

VWF Bancorp, Inc.
Consolidated Financial Statements
June 30, 2026 and 2025

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Independent Auditor's Report

Shareholders, Board of Directors, and Audit Committee
VWF Bancorp, Inc.
Van Wert, Ohio

Opinion

We have audited the consolidated financial statements of VWF Bancorp, Inc. and subsidiaries (Company), which comprise the consolidated balance sheets as of June 30, 2026 and 2025, and the related consolidated statements of operations, comprehensive income (loss), shareholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the VWF Bancorp, Inc. and subsidiaries as of June 30, 2026 and 2025, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that these consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Forvis Mazars, LLP

Fort Wayne, Indiana
October 9, 2026

VWF Bancorp, Inc.
Consolidated Balance Sheets
June 30, 2026 and 2025

	June 30,	
	2026	2025
Assets		
Cash and due from banks	\$ 14,163,934	\$ 8,040,182
Available-for-sale debt securities	160,214,973	186,745,046
Loans held for sale	490,000	—
Loans, net of allowance for credit losses of \$1,860,614 at June 30, 2026 and \$1,491,362 at June 30, 2025, respectively	212,249,787	186,772,006
Premises and equipment	2,147,074	2,910,603
Stock in correspondent banks	2,132,100	1,891,800
Bank owned life insurance	5,635,808	5,490,191
Accrued interest receivable	1,347,919	1,323,774
Right-of-use asset - operating lease	1,149,185	1,269,724
Other assets	3,179,836	2,468,452
Total assets	<u>\$ 402,710,616</u>	<u>\$ 396,911,778</u>
Liabilities and Shareholders' Equity		
Liabilities		
Deposits		
Demand	\$ 33,887,048	\$ 36,953,847
Savings and money market	84,258,267	56,340,974
Time	215,210,585	246,956,173
Total deposits	333,355,900	340,250,994
Borrowings	30,350,000	18,500,000
Advances from borrowers	846,296	229,358
Operating lease liability	1,224,889	1,335,481
Accrued interest payable and other liabilities	1,840,999	1,822,195
Total liabilities	367,618,084	362,138,028
Commitments and Contingencies		
Shareholders' Equity		
Preferred stock, \$0.01 par value, 1,000,000 shares authorized, none issued	—	—
Common stock, \$0.01 par value, 14,000,000 shares authorized, 1,920,078 and 1,905,413 outstanding at June 30, 2026 and June 30, 2025, respectively	19,325	19,229
Additional paid-in capital	18,449,199	18,215,127
Treasury stock, 46,687 and 46,352 shares at June 30, 2026 and June 30, 2025, respectively	(733,079)	(727,384)
Unearned ESOP	(1,192,213)	(1,269,130)
Retained earnings	19,717,389	19,545,467
Accumulated other comprehensive loss	(1,168,089)	(1,009,559)
Total shareholders' equity	35,092,532	34,773,750
Total liabilities and shareholders' equity	<u>\$ 402,710,616</u>	<u>\$ 396,911,778</u>

See Notes to Consolidated Financial Statements

VWF Bancorp, Inc.
Consolidated Statements of Operations
Years Ended June 30, 2026 and 2025

	Year Ended June 30,	
	2026	2025
Interest Income		
Loans	\$ 12,180,890	\$ 8,622,688
Investment securities	9,405,503	9,990,307
Interest-bearing deposits and other	616,572	532,228
Total interest income	22,202,965	19,145,223
Interest Expense		
Deposits	11,568,892	10,445,453
Borrowings	908,551	869,239
Total interest expense	12,477,443	11,314,692
Net Interest Income	9,725,522	7,830,531
Provision for Credit Losses - Loans	369,252	718,393
Provision for (recovery of) Credit Losses - Off Balance Sheet Credit Exposure	(54,613)	60,157
Credit Loss Expense	314,639	778,550
Net Interest Income After Provision for Credit Losses	9,410,883	7,051,981
Noninterest Income		
Bank owned life insurance	145,617	139,143
Net gain on sale of loans	23,551	776
Other income	276,063	152,530
Total noninterest income	445,231	292,449
Noninterest Expense		
Salaries and employee benefits	5,247,274	4,613,160
Directors fees	405,490	354,598
Occupancy and equipment	834,254	768,751
Data processing fees	1,191,557	722,357
Franchise taxes	148,641	222,529
FDIC insurance premiums	460,027	442,121
Professional services	492,321	745,617
Advertising and marketing	90,476	364,539
Loss on disposal of assets	11,142	9,788
Net securities (gains) losses	(200,900)	2,259,657
Other	1,000,373	1,087,519
Total noninterest expense	9,680,655	11,590,636
Income (Loss) before income taxes	175,459	(4,246,206)
Income tax expense (benefit)	3,537	(947,891)
Net Income (Loss)	\$ 171,922	\$ (3,298,315)
Basic Income (Loss) Per Share	\$ 0.10	\$ (1.88)
Diluted Income (Loss) Per Share	\$ 0.10	\$ (1.88)

See Notes to Consolidated Financial Statements

VWF Bancorp, Inc.
Consolidated Statements of Comprehensive Income (Loss)
Years Ended June 30, 2026 and 2025

	Year Ended June 30,	
	2026	2025
Net income (loss)	\$ 171,922	\$ (3,298,315)
Other comprehensive income (loss):		
Net unrealized losses on available-for-sale securities	(3,785)	(553,502)
Reclassification adjustment for (gains) losses included in net income (loss)	(200,900)	2,259,657
Tax expense (benefit)	46,155	(338,110)
Other comprehensive income (loss)	(158,530)	1,368,045
Comprehensive income (loss)	<u>\$ 13,392</u>	<u>\$ (1,930,270)</u>

See Notes to Consolidated Financial Statements

VWF Bancorp, Inc.
Consolidated Statements of Shareholders' Equity
Years Ended June 30, 2026 and 2025

	Common Stock	Additional Paid-in Capital	Unearned ESOP Shares	Retained Earnings	Treasury Stock, at Cost	Accumulated Other Comprehensive Loss	Shareholders' Equity
Balance at July 1, 2024	\$ 19,229	\$ 18,006,472	\$ (1,346,047)	\$ 22,843,782	\$ (598,000)	\$ (2,377,604)	\$ 36,547,832
ESOP shares committed to be released	—	29,148	76,917	—	—	—	106,065
Net loss	—	—	—	(3,298,315)	—	—	(3,298,315)
Other comprehensive income	—	—	—	—	—	1,368,045	1,368,045
Purchase of treasury stock	—	—	—	—	(129,384)	—	(129,384)
Stock compensation expense	—	179,507	—	—	—	—	179,507
Balance at June 30, 2025	<u>\$ 19,229</u>	<u>\$ 18,215,127</u>	<u>\$ (1,269,130)</u>	<u>\$ 19,545,467</u>	<u>\$ (727,384)</u>	<u>\$ (1,009,559)</u>	<u>\$ 34,773,750</u>
Balance at July 1, 2025	\$ 19,229	\$ 18,215,127	\$ (1,269,130)	\$ 19,545,467	\$ (727,384)	\$ (1,009,559)	\$ 34,773,750
ESOP shares committed to be released	—	19,521	76,917	—	—	—	96,438
Net income	—	—	—	171,922	—	—	171,922
Other comprehensive loss	—	—	—	—	—	(158,530)	(158,530)
Purchase of treasury stock	—	—	—	—	(5,695)	—	(5,695)
Stock activity under equity incentive plans	96	(96)	—	—	—	—	—
Stock compensation expense	—	214,647	—	—	—	—	214,647
Balance at June 30, 2026	<u>\$ 19,325</u>	<u>\$ 18,449,199</u>	<u>\$ (1,192,213)</u>	<u>\$ 19,717,389</u>	<u>\$ (733,079)</u>	<u>\$ (1,168,089)</u>	<u>\$ 35,092,532</u>

See Notes to Consolidated Financial Statements

VWF Bancorp, Inc.
Consolidated Statements of Cash Flows
Years Ended June 30, 2026 and 2025

	Year Ended June 30,	
	2026	2025
Operating Activities		
Net income (loss)	\$ 171,922	\$ (3,298,315)
Items not requiring (providing) cash:		
Depreciation and amortization	466,302	455,737
Accretion of premiums and discounts, net	39,259	(243,870)
Deferred income taxes	(23,184)	(963,415)
Provision for credit losses	314,639	778,550
(Gain) loss on sale of investment securities	(200,900)	2,259,657
Interest capitalization on available-for-sale securities	(155,826)	(516,675)
Origination of loans held for sale	(2,376,900)	(85,500)
Proceeds from sales of loans	1,910,451	86,276
Gain on sale of loans	(23,551)	(776)
Loss on disposal of assets	11,142	9,788
Non-cash compensation - vehicle transfer	49,678	—
Increase in cash surrender value of bank-owned life insurance	(145,617)	(139,143)
Stock and ESOP compensation expense	311,085	285,572
Changes in:		
Accrued interest receivable	(24,145)	(361,918)
Operating lease liability	(110,592)	(107,139)
Other assets and liabilities	(76,111)	(186,143)
Net cash provided by (used in) operating activities	<u>137,652</u>	<u>(2,027,314)</u>
Investing Activities		
Purchases of available-for-sale securities	(63,466,690)	(110,919,460)
Proceeds from sales of available-for-sale securities	38,294,324	24,755,264
Proceeds from calls, maturities and paydowns of available-for-sale securities	51,815,222	38,971,145
Net change in loans	(25,847,033)	(61,099,307)
Purchase of premises and equipment	(139,387)	(987,187)
Proceeds from sales of premises and equipment	3,815	9,500
Purchase of correspondent bank stock	(1,164,800)	(1,750,900)
Proceeds from redemption of correspondent bank stock	924,500	2,055,000
Net cash provided by (used in) investing activities	<u>419,951</u>	<u>(108,965,945)</u>
Financing Activities		
Net increase in deposit accounts	(6,895,094)	130,940,664
Proceeds from borrowings	163,000,000	102,101,000
Repayment of borrowings	(151,150,000)	(145,601,000)
Purchase of treasury stock	(5,695)	(129,384)
Net change in advances by borrowers	616,938	91,636
Net cash provided by financing activities	<u>5,566,149</u>	<u>87,402,916</u>
Increase (Decrease) in Cash and Cash Equivalents	6,123,752	(23,590,343)
Cash and Cash Equivalents, Beginning of Period	8,040,182	31,630,525
Cash and Cash Equivalents, End of Period	<u>\$ 14,163,934</u>	<u>\$ 8,040,182</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid during the period for:		
Interest on deposits and borrowings	\$ 12,360,076	\$ 11,584,672
Supplemental Disclosure of Noncash Financing Activities		
Transfer from PPE to OREO	\$ 492,518	\$ —

See Notes to Consolidated Financial Statements

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements as of and for the years ended June 30, 2026 and 2025 include the accounts of VWF Bancorp, Inc. (“VWF Bancorp” or the “Company”) and its wholly-owned subsidiary, GreenWay Bank (“Greenway” or the “Bank”), formerly known as Van Wert Federal Savings Bank. All intercompany transactions and balances have been eliminated in consolidation.

