	150	149
Other interest-earning assets	<u>269</u>	<u>184</u>
Total interest income	<u>2,635</u>	<u>2,437</u>
INTEREST EXPENSE:		
Deposits	861	758
Advances from Federal Home Loan Bank	79	79
Other interest expense	<u>25</u>	<u>52</u>
Total interest expense	<u>965</u>	<u>889</u>
Net interest income	1,670	1,548
Provision for credit losses	<u>-</u>	<u>-</u>
Net interest income after provision for credit losses	<u>1,670</u>	<u>1,548</u>
NON-INTEREST INCOME:		
Customer service charges	40	41
Gain on sale of loans	33	60
Other operating income	<u>157</u>	<u>161</u>
Total non-interest income	<u>230</u>	<u>262</u>
NON-INTEREST EXPENSE:		
Compensation and benefits	751	733
Occupancy and equipment	93	97
FDIC/SAIF deposit insurance premiums	21	23
Advertising	44	39
Data processing services	189	184
Professional fees	72	70
Other	127	147
Loss on disposal of obsolete equipment	-	1
Loss (Gain) on other repossessed assets	<u>7</u>	<u>-</u>
Total non-interest expense	<u>1,304</u>	<u>1,294</u>
Income before income taxes	596	516
Income tax expense (benefit)	<u>117</u>	<u>97</u>
Net income	<u>\$ 479</u>	<u>\$ 419</u>

(UNAUDITED)
CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Statements of Stockholders' Equity and Comprehensive Income
(Dollars in thousands except share and per share data)

	Quarter ended December 31,	
	<u>2024</u>	<u>2023</u>
OTHER COMPREHENSIVE LOSS		
Unrealized gain/loss on securities available-for-sale, net of reclassification adjustment	<u>(854)</u>	<u>1,302</u>
Comprehensive income	<u>\$ (375)</u>	<u>\$ 1,721</u>
Net income	<u>479</u>	<u>419</u>
Net income available to common stockholders	<u>\$ 479</u>	<u>\$ 419</u>
Dividends declared per common share	<u>\$ 0.32</u>	<u>\$ -</u>
Basic earnings per share	<u>\$ 0.90</u>	<u>\$ 0.79</u>
Diluted earnings per share	<u>\$ 0.90</u>	<u>\$ 0.79</u>

(UNAUDITED)
CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Statements of Stockholders' Equity
(Dollars in thousands except share and per share data)

	<u>Common stock</u>	<u>Additional paid-in capital</u>	<u>Retained earnings</u>	<u>Accumulated other comprehensive income (loss)</u>	<u>Treasury stock</u>	<u>Total stockholders' equity</u>
Balance at October 1, 2023	\$ 106	\$ 10,303	\$ 15,809	\$ (5,708)	\$ (8,468)	\$ 12,042
Net income	-	-	1,628	-	-	1,628
Unrealized loss on securities available-for-sale, net of reclassification adjustment	-	-	-	2,012	-	2,012
Cash dividends declared- common stock	-	-	-	-	-	-
Balance at September 30, 2024	106	10,303	17,437	(3,696)	(8,468)	15,682
Net income	-	-	479	-	-	479
Unrealized gain on securities available-for-sale, net of reclassification adjustment	-	-	-	(854)	-	(854)
Cash dividends declared- common stock	-	-	(169)	-	-	(169)
Balance at December 31, 2024	<u>\$ 106</u>	<u>\$ 10,303</u>	<u>\$ 17,747</u>	<u>\$ (4,550)</u>	<u>\$ (8,468)</u>	<u>\$ 15,138</u>

(UNAUDITED)

CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Statements of Cash Flows
(Dollars in Thousands)

Quarter ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Net income	\$ 479	\$ 419
Adjustments to reconcile net income to net cash provided by operating activities:		
Loans originated for sale	(3,027)	(4,839)
Proceeds from sales of loans held-for-sale	3,197	5,304
Amortization of premiums and discounts on investment securities	2	3
Deferred income tax (benefit) expense	(4)	(4)
Depreciation	43	47
Mutual fund dividends reinvested	(2)	(2)
Deferred loan origination fees, net	2	(6)
Gain on bank-owned life insurance	(29)	(27)
(Gain) Loss on disposal of assets	-	1
Loss/(Gain) on repossessed/foreclosed assets	7	-
Change in:		
Accrued interest receivable	194	89
Other assets	38	6
SBA receivable	-	(69)
Income taxes payable	21	26
Accrued expenses and other liabilities	(170)	(176)
Net cash from operating activities	<u>751</u>	<u>772</u>
Cash flows from investing activities:		
Proceeds from maturities, calls and prepayments of securities available-for-sale	2	8
Purchases of FHLB stock	-	(42)
Proceeds from FHLB stock	-	104
Change in loans receivable	(266)	2,087
Purchases of premises and equipment	(6)	(32)
Net cash from investing activities	<u>(270)</u>	<u>2,125</u>

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CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Statements of Cash Flows
(Dollars in Thousands)

Quarter ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from financing activities:		
Net increase (decrease) in deposits	6,195	5,752
Net increase (decrease) in advances from borrowers for taxes and insurance	(81)	(92)
Dividends paid to stockholders-common	(169)	-
Net cash from financing activities	<u>5,945</u>	<u>5,660</u>
Net increase (decrease) in cash and cash equivalents	6,426	8,557
Cash and cash equivalents at beginning of year	19,397	12,037
Cash and cash equivalents at end of year	<u>\$ 25,823</u>	<u>\$ 20,594</u>
Cash paid during the year for:		
Interest	\$ 947	\$ 848
Income taxes	\$ 100	\$ 75
Supplemental disclosures of noncash investing activities:		
Transfer of loans foreclosed/repossessed assets	\$ 95	\$ 480