WCF BANCORP, INC.

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PRESS RELEASE: WCF Bancorp, Inc. Announces First Quarter (Unaudited) Financial Results & Dividend Declaration

FOR IMMEDIATE RELEASE – April 19, 2024

WCF Bancorp, Inc. (OTC Pink: WCFB) ("WCFB" or the "Company"), the holding company for WCF Financial Bank (the "bank"), today reported unaudited financial results for the three-month period ended March 31, 2024.

Net income decreased $110,000, or 81.8%, to $25,000 for the quarter ended March 31, 2024, compared to $135,000 for the quarter ended March 31, 2023. The decrease in first quarter net income year-over-year was primarily attributable to net interest income decreasing $124,000, noninterest expense increasing $82,000, and the provision for credit losses increasing $11,000, offset, in part, by noninterest income increasing $62,000 and income tax expense decreasing $44,000. Higher interest rates caused interest expense to increase more rapidly than interest income, which led to the decrease in both net interest income and net income.

Total assets increased $9.7 million, or 4.9%, to a Company-record $205.8 million at March 31, 2024, compared to $196.2 million at December 31, 2023. During that time gross loans increased $9.6 million, or 6.6%, to a Company-record $156.5 million, total securities available for sale increased $1.9 million, or 8.3%, to $25.0 million, cash and equivalents decreased $1.5 million, or 13.5%, to $9.8 million, deposits increased $12.4 million, or 8.7%, to a Company-record $154.5 million, and other borrowed funds decreased $2.5 million, or 8.6%, to $26.6 million.

Loan quality remains strong with 2024 year-to-date gross charge offs of $0, representing no change from the first quarter of 2023. Nonaccrual loans as of March 31, 2024, were $278,000, representing 0.2% of gross loans outstanding, a decrease of $154,000, or 35.7%, from March 31, 2023, results of $432,000 and 0.3% of gross loans outstanding. The allowance for credit losses on March 31, 2024, totaled $1.1 million, representing 0.7% of gross loans outstanding, as compared to $1.1 million and 0.9% of gross loans outstanding on March 31, 2023.

In accordance with regulatory requirements, on January 1, 2023, the Company implemented the Current Expected Credit Losses (CECL) accounting standard, which is the new, required methodology for estimating allowances for credit losses. We believe the allowance for loan loss is appropriate based on an assessment that includes prior loss experience, risk selection, underwriting standards, level of lending management experience, quality of the loan review system, volume and types of loans in the portfolio, past due loans, economic conditions, concentration of credit, and other factors related to the collectability of the loans.

The Company remains well-capitalized with stockholders' equity at March 31, 2024 of $22.4 million, as compared to $23.4 million at March 31, 2023. The ratio of stockholders' equity to total assets was 10.9% on March 31, 2024, compared to 13.4% on March 31, 2023. The year-over-year decrease resulted primarily from the Company's repurchase of its shares totaling $418,000, a decrease in retained earnings of $650,000, and asset growth of $30.7 million.

During the first quarter of 2023 the Company announced a fourth share repurchase plan, authorizing the buyback of 206,400 shares, representing approximately 10% of outstanding shares. During the most recent quarter no shares were repurchased. Since inception this plan resulted in the repurchase of 55,021 shares at an average price of $7.95/share. These repurchases are accretive to all remaining shareholders, as the average price paid is well below the Company's tangible book value/share, which was $11.14 at March 31, 2024. At March 31, 2024, 151,379 shares remained authorized for repurchase under the Company's announced repurchase plans.

WCF Bancorp, Inc. Declares Dividend

The Company announced that its Board of Directors has approved a quarterly cash dividend of $0.05 per share on the Company's common stock. The dividend reflects an annual cash dividend rate of $0.20 per share, which is the same rate as the dividend declared during the previous quarter. The cash dividend for the quarter ended March 31, 2024, will be paid to shareholders of record as of May 1, 2024, and is expected to be paid on May 10, 2024.

About Us

WCF Bancorp, Inc. is a bank holding company headquartered in Webster City, Iowa. The Company provides a wide range of banking and financial services to businesses, farmers, and individuals through its wholly owned subsidiary bank, WCF Financial Bank, which maintains offices in Webster City, Independence, and Tama, Iowa.

Forward-Looking Statements

This release may contain forward-looking statements within the meaning of the federal securities laws. These statements are not historical facts; rather, they are statements based on the company's current expectations regarding its business strategies and their intended results and its future performance. Forward-looking statements are preceded by terms such as "expects," "believes," "anticipates," "intends," and similar expressions.

Forward-looking statements are not guarantees of future performance. Numerous risks and uncertainties could cause or contribute to the company's actual results, performance and achievements to be materially different from those expressed or implied by the forward-looking statements. Factors that may cause or contribute to these differences include, without limitation, general economic conditions, including changes in market interest rates, changes in monetary and fiscal policies of the federal government, legislative and regulatory changes.

Because of the risks and uncertainties inherent in forward-looking statements, readers are cautioned not to place undue reliance on them, whether included in this report or made elsewhere from time to time by the company or on its behalf. Except as may be required by applicable law or regulation, the company assumes no obligation to update any forward-looking statements.