Nature of Operations

The Company, a Maryland corporation and registered savings and loan holding company, was incorporated on February 25, 2022, as part of the conversion of the Bank from the mutual to stock form of organization (the “Conversion”). The Conversion was completed on July 13, 2022. The Company’s shares trade on OTCQX under the symbol “VWFB”. In connection with the Conversion, the Company acquired 100% ownership of the Bank and the Company offered and sold shares of its common stock to certain depositors of the Bank, and others, including the Bank’s Employee Stock Ownership Plan.

Following the Conversion, voting rights in the Company are held and exercised exclusively by the shareholders of the Company. Deposit account holders continue to be insured by the FDIC. The Bank may not pay a dividend on its capital stock if the effect thereof would cause retained earnings to be reduced below regulatory capital requirements. In addition, the Company is subject to certain regulations related to the payment of dividends and the repurchase of its capital stock. The Conversion was accounted for as a change in corporate form with the historic basis of the Bank’s assets, liabilities and equity unchanged as a result.

The Bank, which is the sole subsidiary of the Company, provides a variety of banking services to individuals and businesses within its principal market areas of Van Wert County, Ohio and Allen County, Indiana, as well as the surrounding areas. The Bank is a federal savings association subject to examination and regulation by the Office of the Comptroller of the Currency (“OCC”), and is also subject to examination by the FDIC as deposit insurer. The Bank has elected to be a “covered savings association” (“CSA”). A CSA has the same rights and privileges as a national bank that has its main offices situation in the same location as the home office of the CSA and is subject to the same duties, restrictions, penalties, liabilities, conditions, and limitations that would apply to such a national bank.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Material estimates that are particularly susceptible to significant change relate to the determination of the allowance for credit losses, valuation of deferred tax assets and fair values of financial instruments.

Cash and Cash Equivalents

Cash and cash equivalents include cash, interest-bearing deposits in other institutions, certificates of deposit purchased with original maturities of three months or less and highly liquid debt instruments with original maturities when purchased for three months or less. At June 30, 2026, the Company’s cash accounts at nonfederal government or nongovernmental agencies exceeded FDIC insurance limits by approximately \$639,000.

Debt Securities

Debt securities held by the Bank generally are classified and recorded in the consolidated financial statements as follows:

Classified as	Description	Recorded at
Held to maturity (HTM)	Certain debt securities that management has the positive intent and ability to hold to maturity	Amortized cost
Trading	Securities that are bought and held principally for the purpose of selling in the near term and, therefore, held for only a short period of time	Fair value, with changes in fair value included in earnings
Available for sale (AFS)	Securities not classified as HTM or trading	Fair value, with unrealized gains and losses excluded from earnings and reported in other comprehensive income

Purchase premiums and discounts are recognized in interest income using the interest method over the terms of the securities, identified as the call date as to premiums and maturity date as to discounts. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method.

The Company uses a current expected credit loss (“CECL”) model to estimate the allowance for credit losses on debt securities. For available-for-sale debt securities in an unrealized loss position, management first assesses whether it intends to sell, or it is more likely than not that it will be required to sell, the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security’s amortized cost basis is written down to fair value through income. For available-for-sale debt securities that do not meet the aforementioned criteria, the Company evaluates whether the decline in fair value has resulted from credit losses or other factors. In making this assessment, management considers the extent to which fair value is less than amortized cost, any changes to the rating of the security by a rating agency, and adverse conditions specifically related to the security, among other factors.

If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an allowance for credit losses is recorded for the credit loss, limited by the amount that the fair value is less than the amortized cost basis. Any decline in fair value that has not been recorded through an allowance for credit losses is recognized in other comprehensive income, net of applicable taxes.

Amortized cost excludes accrued interest receivable, which is included in Accrued Interest Receivable on the consolidated balance sheets. At June 30, 2026 and 2025, accrued interest receivable on available for sale securities was \$540,000 and \$564,000, respectively, and is excluded from the estimate of credit losses.

Loans

Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoff are reported at their outstanding principal balances adjusted for unearned income, charge-offs, the allowance for credit losses and any unamortized deferred fees or costs on originated loans and unamortized premiums or discounts on purchased loans. For loans amortized at cost, interest income is accrued based on the unpaid principal balance. Loan origination fees, net of certain direct origination costs, as well as premiums and discounts, are deferred and amortized as a level yield adjustment over the respective term of the loan.

Accrued interest receivable on the Company’s loans, which is included in Accrued Interest Receivable on the consolidated balance sheets at June 30, 2026 and 2025 was \$760,000 and \$717,000, respectively, and is excluded from the estimate of credit losses.

The past due status of a loan is based on the contractual terms in the loan agreement. The accrual of interest on a loan is discontinued when the loan becomes 90 days delinquent or when an individual analysis of a borrower's credit worthiness indicates a credit should be placed on nonperforming status, except for residential mortgage loans and consumer loans that are well secured and in the process of collection. Residential mortgage loans are placed on nonaccrual at the time the loan is placed in foreclosure. When loans are placed on nonaccrual status or charged off, all unpaid accrued interest is reversed against interest income. The interest on these loans is subsequently accounted for on the cash basis if collection of the remaining recorded investment in the loan is still expected or using the cost-recovery method when collection of the remaining recorded investment is in doubt. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured.

For loans amortized at cost, interest income is accrued based on the unpaid principal balance. Loan origination fees, net of certain direct origination costs, as well as premiums and discounts, are deferred and amortized as a level yield adjustment over the respective term of the loan.

For all loan portfolio segments except residential and consumer loans, the Bank promptly charges-off loans, or portions thereof, when available information confirms that specific loans are uncollectible based on information that includes, but is not limited to, (1) the deteriorating financial condition of the borrower, (2) declining collateral values, and/or (3) legal action, including bankruptcy, that impairs the borrower's ability to adequately meet its obligations. For impaired loans that are considered to be solely collateral dependent, a partial charge-off is recorded when a loss has been confirmed by an updated appraisal or other appropriate valuation of the collateral.

The Bank charges-off residential and consumer loans, or portions thereof, when the Bank reasonably determines the amount of the loss. The Bank adheres to delinquency thresholds established by applicable regulatory guidance to determine the charge-off timeframe for these loans. Loans at these delinquency thresholds for which the Bank can clearly document that the loan is both well-secured and in the process of collection, such that collection will occur regardless of delinquency status, need not be charged off.

Allowance for Credit Losses

The allowance for credit losses on loans is a valuation allowance that is deducted from the loans' amortized cost basis to present the net amount expected to be collected on the Company's loan portfolio. The allowance for credit losses on loans is established through provisions for credit losses charged against earnings. When available information confirms that specific loans, or portions thereof, are uncollectible, these amounts are charged against the allowance for credit losses on loans, and subsequent recoveries, if any, are credited to the allowance for credit losses on loans.

The Company uses a current expected credit loss ("CECL") model to estimate the allowance for credit losses on loans. The CECL model considers historical loss rates and other qualitative adjustments, as well as a new forward-looking component that considers reasonable and supportable forecasts over the expected life of each loan. To develop the allowance for credit losses on loans estimate under the CECL model, the Company segments the loan portfolio into loan pools based on loan type and similar credit risk elements; performs an individual evaluation of certain collateral dependent and other credit-deteriorated loans; calculates the historical loss rates for the segmented loan pools; applies the loss rates over the calculated life of the collectively evaluated loan pools; adjusts for forecasted macro-level economic conditions and other anticipated changes in credit quality; and determines qualitative adjustments based on factors and conditions unique to the Company's loan portfolio.

Under the CECL model, loans that do not share similar risk characteristics with loans in their respective pools are individually evaluated for expected credit losses and are excluded from the collectively evaluated loan credit loss estimates. Management individually evaluates nonaccrual loans and other loans with evidence of credit deterioration. For loans individually evaluated, a specific reserve is estimated based on either the fair value of collateral or the discounted value of expected future cash flows.

A loan is considered to be collateral dependent when, based upon management's assessment, the borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the operation or sale of the collateral. For collateral dependent loans, expected credit losses are based on the fair value of the collateral as of the

date of the consolidated balance sheet, with consideration for estimated selling costs if satisfaction of the loan depends on the sale of the collateral.

Management evaluates all collectively evaluated loan pools using the weighted average remaining life (“WARM”) methodology. The WARM methodology applies calculated quarterly net loss rates to collectively evaluated loan pools on a periodic basis based on the estimated remaining life of each pool. The estimated losses under the remaining life methodology are then adjusted for qualitative factors deemed appropriate by management.

The estimated remaining life of each pool is determined using annual, pool-based attrition measurements using the Company’s loan-level historical data. The Company’s historical call report data is utilized for historical loss rate calculations, and the lookback period for each collectively evaluated loan pool is determined by management based upon management’s evaluation of what historical data is most reflective indicator of expected losses. Forecasted historical loss rates are calculated using the Company’s historical data based on the lookback, forecast, and reversion period inputs by management. Management elected to utilize an 8-quarter forecast period, with immediate reversion to historical losses after the forecast period.

The quantitative analysis described above is supplemented with other qualitative factors based on the risks present for each collectively evaluated loan pool. These qualitative factors include: changes in lending policies and practices; changes in international, national, regional, and local business conditions; changes in the nature and volume of the portfolio and in terms of loans; changes in lending staff; changes in the volume and severity of past due loans; changes in the quality of the Company’s loan review system; changes in the value of underlying collateral; existence and effect of any concentrations of credit risk and changes in the levels of concentrations; and the effect of other external factors such as competition.

In addition to the allowance for credit losses on loans, the Company maintains a reserve for unfunded loan commitments at a level that management believes is adequate to absorb estimated probable credit losses over the contractual terms of the Company’s noncancellable loan commitments. The reserve for unfunded commitments, which is included in accrued interest payable and other liabilities on the accompanying consolidated balance, is established through provisions for credit losses charged against earnings.

