

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, 2023 and 2022.

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 and nine months ended June 30, 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>June 30, 2024</u>	<u>September 30,</u> <u>2023</u>
ASSETS		
Cash and due from banks	\$ 479	\$ 758
Federal funds	2,559	7,960
Interest-bearing due from banks	10,778	3,319
Cash and cash equivalents	<u>13,816</u>	<u>12,037</u>
Investment and mortgage-backed securities available-for-sale	22,593	21,253
Stock in Federal Reserve Bank of Kansas City, at cost	196	196
Stock in Federal Home Loan Bank of Seattle, at cost	497	549
Loans held-for-sale	760	1,647
Loans receivable, net	135,352	138,582
Bank-owned life insurance	4,050	3,967
Accrued interest receivable	1,372	1,336
Premises and equipment, net	3,092	3,196
Repossessed other assets owned	764	-
Income tax receivable	8	219
Deferred income tax	1,703	1,968
Goodwill	132	132
SBA Receivable	276	203
Other assets	131	128
Total assets	<u>\$ 184,742</u>	<u>\$ 185,413</u>
 LIABILITIES AND STOCKHOLDERS' EQUITY		
	<u>June 30, 2024</u>	<u>September 30,</u> <u>2023</u>
Liabilities:		
Deposits	\$ 159,320	\$ 160,157
Advances from Federal Home Loan Bank	8,500	8,500
Other borrowed money	2,000	4,000
Advance payments by borrowers for taxes and insurance	62	86
Accrued expenses and other liabilities	556	628
Total liabilities	<u>170,438</u>	<u>173,371</u>
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 June 30, 2024 and September 30, 2023, respectively.	106	106
Additional paid-in capital	10,303	10,303
Retained earnings	16,999	15,809
Accumulated other comprehensive income (loss), net	(4,636)	(5,708)
Treasury stock at cost, 527,986 shares at June 30, 2024 and September 30, 2023, respectively	(8,468)	(8,468)
Total stockholders' equity	<u>14,304</u>	<u>12,042</u>
Total liabilities and stockholders' equity	<u>\$ 184,742</u>	<u>\$ 185,413</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)

	Three Months ended June 30,		Nine Months ended June 30,	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
INTEREST INCOME:				
Loans receivable	\$ 2,120	\$ 1,943	\$ 6,305	\$ 5,496
Mortgage-backed securities	-	1	1	2
Investment securities	150	150	449	451
Other interest-earning assets	211	116	617	214
Total interest income	<u>2,481</u>	<u>2,210</u>	<u>7,372</u>	<u>6,163</u>
INTEREST EXPENSE:				
Deposits	810	603	2,367	1,286
Advances from Federal Home Loan Bank	78	76	234	205
Other interest expense	50	26	154	76
Total interest expense	<u>938</u>	<u>705</u>	<u>2,755</u>	<u>1,567</u>
Net interest income	1,543	1,505	4,617	4,596
Provision for credit losses	50	20	90	119
Net interest income after provision for credit losses	<u>1,493</u>	<u>1,485</u>	<u>4,527</u>	<u>4,477</u>
NON-INTEREST INCOME:				
Customer service charges	33	45	109	126
Gain on sale of loans	58	47	209	123
Other operating income	159	152	469	445
Total non-interest income	<u>250</u>	<u>244</u>	<u>787</u>	<u>694</u>
NON-INTEREST EXPENSE:				
Compensation and benefits	646	698	2,083	2,287
Occupancy and equipment	104	108	305	329
FDIC/SAIF deposit insurance premiums	18	32	68	59
Advertising	56	36	151	143
Data processing services	208	176	565	512
Professional fees	78	72	220	192
Other	135	126	425	405
Loss on disposal of obsolete equipment	-	-	1	2
Loss (Gain) on other repossessed assets	16	-	23	-
Total non-interest expense	<u>1,261</u>	<u>1,248</u>	<u>3,841</u>	<u>3,929</u>
Income before income taxes	482	481	1,473	1,242
Income tax expense (benefit)	93	94	283	241
Net income	<u>\$ 389</u>	<u>\$ 387</u>	<u>\$ 1,190</u>	<u>\$ 1,001</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)

