

## 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, 2020 and 2019.

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 six months ended March 31, 2021 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>March 31, 2021</u>	<u>September 30,</u> <u>2020</u>
<b>ASSETS</b>		
Cash and due from banks	\$ 954	\$ 1,101
Federal funds	12,933	8,007
Interest-bearing due from banks	2,639	2,593
Cash and cash equivalents	<u>16,526</u>	<u>11,701</u>
Investment and mortgage-backed securities		
available-for-sale	21,412	22,368
Stock in Federal Reserve Bank of Kansas City, at cost	196	196
Stock in Federal Home Loan Bank of Seattle, at cost	406	380
Loans held-for-sale	1,016	2,288
Loans receivable, net	109,341	98,846
Bank-owned life insurance	1,779	1,759
Accrued interest receivable	693	710
Premises and equipment, net	3,398	3,410
Deferred income tax	561	294
Goodwill	132	132
SBA Receivable	22	-
Other assets	111	160
Total assets	<u>\$ 155,593</u>	<u>\$ 142,244</u>

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**CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY**  
Consolidated Balance Sheets  
(Dollars in thousands except share and per share data)

LIABILITIES AND STOCKHOLDERS' EQUITY	<u>March 31, 2021</u>	<u>September 30,</u> <u>2020</u>
Liabilities:		
Deposits	\$ 129,220	\$ 115,905
Advances from Federal Home Loan Bank	5,777	5,800
Other borrowed money	6,610	6,509
Advance payments by borrowers for taxes and insurance	61	111
Income taxes payable	91	20
Accrued expenses and other liabilities	283	409
Total liabilities	<b>142,042</b>	128,754
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 March 31, 2021 and September 30, 2020, respectively.	106	106
Additional paid-in capital	10,303	10,303
Retained earnings	12,377	11,573
Accumulated other comprehensive income (loss), net	(767)	(24)
Treasury stock at cost, 527,986 and 527,986 shares at March 31, 2021 and September 30, 2020, respectively	(8,468)	(8,468)
Total stockholders' equity	<b>13,551</b>	13,490
Total liabilities and stockholders' equity	<b>\$ 155,593</b>	\$ 142,244

**(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 March 31		Six months ended March 31,	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>INTEREST INCOME:</b>				
Loans receivable	\$ 1,320	\$ 1,172	\$ 2,656	\$ 2,373
Mortgage-backed securities	1	2	2	3
Investment securities	104	134	215	290
Other interest-earning assets	15	37	30	72
Total interest income	<u>1,440</u>	<u>1,345</u>	<u>2,903</u>	<u>2,738</u>
<b>INTEREST EXPENSE:</b>				
Deposits	99	189	220	386
Advances from Federal Home Loan Bank	42	46	88	93
Other interest expense	29	-	57	-
Total interest expense	<u>170</u>	<u>235</u>	<u>365</u>	<u>479</u>
Net interest income	1,270	1,110	2,538	2,259
Provision for loan losses	230	220	319	220
Net interest income after provision for loan losses	<u>1,040</u>	<u>890</u>	<u>2,219</u>	<u>2,039</u>
<b>NON-INTEREST INCOME:</b>				
Customer service charges	31	38	68	73
Gain (loss) on sale of securities	-	1	1	1
Gain on sale of loans	342	130	763	333
Other operating income	166	118	329	251
Total non-interest income	<u>539</u>	<u>287</u>	<u>1,161</u>	<u>658</u>
<b>NON-INTEREST EXPENSE:</b>				
Compensation and benefits	507	612	1,117	1,227
Occupancy and equipment	102	96	194	193
FDIC/SAIF deposit insurance premiums	10	6	19	6
Advertising	40	50	75	89
Data processing services	165	166	348	332
Professional fees	59	51	105	103
Other	153	143	310	274
Loss on disposal of obsolete equipment	-	-	-	1
Total non-interest expense	<u>1,036</u>	<u>1,124</u>	<u>2,168</u>	<u>2,225</u>
Income before income taxes	543	53	1,212	472
Income tax expense (benefit)	112	8	249	93
Net income	<u>\$ 431</u>	<u>\$ 45</u>	<u>\$ 963</u>	<u>\$ 379</u>