Unfunded loan commitments are segmented into the same pools used for estimating the allowance for credit losses on loans. Estimated credit losses on unfunded loan commitments are based on the same methodology, inputs, and assumptions used to estimate credit losses on collectively evaluated loans, adjusted for estimated funding probabilities. The estimated funding probabilities represent management’s estimate of the amount of the current unfunded loan commitment that will be funded over the remaining contractual life of the commitment and is based on historical data, when available, or as determined by management when historical data is not available.

The Company may modify loans to borrowers experiencing financial difficulty and grant certain concessions that include principal forgiveness, a term extension, an other-than-insignificant payment delay, an interest rate reduction, or a combination of these concessions. An assessment of whether the borrower is experiencing financial difficulty is made at the time of the loan modification. Upon the Company’s determination that a modified loan (or portion of a loan) has subsequently been deemed uncollectible, the loan (or portion of the loan) is written off. Therefore, the amortized cost basis of the loan is reduced by the uncollectible amount and the allowance for credit losses is adjusted by the same amount.

Loans Held for Sale

Mortgage loans originated and intended for sale in the secondary market are carried at the lower of cost or fair value in the aggregate. Net unrealized losses, if any, are recognized through a valuation allowance by charges to noninterest income. Gains and losses on loans sales are recorded in noninterest income, and direct loan origination costs and fees are deferred at origination of the loan and are recognized in noninterest income upon sale of the loan.

Premises and Equipment

Depreciable assets are stated at cost less accumulated depreciation. Depreciation is charged to expense using the straight-line method over the estimated useful lives of the assets.

Lease Commitments

The Company determines if an arrangement is a lease or contains a lease at inception. Leases result in the recognition of right-of-use ("ROU") assets and lease liabilities on the Consolidated Balance Sheets. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Company determines lease classification as operating or finance at the lease commencement date.

The Company combines lease and nonlease components, such as common area and other maintenance costs, in calculating the ROU assets and lease liabilities for its office building leases in Fort Wayne, Indiana.

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The discount rate used in determining the lease liability and related ROU asset is based upon what would be obtained by the Company for similar loans as an incremental rate as of the date of origination or renewal.

The lease term may include options to extend or to terminate the lease that the Company is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term.

The Company has elected not to record leases with an initial term of 12 months or less on the Consolidated Balance Sheets. Lease expense on such leases is recognized on a straight-line basis over the lease term.

Stock in Correspondent Banks

Federal Home Loan Bank (FHLB) Stock

The Bank is a member of the FHLB system. Members are required to own a certain amount of stock based on the level of borrowings and other factors and may invest in additional amounts. FHLB stock is carried at cost, classified as a restricted security, and periodically evaluated for impairment based on ultimate recovery of par value. For the years ended June 30, 2026 and 2025, no impairment has been recognized.

Federal Reserve Bank (FRB) Stock

The Bank is a member of its regional Federal Reserve Bank. FRB stock is carried at cost, classified as a restricted security, and periodically evaluated for impairment based on the ultimate recovery of par value. For the years ended June 30, 2026 and 2025, no impairment has been recognized.

Bank Owned Life Insurance

The Company has purchased life insurance on certain employees. Bank owned life insurance is recorded at the amount that can be realized under the insurance contract at the balance sheet date, which is the cash surrender value adjusted for other charges or other amounts due that are probable at settlement.

Foreclosed Assets Held for Sale

Foreclosed assets include real property and other assets that have been acquired as a result of foreclosure. At the time of foreclosure, foreclosed assets are recorded at fair value less costs to sell when acquired, establishing a new cost basis. These assets are subsequently accounted for at the lower of cost or fair value less estimated costs to sell. If fair value declines subsequent to foreclosure, a valuation allowance is recorded through expense. Operating costs after acquisition

are expensed. At June 30, 2026 and 2025, respectively, the Company had \$493,000 and \$0 of foreclosed assets recorded as a result of obtaining physical possession of the property and are included in Other Assets on the Consolidated Balance Sheets. At June 30, 2026 and 2025, there were no loans for which formal foreclosure procedures were in process.

Income Taxes

The Company accounts for income taxes in accordance with income tax accounting guidance (ASC 740, *Income Taxes*). The income tax accounting guidance results in two components of income tax expense: current and deferred. Current income tax expense reflects taxes to be paid or refunded for the current period by applying the provisions of the enacted tax law to the taxable income or excess of deductions over revenues. The Company determines deferred income taxes using the liability (or balance sheet) method. Under this method, the net deferred tax asset or liability is based on the tax effects of the differences between the book and tax basis of assets and liabilities, and enacted changes in tax rates and laws are recognized in the period in which they occur.

Deferred income tax expense results from changes in deferred tax assets and liabilities between periods. Deferred tax assets are reduced by a valuation allowance if, based on the weight of evidence available, it is more likely than not that some portion or all of a deferred tax asset will not be realized.

Tax positions are recognized if it is more likely than not, based on the technical merits, that the tax position will be realized or sustained upon examination. The term more likely than not means a likelihood of more than 50 percent; the terms examined and upon examination also include resolution of the related appeals or litigation processes, if any. A tax position that meets the more-likely-than-not recognition threshold is initially and subsequently measured as the largest amount of tax benefit that has a greater than 50 percent likelihood of being realized upon settlement with a taxing authority that has full knowledge of all relevant information. The determination of whether or not a tax position has met the more-likely-than-not recognition threshold considers the facts, circumstances and information available at the reporting date and is subject to management's judgment.

If necessary, the Company recognizes interest and penalties on income taxes as a component of income tax expense.

With a few exceptions, the Company is no longer subject to examination by tax authorities for calendar years before 2022. As of June 30, 2026, the Company had no material uncertain income tax positions.

Employee Stock Ownership Plan (ESOP)

The cost of shares issued to the Employee Stock Ownership Plan ("ESOP"), but not yet allocated to participants, is shown as a reduction of shareholders' equity. Compensation expense is based on the average fair value of shares as they are committed to be released to participant accounts.

Stock-Based Compensation

Compensation cost is recognized for stock options and restricted stock awards issued to employees and directors based on the fair value of these awards at the date of grant. A Black-Scholes model is utilized to estimate the fair value of stock options, while the market price of the Company's common stock at the date of grant is used for restricted stock awards. Compensation cost is recognized over the required service period, generally defined as the vesting period. For awards with graded vesting, compensation cost is recognized on a straight-line basis over the requisite service period for the entire award. The Company's accounting policy is to recognize forfeitures as they occur.

Treasury Stock

Common stock shares repurchased are recorded at cost. Cost of shares retired or reissued is determined using the first-in, first-out method.

Earnings (Loss) Per Share

Basic earnings (loss) per share (“EPS”) represents income available or loss attributable to common shareholders divided by the weighted average number of common shares outstanding during the period. Unallocated common shares held by the ESOP are not included in the weighted average number of common shares outstanding for purposes of calculating EPS until they are committed to be released. Legally issued and outstanding unvested restricted shares are not included in the weighted average number of common shares outstanding for purposes of calculating basic EPS until the awards vest, however, these shares are included in the computation of the denominator of diluted EPS, if dilutive. Diluted EPS reflects additional common shares that would have been outstanding if dilutive potential common shares, in the form of stock options and restricted stock awards, had been issued, as well as any adjustment to income that would result from the assumed issuance and is calculated using the treasury stock method. Potentially dilutive common shares are excluded from the computation of diluted EPS in periods in which the effect would be anti-dilutive.

Comprehensive Income (Loss)

Accounting principles generally require that recognized revenue, expense, gains, and losses be included in net income. Realized losses on sales of securities, as well as certain changes in assets and liabilities, such as unrealized gains and losses on available-for-sale securities and changes in the funded status of the defined benefit pension plan, are reported as a separate component of the equity section of the consolidated balance sheets. Such items, along with net income (loss), are components of comprehensive income (loss).

Revenue Recognition

The Company accounts for revenue recognition in accordance with Accounting Standards Update (ASU) 2014-09 “Revenue from Contracts with Customers” (Accounting Standards Codification (ASC) 606). ASC 606 provides that an entity should recognize revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Interest income, net securities gains (losses) and income from bank-owned life insurance are not included within the scope of ASC 606. For the revenue streams in the scope of ASC 606, service charges on deposits and electronic banking fees, there are no significant judgments related to the amount and timing of revenue recognition. All of the Company’s in scope revenue from contracts with customers is recognized within other noninterest income.

Deposit Services. The Company generates revenues through fees charged to depositors related to deposit account maintenance fees, overdrafts, ATM fees, wire transfers and additional miscellaneous services provided at the request of the depositor. For deposit-related services, revenue is recognized when performance obligations are satisfied, which is, generally, at a point in time.

Segment Reporting

The Company has one reportable operating segment, commercial banking. While our chief operating decision makers (CODM) monitor revenue streams of various products and services, the identifiable segments’ operations are managed, and financial performance is evaluated on a company-wide basis. The commercial banking segment provides a broad array of financial products and services including commercial and residential mortgages as well as consumer lending activities and commercial and consumer banking services to individual and business clients through its banking center locations in Ohio and Indiana.

The accounting policies of the commercial banking segment are the same as those described in Note 1 of the Notes to Consolidated Financial Statements. The CODM assess performance for the commercial banking segment and decide how to allocate resources based on net income which is also reported on the Consolidated Statements of Operations as net income. The measure of segment assets is reported on the Consolidated Balance Sheets as total assets.

The CODM use net income to evaluate income generated from segment assets in deciding whether to reinvest profits into the commercial banking segment or to pay dividends. Net income is also used by the CODM to monitor budget versus actual results. Net income as well as other common company-wide financial performance and credit quality

metrics such as return on average assets, return on average equity, earnings per common share, net interest margin and operating efficiency, among others, are used for competitive analysis by benchmarking to the Company's competitors as well as used in assessing the performance of the segment and for establishing management's compensation.

The Company's CODM are the President and Chief Executive Officer and senior management team of the Company.

Note 2: Recent Accounting Pronouncements

Accounting Standards Adopted in 2026

Income Taxes: In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The amendments in this ASU add specific requirements for income tax disclosures to improve transparency and decision usefulness. The guidance in ASU 2023-09 requires that public business entities disclose specific categories in the income tax rate reconciliation and provide additional qualitative information for reconciling items that meet a quantitative threshold. In addition, the amendments in ASU 2023-09 require that all entities disclose the amount of income taxes paid disaggregated by federal, state, and foreign taxes and disaggregated by individual jurisdictions. The ASU also includes other disclosure amendments related to the disaggregation of income tax expense between federal, state and foreign taxes. For public business entities, the amendments in this update are effective for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. The amendments in this update should be applied on a prospective basis and retrospective application is permitted. The Company adopted ASU 2023-09 on July 1, 2025 on a prospective basis and had no effect on recognition or measurement.

