

WCF BANCORP, INC.

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WCF Bancorp, Inc. Announces Third Quarter (Unaudited) Financial Results & Dividend Declaration

WCF Bancorp, Inc. (“WCFB” or the “Company”) (OTC Pink: WCFB), the holding company for WCF Financial Bank (the “bank”), today reported unaudited financial results for the three-month and nine-month periods ended September 30, 2025.

Net income increased \$106,700, or 278.2%, to \$145,000 for the quarter ended September 30, 2025, compared to \$38,300 for the quarter ended September 30, 2024. The increase in third quarter net income year-over-year was primarily attributable to net interest income increasing \$198,600 and the provision for credit losses decreasing \$15,000, offset, in part, by noninterest expense increasing \$52,900, noninterest income decreasing \$21,300, and income tax expense increasing \$32,700.

Net income increased \$105,100, or 138.8%, to \$180,800 for the nine months ended September 30, 2025, compared to \$75,700 for the nine months ended September 30, 2024. The increase in nine-month net income year-over-year was primarily attributable to net interest income increasing \$610,600 and the provision for credit losses decreasing \$26,100, offset, in part, by noninterest expense increasing \$452,200, noninterest income decreasing \$49,500, and income tax expense increasing \$30,000.

In both the three-month and nine-month periods, the Company realized net interest margin improvement from decreases in interest rates. The Company’s balance sheet has been positioned as liability-sensitive to take advantage of a decreasing interest rate environment.

Total assets decreased \$0.3 million, or 0.1%, to \$227.1 million at September 30, 2025, compared to \$227.4 million at December 31, 2024. During the nine-month period, gross loans increased \$6.1 million, or 3.6%, to a Company-record \$174.2 million, total securities available for sale decreased \$0.1 million, or 0.5%, to \$26.8 million, cash and equivalents decreased \$6.7 million, or 46.8%, to \$7.6 million, deposits decreased \$0.9 million, or 0.6%, to \$160.2 million, and other borrowed funds increased \$1.0 million, or 2.4%, to \$42.5 million.

Loan quality remains strong with 2025 year-to-date gross charge offs of \$3,400, compared to \$2,300 gross charge offs from the first nine months of 2024. Nonaccrual loans as of September 30, 2025, were \$686,600, representing 0.4% of gross loans outstanding, an increase of \$256,200, or 59.5%, from \$430,400 and 0.3% of gross loans outstanding at September 30, 2024. The allowance for credit losses at September 30, 2025, totaled \$1.3 million, representing 0.8% of gross loans outstanding, as compared to \$1.2 million and 0.7% of gross loans outstanding at September 30, 2024.

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 September 30, 2025 of \$22.2 million, as compared to \$22.8 million at September 30, 2024. The ratio of stockholders' equity to total assets was 9.8% at September 30, 2025, compared to 10.7% at September 30, 2024. The year-over-year decrease resulted primarily from the Company's repurchase of its shares totaling \$608,000.

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 73,690 shares were repurchased at an average price of \$7.65/share. Since inception this plan resulted in the repurchase of 165,484 shares at an average price of \$7.65/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 increased to \$11.65 at September 30, 2025. At September 30, 2025, 40,916 shares remained authorized for repurchase under the Company's announced repurchase plan, which expires at December 31, 2025.

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 September 30, 2025, will be paid to shareholders of record as of November 5, 2025, and is expected to be paid on November 14, 2025.

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 <u>09/30/25</u>	3 Months Ended <u>09/30/24</u>	9 Months Ended <u>09/30/25</u>	9 Months Ended <u>09/30/24</u>
Interest Income	\$2,937	\$2,845	\$8,631	\$8,056
Interest Expense	<u>\$1,531</u>	<u>\$1,637</u>	<u>\$4,600</u>	<u>\$4,636</u>
Net Interest Income	\$1,406	\$1,207	\$4,031	\$3,420
Loan Loss Provision	\$ 30	\$ 45	\$ 90	\$ 116
Noninterest Income	\$ 235	\$ 256	\$ 696	\$ 746
Noninterest Expense	<u>\$1,439</u>	<u>\$1,386</u>	<u>\$4,455</u>	<u>\$4,003</u>
Net Pre-Tax Income	\$ 171	\$ 32	\$ 183	\$ 48
Income Tax (Credit) Expense	<u>\$ 26</u>	<u>\$ (6)</u>	<u>\$ 2</u>	<u>\$ (28)</u>
Net After Tax Income	\$ 145	\$ 38	\$ 181	\$ 76

	As of <u>09/30/25</u>	As of <u>12/31/24</u>	As of <u>09/30/24</u>
Total Assets	\$227,086	\$227,364	\$213,139
Gross Loans	\$174,202	\$168,114	\$169,183
Total Deposits	\$160,195	\$161,114	\$156,570
Total Capital	\$ 22,184	\$ 22,243	\$ 22,843