CONSOLIDATED FINANCIAL HIGHLIGHTS (Unaudited)
Dollar amounts in thousands

	3 Months Ended 03/31/24	3 Months Ended 03/31/23
Interest Income	$2,533	$1,720
Interest Expense	$1,428	$ 492
Net Interest Income	$1,105	$1,228
Loan Loss Provision	$ 26	$ 15
Noninterest Income	$ 258	$ 196
Noninterest Expense	$1,322	$1,240
Net Pre-Tax Income	$ 15	$ 170
Income Tax (Credit) Expense	$ (9)	$ 35
Net After Tax Income	$ 25	$ 135

	As of 03/31/24	As of 12/31/23	As of 03/31/23
Total Assets	$205,848	$196,168	$175,194
Gross Loans	$156,526	$146,897	$124,019
Total Deposits	$154,484	$142,109	$127,323
Total Capital	$ 22,399	$ 22,609	$ 23,438
Book Value/Share	$11.17	$11.31	$11.39
Tangible Book Value/Share	$11.14	$11.29	$11.36
WCFB Stock Price	$ 6.85	$ 7.01	$ 7.42
Price/Tangible Book Value (PTBV)	0.61	0.62	0.65
Earnings/Share*	$ 0.05	$(0.08)	$ 0.26
Net Interest Margin* (Bank)	2.33	2.74	3.19
Return on Average Assets* (Bank)	0.04	(0.11)	0.30
Return on Average Equity* (Bank)	0.43	(0.93)	2.46

*annualized

WCF Bancorp, Inc. and Subsidiaries
Consolidated Balance Sheets
March 31, 2024 (unaudited) and December 31, 2023

Assets	March 31, 2024	December 31, 2023
Cash and due from banks	$ 2,479,974	$ 4,007,459
Federal Funds sold	7,354,000	7,355,000
Cash and cash equivalents	9,833,974	11,362,459
Time deposits in other financial institutions	245,000	980,000
Securities available-for-sale, at fair value	24,979,454	23,060,819
Loans receivable	156,525,975	146,896,840
Allowance for credit losses	(1,128,369)	(1,101,279)
Loans receivable, net	155,397,606	145,795,561
Federal Home Loan Bank (FHLB) stock, at cost	1,314,200	1,405,200
Bankers' Bank stock, at fair value	661,500	626,800
Office property and equipment, net	6,780,610	6,087,363
Deferred taxes on income	834,706	770,120
Accrued interest receivable	1,697,930	2,060,107
Goodwill	55,148	55,148
Income taxes receivable	166,591	170,817
Bank-owned life insurance	3,670,722	3,647,981
Prepaid expenses and other assets	210,306	146,103
Total assets	$ 205,847,747	$ 196,168,478
Liabilities and Stockholders' Equity		
Deposits	$ 154,483,714	$ 142,108,833
FHLB advances	26,600,000	29,100,000
Advance payments by borrowers for taxes and insurance	289,210	520,549
Accrued interest payable	1,413,227	1,160,992
Accrued expenses and other liabilities	662,292	669,354
Total liabilities	183,448,443	173,559,728
Stockholders' equity:		
Preferred stock, $0.01 par value. Authorized 10,000,000 shares; issued none	-	-
Common stock, $0.01 par value. Authorized 30,000,000 shares; 2,005,166 shares issued and outstanding at March 31, 2024 and 1,998,400 issued and outstanding at December 31, 2023	25,615	25,615
Additional paid-in capital	14,475,928	14,475,928
Treasury stock at cost, 556,376 shares as of March 31, 2024 and 563,142 shares on December 31, 2023	(4,423,526)	(4,423,526)
Retained earnings, substantially restricted	15,125,853	15,195,401
Unvested stock-based restricted stock and stock options	(118,466)	(118,467)
Unearned ESOP shares	(917,276)	(930,968)
Accumulated other comprehensive income	(1,768,824)	(1,615,233)
Total stockholders' equity	22,399,304	22,608,750
Total liabilities and stockholders' equity	$ 205,847,747	$ 196,168,478

WCF Bancorp, Inc. and Subsidiaries
Consolidated Statements of Income
(unaudited)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Interest income:		
Loans receivable	$ 2,225,893	$ 1,472,012
Investment securities - taxable	125,188	127,523
Investment securities - tax exempt	43,238	45,291
Other interest earning assets	138,368	75,563
Total interest income	2,532,687	1,720,389
Interest expense:		
Deposits	1,158,157	366,679
FHLB advances	269,689	122,504
Overnight borrowings	0	2,743
Total interest expense	1,427,846	491,926
Net interest income	1,104,841	1,228,463
Provision for credit losses	26,144	15,000
Net interest income after provision for credit losses	1,078,697	1,213,463
Noninterest income:		
Fees and service charges	199,898	130,476
Unrealized gain on privately held equity securities	34,700	40,900
Increase in cash value - bank-owned life insurance	22,741	20,449
Other income (loss)	1,123	4,428
Total noninterest income	258,463	196,253
Noninterest expense:		
Compensation, payroll taxes, and employee benefits	699,179	753,793
Advertising	24,125	20,683
Office property and equipment	133,388	107,464
Federal insurance premiums	24,064	10,800
Data processing services	142,155	103,034
Charitable contributions	5,700	1,600
Other real estate expenses, net	1,019	(1,192)
Dues and subscriptions	10,848	9,347
Accounting, regulatory and professional fees	73,578	73,965
Other expenses	207,849	160,545
Total noninterest expense	1,321,905	1,240,039
Earnings (loss) before taxes on income	15,254	169,677
Tax expense (benefit)	(9,300)	35,029
Net income (loss)	$ 24,554	$ 134,648