Accounting Standards Updates Issued, but Not Adopted

Income Statement: In November 2024, the FASB issued ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The amendments in this ASU require disclosure, in the notes to the financial statements, of specified qualitative and quantitative information about certain costs and expenses, such as employee compensation, depreciation, and intangible asset amortization. Disclosure requirements also include a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, among other items. In January 2025, the FASB issued ASU No. 2025-01 clarifying the effective date for public business entities for fiscal years beginning after December 15, 2026 and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is assessing ASU 2024-03 and its impact on its accounting and disclosures.

Note 3: Debt Securities

Debt securities held by the Company generally are classified and recorded in the consolidated financial statements as available for sale, with unrealized gains and losses excluded from earnings and reported in other comprehensive loss.

The amortized cost and fair values, together with gross unrealized gains and losses of securities are as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Approximate Fair Value
Available-for-sale Securities:				
June 30, 2026				
Mortgage-backed Government				
Sponsored Enterprises (GSEs)	\$ 80,990,643	\$ 91,492	\$ 1,002,909	\$ 80,079,226
Collateralized mortgage obligations (CMOs)	72,482,485	71,525	686,319	71,867,691
Subordinated debt	8,250,000	117,592	99,536	8,268,056
	<u>\$ 161,723,128</u>	<u>\$ 280,609</u>	<u>\$ 1,788,764</u>	<u>\$ 160,214,973</u>

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Approximate Fair Value
Available-for-sale Securities:				
June 30, 2025				
Mortgage-backed Government				
Sponsored Enterprises (GSEs)	\$ 8,948,987	\$ 77,072	\$ 40,032	\$ 8,986,027
Collateralized mortgage obligations (CMOs)	171,349,529	220,414	1,421,901	170,148,042
Subordinated debt	7,750,000	25,137	164,160	7,610,977
	<u>\$ 188,048,516</u>	<u>\$ 322,623</u>	<u>\$ 1,626,093</u>	<u>\$ 186,745,046</u>

The amortized cost and fair value of available-for-sale securities at June 30, 2026, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties:

	June 30, 2026	
	Available-for-sale	
	Amortized Cost	Fair Value
Within one year	\$ —	\$ —
One to five years	4,250,000	4,365,768
Five to ten years	4,000,000	3,902,288
After ten years	—	—
	8,250,000	8,268,056
Mortgage-backed GSE's and CMO's	153,473,128	151,946,917
Totals	<u>\$ 161,723,128</u>	<u>\$ 160,214,973</u>

The carrying value of securities pledged as collateral, to secure public deposits and for other purposes, was \$123,317,000 and \$93,060,000 at June 30, 2026 and 2025, respectively.

Proceeds from sales of securities totaled \$38,294,000 and \$24,755,000 during the years ended June 30, 2026 and 2025, respectively. Such sales resulted in realized gains of \$201,000 and realized losses of \$2,260,000, respectively.

Certain investments in debt securities are reported in the consolidated financial statements at an amount less than their historical cost. Total fair value of these investments at June 30, 2026 and 2025, was \$123,118,000 and \$130,571,000, which is approximately 77 percent and 70 percent, respectively, of the fair value of the Company's total investment portfolio. Management believes that all unrealized losses at June 30, 2026 and 2025 resulted from temporary changes in interest rates and current market conditions and not a result of credit deterioration.

Information related to unrealized losses in the investment portfolio as of June 30, 2026 and June 30, 2025 is summarized as follows:

Description of Securities	June 30, 2026					
	Less than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Mortgage-backed Government						
Sponsored Enterprises (GSEs)	\$ 56,259,950	\$ 712,085	\$ 6,489,919	\$ 290,824	\$ 62,749,869	\$ 1,002,909
Collateralized mortgage obligations	28,971,880	138,474	27,995,438	547,845	56,967,318	686,319
Subordinated debt	—	—	3,400,463	99,536	3,400,463	99,536
Total available-for-sale securities	<u>\$ 85,231,830</u>	<u>\$ 850,559</u>	<u>\$ 37,885,820</u>	<u>\$ 938,205</u>	<u>\$ 123,117,650</u>	<u>\$ 1,788,764</u>

Description of Securities	June 30, 2025					
	Less than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Mortgage-backed Government						
Sponsored Enterprises (GSEs)	\$ 1,036,536	\$ 4,516	\$ 1,626,037	\$ 35,516	\$ 2,662,573	\$ 40,032
Collateralized mortgage obligations	109,135,894	1,186,518	15,436,471	235,383	124,572,365	1,421,901
Subordinated debt	744,375	5,625	2,591,465	158,535	3,335,840	164,160
Total available-for-sale securities	<u>\$ 110,916,805</u>	<u>\$ 1,196,659</u>	<u>\$ 19,653,973</u>	<u>\$ 429,434</u>	<u>\$ 130,570,778</u>	<u>\$ 1,626,093</u>

Subordinated Debt

Unrealized losses on these securities have not been recognized into income because the issuers' bonds are of high credit quality, values have only been impacted by changes in interest rates since the securities were purchased, and the Company has the intent and ability to hold the securities for the foreseeable future. The fair value is expected to recover as the bonds approach the maturity date.

Mortgage-backed GSE's, Collateralized Mortgage Obligations

Unrealized losses on these securities have not been recognized into income because the unrealized losses were caused by changes in interest rates and illiquidity, and not credit quality. The Company has the intent and ability to hold the securities for the foreseeable future. The fair value is expected to recover as the bonds approach the maturity date and the Company expects to recover the amortized cost basis over the term of the securities.

Note 4: Loans and Allowance for Credit Losses

Categories of loans at June 30, 2026 and June 30, 2025 include:

	June 30,	
	2026	2025
Real estate loans:		
Commercial	\$ 58,105,083	\$ 50,428,910
Residential	77,135,220	77,436,980
Multifamily	591,619	626,154
Agricultural	10,145,904	6,309,479
Construction and land	30,466,226	29,741,625
Home equity line of credit (HELOC)	4,348,865	2,852,070
Commercial and industrial	31,892,360	21,936,000
Consumer	1,331,515	1,229,322
Total loans	214,016,792	190,560,540
Less:		
Undisbursed loans in process	653	2,224,886
Net deferred loan fees	(94,262)	72,286
Allowance for credit losses	1,860,614	1,491,362
Net loans	<u>\$ 212,249,787</u>	<u>\$ 186,772,006</u>

The following tables present the activity in the allowance for credit losses based on portfolio segment for the years ended June 30, 2026 and 2025.

	Balance June 30, 2025	Provision for (recovery of) loan losses	Charge-offs	Recoveries	Balance June 30, 2026
Real estate loans:					
Commercial	\$ 599,457	\$ 170,582	\$ —	\$ —	\$ 770,039
Residential	245,897	(37,860)	—	—	208,037
Multifamily	1,897	(369)	—	—	1,528
Agricultural	22,389	9,462	—	—	31,851
Construction and land	340,187	59,754	—	—	399,941
HELOC	7,101	2,423	—	—	9,524
Commercial and industrial	272,134	165,682	—	—	437,816
Consumer	2,300	(422)	—	—	1,878
Total	<u>\$ 1,491,362</u>	<u>\$ 369,252</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,860,614</u>
Unfunded loan commitments and letters of credit	<u>\$ 236,510</u>	<u>\$ (54,613)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 181,897</u>
	Balance June 30, 2024	Provision for loan losses	Charge-offs	Recoveries	Balance June 30, 2025
Real estate loans:					
Commercial	\$ 206,959	\$ 392,498	\$ —	\$ —	\$ 599,457
Residential	174,613	71,284	—	—	245,897
Multifamily	1,275	622	—	—	1,897
Agricultural	12,161	10,228	—	—	22,389
Construction and land	190,594	149,593	—	—	340,187
HELOC	3,051	4,050	—	—	7,101
Commercial and industrial	183,011	89,123	—	—	272,134
Consumer	1,305	995	—	—	2,300
Total	<u>\$ 772,969</u>	<u>\$ 718,393</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,491,362</u>
Unfunded loan commitments and letters of credit	<u>\$ 176,353</u>	<u>\$ 60,157</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 236,510</u>

The Company has adopted a standard loan grading system for all non-residential real estate loans. Loan grades are numbered 1 through 8. Grades 1 through 3 are considered satisfactory grades. The grade of 4, Monitor, represents loans requiring more than normal attention. The grade of 5, Special Mention, represents loans of lower quality and is considered criticized. The grades of 6, or Substandard, and 7, Doubtful, refer to loans that are classified.

Pass (1-3)	Loans of reasonable credit strength and repayment ability providing a satisfactory credit risk.
Monitor (4)	Loans requiring more than normal attention resulting from underwriting weaknesses as to repayment terms, loan structure, financial and/or documentation exceptions.
Special Mention (5)	Loans which may include the characteristics of the Monitor classification, problems that need to be addresses by both the lender and the borrower.
Substandard (6)	Loans which may include the characteristics of the Special Mention classification, but also reflects financial and other problems that might result in some loss at a future date and/or reliance upon collateral for ultimate collection.
Doubtful (7)	Loans for which some loss is anticipated, but the timing and amount of the loss is not definite.
Loss (8)	Loans considered non-bankable assets which may or may not have some salvage value.

Internally prepared loan gradings for commercial loans are updated at least annually. Residential real estate and home equity lines of credit are generally evaluated based on whether or not the loan is performing according to the contractual terms of the loans as of the consolidated balance sheet date.

Risk characteristics of each loan portfolio segment are described as follows:

Commercial Real Estate

These loans include commercial real estate and residential real estate secured by property with five or more units. The main risks are changes in the value of the collateral, ability of borrowers to collect rents, vacancy and changes in the tenants' employment status. Management specifically considers unemployment and changes in real estate values in the Company's market area.

Residential Real Estate

These loans include first liens and junior liens on 1-4 family residential real estate (both owner and non-owner occupied). The main risks for these loans are changes in the value of the collateral and stability of the local economic environment and its impact on the borrowers' employment. Management specifically considers unemployment and changes in real estate values in the Company's market area.

Multifamily

These loans include loans on residential real estate secured by property with five or more units. The main risks are changes in the value of collateral, ability of borrowers to collect rents, vacancy and changes in the tenants' employment status. Management specifically considers unemployment and changes in real estate values in the Company's market area.

Agriculture Real Estate

These loans include loans on farm ground, vacant land for development and loans on commercial real estate. The main risks are changes in the value of the collateral and changes in the economy or borrowers' business operations. Management specifically considers unemployment and changes in real estate values in the Company's market area.