	Three Months ended June 30,		Nine Months ended June 30,	
	2024	2023	2024	2023
OTHER COMPREHENSIVE LOSS				
Unrealized gain/loss on securities available-for-sale, net of reclassification adjustment	12	(153)	1,072	306
Comprehensive income	\$ 401	\$ 234	\$ 2,262	\$ 1,307
Net income	389	387	1,190	1,001
Net income available to common stockholders	\$ 389	\$ 387	\$ 1,190	\$ 1,001
Dividends declared per common share	\$ -	\$ -	\$ -	\$ 0.31
Basic earnings per share	\$ 0.73	\$ 0.73	\$ 2.24	\$ 1.89
Diluted earnings per share	\$ 0.73	\$ 0.73	\$ 2.24	\$ 1.89

(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, 2022	\$ 106	\$ 10,303	\$ 14,696	\$ (5,061)	\$ (8,468)	\$ 11,576
Net income	-	-	1,277	-	-	1,277
Unrealized loss on securities available-for-sale, net of reclassification adjustment	-	-	-	(647)	-	(647)
Cash dividends declared- common stock	-	-	(164)	-	-	(164)
Balance at September 30, 2023	106	10,303	15,809	(5,708)	(8,468)	12,042
Net income	-	-	1,190	-	-	1,190
Unrealized gain on securities available-for-sale, net of reclassification adjustment	-	-	-	1,072	-	1,072
Cash dividends declared- common stock	-	-	-	-	-	-
Balance at June 30, 2024	<u>\$ 106</u>	<u>\$ 10,303</u>	<u>\$ 16,999</u>	<u>\$ (4,636)</u>	<u>\$ (8,468)</u>	<u>\$ 14,304</u>

(UNAUDITED)

CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Statements of Cash Flows
(Dollars in Thousands)

Quarter ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Net income	\$ 1,190	\$ 1,001
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for credit losses	90	119
Loans originated for sale	(11,496)	(7,889)
Proceeds from sales of loans held-for-sale	12,383	7,805
Amortization of premiums and discounts on investment securities	8	7
Deferred income tax (benefit) expense	(20)	(27)
Depreciation	139	144
Mutual fund dividends reinvested	(6)	(6)
Deferred loan origination fees, net	5	28
Gain on bank-owned life insurance	(83)	(81)
(Gain) Loss on disposal of assets	1	1
Loss/(Gain) on repossessed/foreclosed assets	23	-
SBA portion of loss on repossessed assets	41	-
Change in:		
Accrued interest receivable	(36)	(144)
Other assets	(3)	29
SBA Receivable	(73)	-
Income taxes payable	211	(106)
Accrued expenses and other liabilities	(72)	(41)
Net cash from operating activities	<u>2,302</u>	<u>840</u>
Cash flows from investing activities:		
Proceeds from maturities, calls and prepayments of securities available-for-sale	15	117
Purchases of FHLB stock	(53)	(260)
Proceeds from FHLB stock	105	126
Proceeds from sale of repossessed/foreclosed assets	46	39
Change in loans receivable	2,261	(8,888)
Purchases of premises and equipment	(36)	(73)
Net cash from investing activities	<u>2,338</u>	<u>(8,939)</u>

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CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY

Consolidated Statements of Cash Flows
(Dollars in Thousands)

Quarter ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flows from financing activities:		
Net increase (decrease) in deposits	(837)	4,928
Advances from Federal Home Loan Bank	-	6,500
Repayment of advances from Federal Home Loan Bank	-	(3,000)
Advances on other borrowed money	-	2,000
Repayment on other borrowed money	(2,000)	-
Federal funds purchased	-	-
Net increase (decrease) in advances from borrowers for taxes and insurance	(24)	(7)
Dividends paid to stockholders-common	-	(164)
Net cash from financing activities	<u>(2,861)</u>	<u>10,257</u>
Net increase (decrease) in cash and cash equivalents	1,779	2,158
Cash and cash equivalents at beginning of year	12,037	10,048
Cash and cash equivalents at end of year	<u>\$ 13,816</u>	<u>\$ 12,206</u>
Cash paid during the year for:		
Interest	\$ 2,775	\$ 1,540
Income taxes	\$ 90	\$ 375