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**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 March 31		Six months ended March 31,	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
OTHER COMPREHENSIVE LOSS				
Unrealized gain/loss on securities available-for-sale, net of reclassification adjustment	<u>(803)</u>	<u>170</u>	<u>(743)</u>	<u>21</u>
Comprehensive income	<u>\$ (372)</u>	<u>\$ 215</u>	<u>\$ 220</u>	<u>\$ 400</u>
Net income	<u>431</u>	<u>45</u>	<u>963</u>	<u>379</u>
Net income available to common stockholders	<u>\$ 431</u>	<u>\$ 45</u>	<u>\$ 963</u>	<u>\$ 379</u>
Dividends declared per common share	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.30</u>	<u>\$ 0.33</u>
Basic earnings per share	<u>\$ 0.81</u>	<u>\$ 0.07</u>	<u>\$ 1.81</u>	<u>\$ 0.61</u>
Diluted earnings per share	<u>\$ 0.81</u>	<u>\$ 0.07</u>	<u>\$ 1.81</u>	<u>\$ 0.61</u>

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**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, 2019	\$ 106	\$ 10,303	\$ 10,859	\$ 33	\$ (7,086)	\$ 14,215
Net income	-	-	920	-	-	920
Unrealized loss on securities available-for-sale, net of reclassification adjustment	-	-	-	(57)	-	(57)
Cash dividends declared- common stock	-	-	(206)	-	-	(206)
Balance at September 30, 2020	<b>106</b>	<b>10,303</b>	<b>11,573</b>	<b>(24)</b>	<b>(8,468)</b>	<b>13,490</b>
Net income	-	-	963	-	-	963
Unrealized gain on securities available-for-sale, net of reclassification adjustment	-	-	-	(743)	-	(743)
Treasury Shares Purchased	-	-	-	-	-	-
Cash dividends declared- common stock	-	-	(159)	-	-	(159)
Balance at March 31, 2021	<u><b>\$ 106</b></u>	<u><b>\$ 10,303</b></u>	<u><b>\$ 12,377</b></u>	<u><b>\$ (767)</b></u>	<u><b>\$ (8,468)</b></u>	<u><b>\$ 13,551</b></u>

(UNAUDITED)

**CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY**

Consolidated Statements of Cash Flows  
(Dollars in Thousands)

Quarter ended March 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Net income	\$ 963	\$ 379
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	319	220
Provision for EDP/EPO	7	-
Loans originated for sale	(26,523)	(10,112)
Proceeds from sales of loans held-for-sale	27,788	10,999
Amortization of premiums and discounts on investment securities	4	4
Deferred income tax (benefit) expense	(70)	(19)
Depreciation	91	89
Mutual fund dividends reinvested	(2)	(17)
Deferred loan origination fees, net	69	(3)
Gain on bank-owned life insurance	(20)	(21)
Loss/(Gain) on sale of securities	(1)	-
Loss on disposal of equipment	-	1
Change in:		
Accrued interest receivable	17	159
Other assets	49	(4)
SBA Receivable	(22)	-
Income taxes payable	71	(37)
Accrued expenses and other liabilities	(126)	(39)
Net cash from operating activities	<u>2,614</u>	<u>1,599</u>
Cash flows from investing activities:		
Purchases of securities available-for-sale	(5,497)	(15,858)
Proceeds from maturities, calls and prepayments of securities available-for-sale	5,512	15,867
Proceeds from FHLB stock	1	1
Proceeds from sale of repossessed/foreclosed assets	-	21
Purchases of FHLB Stock	(27)	(3)
Change in loans receivable	(10,883)	(201)
Purchases of premises and equipment	(79)	(30)
Net cash from investing activities	<u>(10,973)</u>	<u>(203)</u>

(UNAUDITED)

**CRAZY WOMAN CREEK BANCORP INCORPORATED AND SUBSIDIARY**

Consolidated Statements of Cash Flows  
(Dollars in Thousands)

Quarter ended March 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from financing activities:		
Net increase (decrease) in deposits	13,315	(1,135)
Advances from Federal Home Loan Bank	2,000	-
Repayment of advances from Federal Home Loan Bank	(2,023)	(23)
Advances on other borrowed money	101	-
Net increase (decrease) in advances from borrowers for taxes and insurance	(50)	(61)
Acquisition of treasury stock, at cost	-	(33)
Dividends paid to stockholders-common	(159)	(205)
Net cash from financing activities	<u>13,184</u>	<u>(1,457)</u>
Net increase (decrease) in cash and cash equivalents	4,825	(61)
Cash and cash equivalents at beginning of year	11,701	8,854
Cash and cash equivalents at end of year	<u>\$ 16,526</u>	<u>\$ 8,793</u>
Cash paid during the year for:		
Interest	\$ 363	\$ 242
Income taxes	\$ 247	\$ 149