Construction and Land Real Estate

These loans include construction loans for 1-4 family residential and commercial properties (both owner and non-owner occupied) and first liens on land. The main risks for construction loans include uncertainties in estimating costs of construction and in estimating the market value of the completed project. The main risks for land loans are changes in the value of the collateral and stability of the local economic environment. Management specifically considers unemployment and changes in real estate values in the Company's market area.

HELOC

These loans are generally secured by owner-occupied 1-4 family residences. The main risks for these loans are changes in the value of the collateral and stability of the local economic environment and its impact on the borrowers' employment. Management specifically considers unemployment and changes in real estate values in the Company's market area.

Commercial and Industrial

The commercial and industrial portfolio includes loans to commercial customers for use in financing working capital needs, equipment purchases and expansions. The loans in this category are repaid primarily from the cash flow of a borrower's principal business operation. Credit risk in these loans is driven by creditworthiness of the borrower and the economic conditions that impact the cash flow stability from business operations. Commercial and industrial loans considered collateral dependent are primarily secured by accounts receivable, inventory, equipment and real estate.

Consumer Loans

These loans include vehicle loans, share loans and unsecured loans. The main risks for these loans are the depreciation of the collateral values (vehicles) and the financial condition of the borrowers. Major employment changes are specifically considered by management. Some consumer loans are unsecured and have no underlying collateral.

The following shows the amortized cost of loans, segregated by portfolio segment, credit quality rating and year of origination as of June 30, 2026, and gross charge-offs for the year ended June 30, 2026:

	2026	2025	2024	2023	2022	Prior	Revolving Loans Amortized Cost Basis	Total
June 30, 2026								
Commercial								
Pass (1-3)	\$ 8,173,798	\$ 17,137,115	\$ 15,557,716	\$ —	\$ 1,303,984	\$ 1,094,611	\$ 13,522,200	\$ 56,789,424
Monitor (4)	—	1,315,659	—	—	—	—	—	1,315,659
Special Mention (5)	—	—	—	—	—	—	—	—
Substandard (6)	—	—	—	—	—	—	—	—
Doubtful (7)	—	—	—	—	—	—	—	—
Total commercial	\$ 8,173,798	\$ 18,452,774	\$ 15,557,716	\$ —	\$ 1,303,984	\$ 1,094,611	\$ 13,522,200	\$ 58,105,083
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Residential								
Performing	\$ 11,619,393	\$ 10,834,447	\$ 8,240,734	\$ 4,686,626	\$ 11,633,823	\$ 29,217,516	\$ 902,681	\$ 77,135,220
Nonperforming	—	—	—	—	—	—	—	—
Total residential	\$ 11,619,393	\$ 10,834,447	\$ 8,240,734	\$ 4,686,626	\$ 11,633,823	\$ 29,217,516	\$ 902,681	\$ 77,135,220
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Multifamily								
Pass (1-3)	\$ —	\$ —	\$ —	\$ —	\$ 591,619	\$ —	\$ —	\$ 591,619
Monitor (4)	—	—	—	—	—	—	—	—
Special Mention (5)	—	—	—	—	—	—	—	—
Substandard (6)	—	—	—	—	—	—	—	—
Doubtful (7)	—	—	—	—	—	—	—	—
Total multifamily	\$ —	\$ —	\$ —	\$ —	\$ 591,619	\$ —	\$ —	\$ 591,619
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Agricultural								
Pass (1-3)	\$ 5,200,639	\$ 1,480,821	\$ 588,040	\$ 916,236	\$ 731,992	\$ 1,228,176	\$ —	\$ 10,145,904
Monitor (4)	—	—	—	—	—	—	—	—

Special Mention (5)	—	—	—	—	—	—	—	—
Substandard (6)	—	—	—	—	—	—	—	—
Doubtful (7)	—	—	—	—	—	—	—	—
Total agricultural	\$ 5,200,639	\$ 1,480,821	\$ 588,040	\$ 916,236	\$ 731,992	\$ 1,228,176	\$ —	\$ 10,145,904
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Construction and land								
Pass (1-3)	\$ 7,319,474	\$ 19,121,991	\$ 3,993,408	\$ —	\$ —	\$ 31,353	\$ —	\$ 30,466,226
Monitor (4)	—	—	—	—	—	—	—	—
Special Mention (5)	—	—	—	—	—	—	—	—
Substandard (6)	—	—	—	—	—	—	—	—
Doubtful (7)	—	—	—	—	—	—	—	—
Total construction and land	\$ 7,319,474	\$ 19,121,991	\$ 3,993,408	\$ —	\$ —	\$ 31,353	\$ —	\$ 30,466,226
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
HELOC								
Performing	\$ 1,088,177	\$ 1,790,934	\$ 1,019,383	\$ 6,701	\$ 271,576	\$ 172,094	\$ —	\$ 4,348,865
Nonperforming	—	—	—	—	—	—	—	—
Total HELOC	\$ 1,088,177	\$ 1,790,934	\$ 1,019,383	\$ 6,701	\$ 271,576	\$ 172,094	\$ —	\$ 4,348,865
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Commercial and industrial								
Pass (1-3)	\$ 14,255,432	\$ 10,716,754	\$ 3,006,230	\$ —	\$ —	\$ —	\$ —	\$ 27,978,416
Monitor (4)	26,105	3,887,839	—	—	—	—	—	3,913,944
Special Mention (5)	—	—	—	—	—	—	—	—
Substandard (6)	—	—	—	—	—	—	—	—
Doubtful (7)	—	—	—	—	—	—	—	—
Total commercial and industrial	\$ 14,281,537	\$ 14,604,593	\$ 3,006,230	\$ —	\$ —	\$ —	\$ —	\$ 31,892,360
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Consumer								
Pass (1-3)	\$ 525,702	\$ 393,152	\$ 273,903	\$ 96,187	\$ 32,253	\$ 10,318	\$ —	\$ 1,331,515
Monitor (4)	—	—	—	—	—	—	—	—
Special Mention (5)	—	—	—	—	—	—	—	—
Substandard (6)	—	—	—	—	—	—	—	—
Doubtful (7)	—	—	—	—	—	—	—	—
Total consumer	\$ 525,702	\$ 393,152	\$ 273,903	\$ 96,187	\$ 32,253	\$ 10,318	\$ —	\$ 1,331,515
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

The following shows the amortized cost of loans, segregated by portfolio segment, credit quality rating and year of origination as of June 30, 2025, and gross charge-offs for the year ended June 30, 2025:

	2025	2024	2023	2022	2021	Prior	Revolving Loans Amortized Cost Basis	Total
June 30, 2025								
Commercial								
Pass (1-3)	\$ 23,794,056	\$ 16,455,998	\$ 1,085,907	\$ 1,380,106	\$ 126,691	\$ 1,981,250	\$ 5,123,855	\$ 49,947,863
Monitor (4)	481,047	—	—	—	—	—	—	481,047
Special Mention (5)	—	—	—	—	—	—	—	—
Substandard (6)	—	—	—	—	—	—	—	—
Doubtful (7)	—	—	—	—	—	—	—	—
Total commercial	\$ 24,275,103	\$ 16,455,998	\$ 1,085,907	\$ 1,380,106	\$ 126,691	\$ 1,981,250	\$ 5,123,855	\$ 50,428,910
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Residential								
Performing	\$ 13,855,294	\$ 9,243,909	\$ 5,278,054	\$ 13,292,026	\$ 15,064,890	\$ 18,994,100	\$ 1,708,707	\$ 77,436,980
Nonperforming	—	—	—	—	—	—	—	—
Total residential	\$ 13,855,294	\$ 9,243,909	\$ 5,278,054	\$ 13,292,026	\$ 15,064,890	\$ 18,994,100	\$ 1,708,707	\$ 77,436,980
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Multifamily								
Pass (1-3)	\$ —	\$ —	\$ —	\$ 626,154	\$ —	\$ —	\$ —	\$ 626,154
Monitor (4)	—	—	—	—	—	—	—	—
Special Mention (5)	—	—	—	—	—	—	—	—

Substandard (6)	—	—	—	—	—	—	—	—	—
Doubtful (7)	—	—	—	—	—	—	—	—	—
Total multifamily	\$ —	\$ —	\$ —	\$ 626,154	\$ —	\$ —	\$ —	\$ —	\$ 626,154
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Agricultural									
Pass (1-3)	\$ 2,513,048	\$ 609,686	\$ 994,051	\$ 780,988	\$ 596,800	\$ 814,906	\$ —	\$ —	\$ 6,309,479
Monitor (4)	—	—	—	—	—	—	—	—	—
Special Mention (5)	—	—	—	—	—	—	—	—	—
Substandard (6)	—	—	—	—	—	—	—	—	—
Doubtful (7)	—	—	—	—	—	—	—	—	—
Total agricultural	\$ 2,513,048	\$ 609,686	\$ 994,051	\$ 780,988	\$ 596,800	\$ 814,906	\$ —	\$ —	\$ 6,309,479
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Construction and land									
Pass (1-3)	\$ 10,864,072	\$ 18,832,095	\$ —	\$ 11,765	\$ —	\$ —	\$ —	\$ —	\$ 29,707,932
Monitor (4)	—	—	—	—	—	—	—	—	—
Special Mention (5)	—	—	—	—	—	—	—	—	—
Substandard (6)	—	—	—	—	—	33,693	—	—	33,693
Doubtful (7)	—	—	—	—	—	—	—	—	—
Total construction and land	\$ 10,864,072	\$ 18,832,095	\$ —	\$ 11,765	\$ —	\$ 33,693	\$ —	\$ —	\$ 29,741,625
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
HELOC									
Performing	\$ 1,573,642	\$ 971,857	\$ 13,715	\$ 95,105	\$ 43,236	\$ 154,515	\$ —	\$ —	\$ 2,852,070
Nonperforming	—	—	—	—	—	—	—	—	—
Total HELOC	\$ 1,573,642	\$ 971,857	\$ 13,715	\$ 95,105	\$ 43,236	\$ 154,515	\$ —	\$ —	\$ 2,852,070
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Commercial and industrial									
Pass (1-3)	\$ 15,592,636	\$ 6,259,452	\$ 83,912	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 21,936,000
Monitor (4)	—	—	—	—	—	—	—	—	—
Special Mention (5)	—	—	—	—	—	—	—	—	—
Substandard (6)	—	—	—	—	—	—	—	—	—
Doubtful (7)	—	—	—	—	—	—	—	—	—
Total commercial and industrial	\$ 15,592,636	\$ 6,259,452	\$ 83,912	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 21,936,000
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Consumer									
Pass (1-3)	\$ 600,300	\$ 379,875	\$ 165,539	\$ 69,747	\$ 2,828	\$ 11,033	\$ —	\$ —	\$ 1,229,322
Monitor (4)	—	—	—	—	—	—	—	—	—
Special Mention (5)	—	—	—	—	—	—	—	—	—
Substandard (6)	—	—	—	—	—	—	—	—	—
Doubtful (7)	—	—	—	—	—	—	—	—	—
Total consumer	\$ 600,300	\$ 379,875	\$ 165,539	\$ 69,747	\$ 2,828	\$ 11,033	\$ —	\$ —	\$ 1,229,322
Gross charge-offs	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

The Company evaluates the loan risk grading system definitions and allowance for credit losses methodology on an ongoing basis. No significant changes were made to either during the past year.

The following tables present the Company's loan portfolio aging analysis of the recorded investment in loans as of June 30, 2026 and 2025:

June 30, 2026							
	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 Days Past Due	Total Past Due	Current	Total Loans Receivable	Total Loans > 90 Days & Accruing
Real estate loans:							
Commercial	\$ —	\$ —	\$ —	\$ —	\$ 58,105,083	\$ 58,105,083	\$ —
Residential	—	456,456	425,405	881,861	76,253,359	77,135,220	425,405
Multifamily	—	—	—	—	591,619	591,619	—
Agricultural	—	—	—	—	10,145,904	10,145,904	—
Construction and land	—	—	—	—	30,466,226	30,466,226	—
HELOC	—	154,380	—	154,380	4,194,485	4,348,865	—
Commercial and industrial	—	—	—	—	31,892,360	31,892,360	—
Consumer	—	52,137	—	52,137	1,279,378	1,331,515	—
Total	<u>\$ —</u>	<u>\$ 662,973</u>	<u>\$ 425,405</u>	<u>\$ 1,088,378</u>	<u>\$ 212,928,414</u>	<u>\$ 214,016,792</u>	<u>\$ 425,405</u>

June 30, 2025							
	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 Days Past Due	Total Past Due	Current	Total Loans Receivable	Total Loans > 90 Days & Accruing
Real estate loans:							
Commercial	\$ —	\$ —	\$ —	\$ —	\$ 50,428,910	\$ 50,428,910	\$ —
Residential	1,353,101	524,235	63,293	1,940,629	75,496,351	77,436,980	63,293
Multifamily	—	—	—	—	626,154	626,154	—
Agricultural	—	—	—	—	6,309,479	6,309,479	—
Construction and land	—	—	—	—	29,741,625	29,741,625	—
HELOC	6,471	—	41,570	48,041	2,804,029	2,852,070	41,570
Commercial and industrial	—	—	—	—	21,936,000	21,936,000	—
Consumer	11,208	45,110	—	56,318	1,173,004	1,229,322	—
Total	<u>\$ 1,370,780</u>	<u>\$ 569,345</u>	<u>\$ 104,863</u>	<u>\$ 2,044,988</u>	<u>\$ 188,515,552</u>	<u>\$ 190,560,540</u>	<u>\$ 104,863</u>

The following tables present the amortized cost basis of collateral-dependent loans by class of loans and related allowance, if any, as of June 30, 2026 and 2025:

As of June 30, 2026				
	Real Estate	Other	Total	Related Allowance
Real estate				
Commercial	\$ —	\$ —	\$ —	\$ —
Residential	609,303	—	609,303	—
Multifamily	—	—	—	—
Agricultural	—	—	—	—
Construction and land	—	—	—	—
Home equity line of credit (HELOC)	—	—	—	—
Commercial and industrial	—	—	—	—
Consumer	—	—	—	—
Totals	<u>\$ 609,303</u>	<u>\$ —</u>	<u>\$ 609,303</u>	<u>\$ —</u>

As of June 30, 2025				
	Real Estate	Other	Total	Related Allowance
Real estate				
Commercial	\$ —	\$ —	\$ —	\$ —
Residential	63,293	—	63,293	—
Multifamily	—	—	—	—
Agricultural	—	—	—	—
Construction and land	—	—	—	—
Home equity line of credit (HELOC)	41,570	—	41,570	—
Commercial and industrial	—	—	—	—
Consumer	—	—	—	—
Totals	\$ 104,863	\$ —	\$ 104,863	\$ —

Information regarding nonaccrual loans as of June 30, 2026 and 2025 is as follows:

As of June 30, 2026						
	Nonaccrual Loans With No Allowance for Credit Losses	Nonaccrual Loans With an Allowance for Credit Losses	Total Nonaccrual Loans	Total Nonaccrual Loans at Beginning of Year	Interest Income Recognized on Nonaccrual Loans	Amortized Cost Basis of Loans 90+ Days Past Due Not on Nonaccrual
Real estate loans:						
Commercial	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Residential	—	—	—	—	—	609,303
Multifamily	—	—	—	—	—	—
Agricultural	—	—	—	—	—	—
Construction and land	—	—	—	—	—	—
Home equity line of credit (HELOC)	—	—	—	—	—	—
Commercial and industrial	—	—	—	—	—	—
Consumer	—	—	—	—	—	—
Total	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 609,303

As of June 30, 2025						
	Nonaccrual Loans With No Allowance for Credit Losses	Nonaccrual Loans With an Allowance for Credit Losses	Total Nonaccrual Loans	Total Nonaccrual Loans at Beginning of Year	Interest Income Recognized on Nonaccrual Loans	Amortized Cost Basis of Loans 90+ Days Past Due Not on Nonaccrual
Real estate loans:						
Commercial	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Residential	—	—	—	502,163	—	63,293
Multifamily	—	—	—	—	—	—
Agricultural	—	—	—	—	—	—
Construction and land	—	—	—	36,232	—	—
Home equity line of credit (HELOC)	—	—	—	—	—	41,570
Commercial and industrial	—	—	—	—	—	—
Consumer	—	—	—	15,672	—	—
Total	\$ —	\$ —	\$ —	\$ 554,067	\$ —	\$ 104,863

During the years ended June 30, 2026 and 2025, respectively, there were no significant modifications of loans to borrowers who were experiencing financial difficulty. The company did not provide any modifications under these circumstances to borrowers.

Note 5: Premises and Equipment

Major classifications of premises and equipment, stated at cost, at June 30, 2026 and 2025, are as follows:

	June 30,	
	2026	2025
Land	\$ 79,666	\$ 572,183
Buildings and improvements	1,464,447	1,486,885
Furniture and equipment	1,085,083	1,315,095
Leasehold improvements	960,716	960,716
Software	42,553	129,418
IT equipment and improvements	148,595	98,758
Construction in progress	14,874	—
Total premises and equipment	3,795,934	4,563,055
Accumulated depreciation	(1,648,860)	(1,652,452)
Total premises and equipment, net	\$ 2,147,074	\$ 2,910,603

Note 6: Time Deposits

Time deposits in denominations of more than \$250,000 were \$83,380,000 and \$31,009,000 at June 30, 2026 and 2025, respectively.

At June 30, 2026, the scheduled maturities of time deposits were as follows:

Maturing year ending June 30,	
2027	\$ 192,576,707
2028	20,708,545
2029	740,861
2030	761,828
2031	422,644
Thereafter	—
	<u>\$ 215,210,585</u>

Note 7: Borrowings

Borrowed funds at June 30, 2026 and 2025, are summarized as follows:

	June 30, 2026		June 30, 2025	
	Rate	Amount	Rate	Amount
Advances from Federal Home Loan Bank of Cincinnati	3.90%	\$ 30,350,000	4.51%	\$ 18,500,000
Advances from Federal Reserve Bank of Cleveland	N/A	—	N/A	—
Total borrowings		<u>\$ 30,350,000</u>		<u>\$ 18,500,000</u>

Based on collateral pledged, consisting of all shares of FHLB stock owned, securities of \$23,741,000 and \$16,217,000, and a blanket pledge of approximately \$86,068,000 and \$78,318,000 of qualifying mortgage loans as of June 30, 2026 and 2025, respectively, the Company was eligible to borrow up to an additional \$48,785,000 as of June 30, 2026.

Based on eligible available for sale securities pledged as collateral to the Federal Reserve Bank Discount Window totaling \$28,969,000 and \$43,950,000 as of June 30, 2026 and 2025, respectively, the Company was eligible to borrow up to an additional \$25,945,000 as of June 30, 2026.

Note 8: Leases

The Company has two operating leases for office space for its Fort Wayne branch and executive offices. Both leases expire in 2034 and include two five-year renewal options. The Company did not include the renewal options in the lease term as it is not reasonably certain that those will be exercised.

The lease cost and other required information for the year ended June 30, 2026 is as follows:

	2026	2025
Lease cost		
Operating lease cost	\$ 185,722	\$ 185,720
Short-term lease cost	—	17,100
Total lease cost	\$ 185,722	\$ 202,820
	2026	2025
Other information		
Cash paid for amounts included in the measurement of		
lease liabilities		
Operating cash flows from operating leases	\$ 286,391	\$ 244,563
Right-of-use assets obtained in exchange for new		
operating lease liabilities	—	—
Weighted-average remaining lease term	7.59 yrs	8.59 yrs
Weighted-average discount rate	5.1%	5.1%

Future minimum lease payments and reconciliation to the consolidated balance sheet at June 30, 2026, are as follows:

	Operating Leases
2026	\$ 180,135
2027	184,624
2028	189,254
2029	193,991
2030	198,827
Thereafter	537,267
Total future undiscounted lease payments	1,484,098
Less interest	(259,209)
Lease liabilities	\$ 1,224,889

Note 9: Income Taxes

Pretax income is entirely related to domestic activities. The Company did not have any foreign operations or foreign tax expense for the periods presented below. Income tax expense for the years ended June 30, 2026 and 2025 consisted of the following:

	2026	2025
Current:		
Federal	\$ 27,782	\$ (25)
State	(1,061)	15,549
Total current	26,721	15,524
Deferred:		
Federal	(24,245)	(885,808)
State	1,061	(77,607)
Total deferred	(23,184)	(963,415)
Total income tax expense (benefit)	\$ 3,537	\$ (947,891)

A reconciliation of the federal income tax expense (benefit) at the statutory rate to the Company's actual income tax expense (benefit) is shown below:

	2026		2025	
Computed at statutory rate (21%)	\$	36,847	21.0 %	\$ (894,964)
Increase (decrease) resulting from:				
State income tax, net of federal tax effect ⁽¹⁾		(361)	(0.2)	(49,026)
Nontaxable or nondeductible items				
Bank-owned life insurance		(30,580)	(17.4)	(29,220)
ESOP		4,099	2.3	6,121
Incentive stock options		6,127	3.5	4,603
Nontaxable interest income on municipal securities		—	—	(4,153)
Nontaxable income		(29,380)	(16.7)	—
Nondeductible expenses		8,116	4.6	—
Meals and Entertainment		12,133	6.9	—
Other		(3,464)	(2.0)	18,748
Total income tax expense (benefit)	\$	3,537	2.0 %	\$ (947,891)

(1) State taxes in Indiana made up the majority (greater than 50%) of the tax effect.

The composition of the Company's net deferred tax asset at June 30, 2026 and 2025, is as follows:

	2026		2025	
Deferred tax assets				
Allowance for credit losses	\$	460,554	\$	389,607
Unrealized losses on available-for-sale securities		340,065		293,912
Operating lease liability		276,193		301,130
Net operating loss carryforward		1,105,924		1,124,384
Other		138,737		142,808
Deferred tax assets		2,321,473		2,251,841
Deferred tax liabilities				
Depreciation		(25,640)		(38,094)
Right of use asset - operating lease		(259,123)		(286,302)
Other		(38,891)		—
Deferred tax liabilities		(323,654)		(324,396)
Net deferred tax asset	\$	1,997,819	\$	1,927,445

There were no federal, state, or foreign income taxes paid during the year. Retained earnings at both June 30, 2026 and 2025, includes approximately \$1.8 million for which no deferred federal income tax liability has been recognized. This amount represents an allocation of income to bad debt deductions for tax purposes only. Reduction of amounts so allocated for purposes other than tax bad debt losses or adjustments arising from carryback of net operating losses would create income for tax purposes only, which would be subject to the then-current corporate income tax rate. The deferred income tax liability on the preceding amount that would have been recorded if it was expected to reverse into taxable income in the foreseeable future was approximately \$375,000 at June 30, 2026 and 2025.

The Company has approximately \$5,073,000 of net operating loss carryforwards at June 30, 2026 that do not expire. Realization of deferred tax assets associated with the net operating loss carryforwards is dependent upon generating sufficient taxable income. The Company's net operating losses were generated after 2021 and have no expiration. Management believes it is more-likely-than-not that these will be realized through a reduction in future taxes payable and as such, no valuation allowance is deemed necessary.

Note 10: Capital and Regulatory Matters

The Bank is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by

regulators that, if undertaken, could have a direct material effect on the financial statements of the Company and the Bank. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company must meet specific capital guidelines that involve quantitative measures of the Company's assets, liabilities and certain off-balance-sheet items as calculated under U.S. GAAP reporting requirements and regulatory capital standards. The Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors. Furthermore, the Bank's regulators could require adjustments to regulatory capital not reflected in these consolidated financial statements.

Quantitative measures established by regulatory reporting standards to ensure capital adequacy require the Bank to maintain minimum amounts and ratios (set forth in the table below) of total and Tier 1 capital to risk-weighted assets, common equity Tier 1 capital to total risk-weighted assets and of Tier 1 capital to average assets. Management believes, as of June 30, 2026, that the Bank meets all capital adequacy requirements to which it is subject.

At June 30, 2026, the Bank was categorized as well capitalized under the regulatory framework for prompt corrective action. There are no conditions or events since the most recent notification that management believes have changed the Bank's prompt corrective action category. The following table presents actual and required capital ratios for the Bank.

(Dollars in thousands)	Actual		To be Well Capitalized Under the Prompt Corrective Action Provision	
	Amount	Ratio	Amount	Ratio
As of June 30, 2026				
Common Equity Tier 1 Capital	\$ 33,240	14.33 %	\$ 15,075	>6.5 %
Tier 1 Risk-Based Capital	33,240	14.33	18,554	>8.0
Total Risk-Based Capital	35,283	15.21	23,193	>10.0
Tier 1 Leverage Capital	33,240	8.50	19,551	>5.0

(Dollars in thousands)	Actual		To be Well Capitalized Under the Prompt Corrective Action Provision	
	Amount	Ratio	Amount	Ratio
As of June 30, 2025				
Common Equity Tier 1 Capital	\$ 32,495	14.15 %	\$ 14,925	>6.5 %
Tier 1 Risk-Based Capital	32,495	14.15	18,369	>8.0
Total Risk-Based Capital	34,223	14.90	22,961	>10.0
Tier 1 Leverage Capital	32,495	8.44	19,251	>5.0

Share Repurchase Program

On December 18, 2024, the board of directors of the Company authorized a share repurchase program of up to \$100,000 of the Company's common stock. In connection with the new share repurchase program, the Company's previous share repurchase program, authorized on February 20, 2024 for up to \$600,000 of the Company's common stock and which had \$2,000 available for repurchase, was terminated. During the year ended June 30, 2025, the Company repurchased 6,000 shares of its common stock at an average cost per share of \$11.50. At June 30, 2025, the Company had \$31,000 remaining available to repurchase under the share repurchase program. This authorization expired on December 31, 2025 and the board of directors of the Company did not authorize a new share repurchase program at that time.

Additionally, the Company repurchased 335 and 3,552 shares of the Company's common stock during the years ended June 30, 2026 and 2025, respectively. These were not made pursuant to a publicly announced program. These repurchases were made pursuant to the ESOP Plan in connection with terminated participants. Repurchases were made at the externally valuated share prices as of December 31, 2025 and 2024, respectively, as required by the ESOP agreement as the Company is not traded on a national exchange. The repurchases were required as terminated participants elected their option to put the shares back to the company upon distribution.

Note 11: Related Party Transactions

The Company's loans outstanding to certain of its executive officers, directors and their related interests, as of June 30, 2026 and 2025, and activity within those years, was as follows:

	2026	2025
Balance at beginning of year	\$ 3,253,982	\$ 4,818,879
Loans disbursed	4,792,175	—
Repayments	(39,220)	(1,564,897)
Balance at end of year	<u>\$ 8,006,937</u>	<u>\$ 3,253,982</u>

At June 30, 2026 and 2025, \$50,000 of the related party loan balance was committed but undispersed. In management's opinion, such loans and other extensions of credit and deposits were made in the ordinary course of business and were made on substantially the same terms (including interest rates and collateral) as those prevailing at the time for comparable transactions with other persons. Further, in management's opinion, these loans did not involve more than normal risk of collectability or present other unfavorable features.

Deposits from related parties held by the Company at June 30, 2026 and 2025, totaled approximately \$2,399,000 and \$4,048,000, respectively.

Note 12: Income (Loss) Per Share

Income (Loss) per common share for the years ended June 30, 2026 and 2025 is as follows:

	Year Ended June 30,	
	2026	2025
Basic		
Net income (loss)	\$ 171,922	\$ (3,298,315)
Shares outstanding for basic loss per share:		
Weighted-average common shares outstanding	1,889,944	1,887,010
Less average unearned ESOP shares	(122,762)	(130,453)
Weighted-average shares - basic	<u>1,767,182</u>	<u>1,756,557</u>
Basic income (loss) per share	<u>\$ 0.10</u>	<u>\$ (1.88)</u>
Diluted		
Effect of dilutive stock-based awards		
Weighted-average shares outstanding - basic	1,767,182	1,756,557
Stock options	—	—
Restricted stock	<u>6,108</u>	<u>—</u>
Weighted average shares - assuming dilution	<u>1,773,290</u>	<u>1,756,557</u>
Diluted income (loss) per share	<u>\$ 0.10</u>	<u>\$ (1.88)</u>

The weighted average number of potentially dilutive common shares attributable to outstanding stock options that were anti-dilutive and therefore excluded from the calculation of diluted earnings per share totaled 30,000 and 20,000 for the years ended June 30, 2026 and 2025, respectively. The weighted average of potentially dilutive common shares attributable to restricted stock that were anti-dilutive and excluded from the calculation totaled 19,226, for the year ended June 30, 2025.

Note 13: Employee Benefits

401(k) Plan

The Company sponsors a 401(k) profit sharing plan covering substantially all employees. Employees are eligible to participate once they have reached age 21 and have completed 90 days of service. The Company will make 50% matching contributions up to 6 percent of an employee's compensation once the employee has completed 12 months of service. The Company's expense relative to the plan totaled approximately \$66,000 and \$75,000 for the years ended June 30, 2026 and 2025, respectively.

Salary Continuation Plan

On August 1, 2016, the Company entered into a salary continuation plan with the Company's former President to provide additional retirement benefits for the life of the former President, with a guaranteed payout period of 15 years. The plan is intended to be an unfunded, non-qualified deferred compensation plan. The Company's expense (benefit) relative to the plan totaled approximately \$6,000 and \$9,000 for the years ended June 30, 2026 and 2025, respectively. The Company's liability related to the plan totaled approximately \$129,000 and \$134,000 as of June 30, 2026 and 2025, respectively.

Employee Stock Ownership Plan

In July 2022, the Company established an employee stock ownership plan ("ESOP") for the benefit of all employees of the Company. Employees of the Company who have worked at least 1,000 hours in the first year of employment and who have attained the age of 18 are eligible to participate in the ESOP. The Company made a loan to the ESOP in the amount of \$1.5 million, which the ESOP used to purchase 153,834 shares. It is anticipated that contributions will be made to the ESOP in amounts necessary to amortize the debt to the Company over a period of 20 years.

The Company recognizes compensation cost equal to the fair value of the ESOP shares during the periods in which they are committed to be released. To the extent that the fair value of the Company's ESOP shares differs from the cost of such shares, the differential is credited to shareholder's equity. The Company receives a tax deduction equal to the cost of the shares released. As the loan is internally leveraged, the loan receivable from the ESOP to the Company is not reported as an asset nor is the debt of the ESOP shown as a Company liability.

Compensation expense related to the ESOP totaled approximately \$96,000 and \$106,000 for the years ended June 30, 2026 and 2025, respectively.

Shares held by the ESOP as of June 30, 2026 and 2025 is as follows:

	2026	2025
Shares committed to be released to participants	3,846	3,846
Shares allocated to participants	26,880	19,523
Unearned shares	119,221	126,913
Total ESOP shares	149,947	150,282
Fair value of unearned shares	\$ 1,752,549	\$ 1,417,618

Stock-based Compensation

In November 2023, the Company's shareholders approved the VWF Bancorp, Inc. 2023 Equity Incentive Plan (the "2023 Plan"). The 2023 Plan authorized the issuance or delivery to participants of up to 269,208 shares of the Company's common stock pursuant to the grants of restricted stock awards, restricted stock unit awards, incentive stock options and non-qualified stock options. Of this number, the maximum number of shares of Company common stock that may be issued under the 2023 Plan pursuant to the exercise of stock options is 192,292 shares and the maximum number of shares of Company common stock that may be issued as restricted stock awards or restricted stock units is 76,916. Shares subject to award under the 2023 Plan may be authorized but unissued shares or treasury shares.

Awards may vest or become exercisable only upon the achievement of performance measures or based solely on the passage of time after award. Stock options and restricted stock awards provide for accelerated vesting if there is a change in control (as defined in the 2023 Plan).

Stock Options

The Company estimates the fair value of each option granted using the Black-Scholes option pricing model. The following key management assumptions were used to value the options granted during the years ended June 30, 2026 and 2025, respectively:

	2026	2025
Expected volatility	16.04%	18.11%
Expected dividends	1.50%	1.50%
Expected term (in years)	6.50	6.50
Risk-free rate	3.88%	3.63%

The following table summarizes stock option activity for the periods indicated:

	Shares	Weighted Average Exercise Price	Weighted Average Grant Date Fair Value	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding, June 30, 2024	10,000	\$ 16.25	\$ 4.07	9.67	\$ —
Granted	10,000	15.17	3.34	9.25	—
Exercised	—	—	—	—	—
Forfeited or expired	—	—	—	—	—
Nonvested shares, June 30, 2025	<u>20,000</u>	\$ 15.17	\$ 3.71	8.96	\$ —
Exercisable, June 30, 2025	—	\$ —	\$ —	—	\$ —
Granted	10,000	11.75	2.48	9.42	—
Exercised	—	—	—	—	—
Forfeited or expired	—	—	—	—	—
Nonvested shares, June 30, 2026	<u>30,000</u>	\$ 14.39	\$ 3.30	8.44	\$ —
Exercisable, June 30, 2026	—	\$ —	\$ —	—	\$ —

Restricted Stock Awards

The following table summarizes restricted stock award activity for the periods indicated:

	Number of Shares	Weighted Average Grant Date Fair Value
Nonvested shares, June 30, 2024	28,841	\$ 16.39
Awarded	—	—
Vested	(9,615)	16.39
Forfeited	—	—
Nonvested shares, June 30, 2025	<u>19,226</u>	\$ 16.39
Awarded	15,000	12.29
Vested	(9,615)	16.39
Forfeited	—	—
Nonvested shares, June 30, 2026	<u>24,611</u>	\$ 13.89

As of June 30, 2026, there was approximately \$258,000 of total unrecognized compensation cost related to unvested share-based compensation arrangements granted under the 2023 Plan. That cost is expected to be recognized over a weighted-average period of 3.3 years. During the years ended June 30, 2026 and 2025, respectively, the Company recorded approximately \$215,000 and \$180,000 in award-based compensation expense, which is included in salaries and employee benefits and director fees.

Note 14: Disclosures about Fair Value of Assets and Liabilities

Fair value is the exchange price that would be received to sell an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2** Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3** Significant unobservable inputs that reflect an entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

Recurring Measurements

The following table presents the fair value measurements of assets recognized in the accompanying balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2026 and 2025:

	Fair Value	Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
June 30, 2026					
Mortgage-backed GSEs	\$ 80,079,226	\$ —	\$ 80,079,226	\$ —	
Collateralized mortgage obligations	71,867,691	—	71,867,691	—	
Subordinated debt	8,268,056	—	8,268,056	—	
June 30, 2025					
Mortgage-backed GSEs	\$ 8,986,027	\$ —	\$ 8,986,027	\$ —	
Collateralized mortgage obligations	170,148,042	—	170,148,042	—	
Subordinated debt	7,610,977	—	7,610,977	—	

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis and recognized in the accompanying balance sheets, as well as the general classification of such assets pursuant to the valuation hierarchy. There are no liabilities measured at fair value on a recurring basis. There have been no significant changes in the valuation techniques during the year ended June 30, 2026.

Available-for-sale Securities

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities,

prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 are not available, securities are classified within Level 3 of the hierarchy. The Company had no Level 3 securities.

Nonrecurring Measurements

The Company had no assets or liabilities measured at fair value on a nonrecurring basis at June 30, 2026 and 2025, respectively.

The estimated fair values of the Company's financial instruments not carried at fair value on the consolidated balance sheets are as follows:

	Carrying Value	Fair Value	Fair Value Measurements Using		
			(Level 1)	(Level 2)	(Level 3)
June 30, 2026					
Financial assets:					
Cash and due from banks	\$ 14,163,934	\$ 14,163,934	\$ 14,163,934	\$ —	\$ —
Loans held for sale	490,000	490,000	—	490,000	—
Loans, net	212,249,787	206,361,787	—	—	206,361,787
Stock in correspondent banks	2,132,100	2,132,100	—	2,132,100	—
Accrued interest receivable	1,347,919	1,347,919	1,347,919	—	—
Financial liabilities:					
Deposits	333,355,900	332,820,315	118,145,315	—	214,675,000
Borrowings	30,350,000	30,285,000	—	—	30,285,000
Accrued interest payable	626,218	626,218	626,218	—	—
June 30, 2025					
Financial assets:					
Cash and due from banks	\$ 8,040,182	\$ 8,040,182	\$ 8,040,182	\$ —	\$ —
Loans, net	186,772,006	180,175,006	—	—	180,175,006
Stock in correspondent banks	1,891,800	1,891,800	—	1,891,800	—
Accrued interest receivable	1,323,774	1,323,774	1,323,774	—	—
Financial liabilities:					
Deposits	340,250,994	340,284,821	93,294,821	—	246,990,000
Borrowings	18,500,000	18,479,000	—	—	18,479,000
Accrued interest payable	508,851	508,851	508,851	—	—

The Company used the following methods and assumptions in estimating the fair value of the following financial instruments:

Cash and due from banks: The carrying amount for cash on hand and balances due from banks is a reasonable estimate of fair value (Level 1).

Loans held for sale: The fair value of loans held for sale is determined using quoted prices for similar assets, adjusted for specific attributes of that loan (Level 2).

Loans, net: Fair value for loans are estimated using a discounted cash flow methodology. The discount rate takes into account interest rates currently being offered to customers for loans with similar terms, the credit risk associated with the loans and other market factors, including liquidity.

Stock in correspondent banks: Stock in correspondent banks only trades at its stated par value.

Accrued interest receivable: The carrying amount for accrued interest receivable is a reasonable estimate of fair value (Level 1).

Deposits: The fair value of fixed-maturity CDs is estimated using a discounted cash flow calculation based on current rates offered for deposits of similar remaining maturities (Level 2). Demand and other non-fixed-

maturity deposits are estimated using a discounted cash flow calculation based on maturity, attrition and re-pricing assumptions.

Borrowings: The fair value of borrowings is estimated using a discounted cash flow analysis based on rates currently available.

Accrued interest payable: The carrying amount for accrued interest receivable is a reasonable estimate of fair value (Level 1).

Limitations: Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates do not reflect any premium or discount that could result from offering for sale at one time the Company's entire holdings of a particular financial instrument. Fair value estimates may not be realizable in an immediate settlement of the instrument. In some instances, there are no quoted market prices for the Company's various financial instruments, in which case fair values may be based on estimates using present value or other valuation techniques, or based on judgments regarding future expected loss experience, current economic conditions, risk characteristic of the financial instruments, or other factors. Those techniques are significantly affected by the assumptions used, including the discount rate and estimate of future cash flows. Subsequent changes in assumptions could significantly affect the estimates.

Note 15: Commitments and Credit Risks

Commitments to originate loans are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since a portion of the commitments may expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Each customer's creditworthiness is evaluated on a case-by-case basis. The amount of collateral obtained, if deemed necessary, is based on management's credit evaluation of the counterparty. Collateral held varies, but may include accounts receivable, inventory, property, plant and equipment, commercial real estate and residential real estate.

Lines of credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Lines of credit generally have fixed expiration dates. Since a portion of the line may expire without being drawn upon, the total unused lines do not necessarily represent future cash requirements. Each customer's creditworthiness is evaluated on a case-by-case basis. The amount of collateral obtained, if deemed necessary, is based on management's credit evaluation of the counterparty. Collateral held varies but may include accounts receivable, inventory, property, plant and equipment, commercial real estate and residential real estate.

Management uses the same credit policies in granting lines of credit as it does for on-balance-sheet instruments.

Commitments outstanding at June 30, 2026 and 2025 were as follows:

	June 30,	
	2026	2025
Commitments to originate loans	\$ 5,051,891	\$ 8,937,413
Undisbursed balance of loans closed	24,869,508	26,355,487
Total	<u>\$ 29,921,399</u>	<u>\$ 35,292,900</u>

Note 16: Accumulated Other Comprehensive Loss

The following table summarizes the changes in the balances of each component of accumulated other comprehensive loss, net of tax, as of June 30, 2026 and 2025:

	Accumulated Other Comprehensive Loss
	Unrealized Gains (Losses) on Securities Available for Sale
Balance at June 30, 2025	\$ (1,009,559)
Other comprehensive loss before reclassifications	180
Amounts reclassified from accumulated other comprehensive loss	(158,710)
Period change	(158,530)
Balance at June 30, 2026	\$ (1,168,089)
Balance at June 30, 2024	\$ (2,377,604)
Other comprehensive income (loss) before reclassifications	(417,084)
Amounts reclassified from accumulated other comprehensive income (loss)	1,785,129
Period change	1,368,045
Balance at June 30, 2025	\$ (1,009,559)

The following are significant amounts reclassified out of accumulated other comprehensive loss for the year ended June 30, 2026 and 2025:

	Amount Reclassified from Accumulated Other Comprehensive Loss For the Year Ended June 30, 2026	Affected Line Item in the Statements of Operations
Realized gains on sales of securities	\$ (200,900)	Gain on sale of investment securities
Tax effect	42,190	Income tax expense
Net of tax	\$ (158,710)	

	Amount Reclassified from Accumulated Other Comprehensive Loss For the Year Ended June 30, 2025	Affected Line Item in the Statements of Operations
Realized losses on sales of securities	\$ 2,259,657	Loss on sale of investment securities
Tax effect	(474,528)	Income tax benefit
Net of tax	\$ 1,785,129	

Note 17: Subsequent Events

Management has evaluated subsequent events through October 9, 2026, which is the date the consolidated financial statements were available to be issued, and has determined that no events occurred that would require adjustment to, or disclosure in, the financial statements.