Book Value/Share	\$11.68	\$11.18	\$11.45
Tangible Book Value/Share	\$11.65	\$11.15	\$11.42
WCFB Stock Price	\$ 7.39	\$ 7.60	\$ 6.82
Price/Tangible Book Value (PTBV)	0.63	0.68	0.60

Earnings/Share*	\$ 0.13	\$(0.02)	\$ 0.05
Net Interest Margin* (Bank)	2.62	2.38	2.34
Return on Average Assets* (Bank)	0.12	(0.02)	0.06
Return on Average Equity* (Bank)	1.26	(0.16)	0.56

*annualized

WCF Bancorp, Inc. and Subsidiaries
Consolidated Balance Sheets
September 30, 2025 (unaudited) and December 31, 2024 (audited)

Assets	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Cash and due from banks	\$ 6,950,968	\$ 2,544,084
Federal Funds sold	610,000	11,667,000
Cash and cash equivalents	<u>7,560,968</u>	<u>14,211,084</u>
Time deposits in other financial institutions	2,205,000	1,960,000
Securities available-for-sale, at fair value	26,759,744	26,893,182
Loans receivable	174,201,933	168,114,458
Allowance for credit losses	<u>(1,348,397)</u>	<u>(1,261,586)</u>
Loans receivable, net	172,853,536	166,852,872
Federal Home Loan Bank (FHLB) stock, at cost	2,048,500	1,984,700
Bankers' Bank stock, at fair value	684,000	661,500
Office property and equipment, net	6,676,934	6,880,344
Deferred taxes on income	705,779	921,497
Accrued interest receivable	3,396,980	3,000,161
Goodwill	55,148	55,148
Income taxes receivable	72,794	45,469
Bank-owned life insurance	3,816,207	3,742,338
Prepaid expenses and other assets	250,454	156,173
Total assets	<u><u>\$ 227,086,044</u></u>	<u><u>\$ 227,364,468</u></u>
Liabilities and Stockholders' Equity		
Deposits	\$ 160,194,978	\$ 161,113,605
FHLB advances	42,500,000	41,500,000
Fed funds purchased	-	-
Advance payments by borrowers for taxes and insurance	366,544	558,334
Accrued interest payable	1,145,505	1,280,557
Accrued expenses and other liabilities	<u>695,252</u>	<u>668,760</u>
Total liabilities	<u>204,902,279</u>	<u>205,121,256</u>
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; 1,899,733 shares issued and outstanding at September 30, 2025 and 1,989,123 issued and outstanding at December 31, 2024	25,615	25,615
Additional paid-in capital	14,611,912	14,543,065
Treasury stock at cost, 661,809 shares as of September 30, 2025 and 572,419 shares on December 31, 2024	(5,256,033)	(4,535,111)
Retained earnings, substantially restricted	14,682,399	14,782,660
Unvested stock-based restricted stock and stock options	(57,808)	(76,442)
Unearned ESOP shares	(835,124)	(876,200)
Accumulated other comprehensive income	<u>(987,196)</u>	<u>(1,620,375)</u>
Total stockholders' equity	<u>22,183,765</u>	<u>22,243,212</u>
Total liabilities and stockholders' equity	<u><u>\$ 227,086,044</u></u>	<u><u>\$ 227,364,468</u></u>

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

	Nine Months Ended	
	September 30,	
	2025	2024
Interest income:		
Loans receivable	\$ 7,762,270	\$ 7,272,309
Investment securities - taxable	481,661	399,689
Investment securities - tax exempt	142,561	129,726
Other interest earning assets	244,745	254,507
Total interest income	8,631,237	8,056,231
Interest expense:		
Deposits	3,638,814	3,726,684
FHLB advances	959,364	904,244
Overnight borrowings	2,109	4,995
Total interest expense	4,600,287	4,635,923
Net interest income	4,030,950	3,420,308
Provision for credit losses	90,000	116,144
Net interest income after provision for credit losses	3,940,950	3,304,164
Noninterest income:		
Fees and service charges	591,296	633,582
Unrealized gain on privately held equity securities	22,500	34,700
Gain (loss) on sale of investment property	0	0
Increase in cash value - bank-owned life insurance	73,870	70,205
Other income (loss)	8,731	7,420
Total noninterest income	696,397	745,907
Noninterest expense:		
Compensation, payroll taxes, and employee benefits	2,387,078	2,080,850
Advertising	34,676	57,027
Office property and equipment	615,506	523,001
Federal insurance premiums	99,380	69,064
Data processing services	513,961	428,852
Charitable contributions	10,437	7,775
Other real estate expenses, net	(68,524)	8,299
Dues and subscriptions	22,025	24,245
Accounting, regulatory and professional fees	294,333	251,949
Other expenses	545,793	551,451
Total noninterest expense	4,454,666	4,002,513
Earnings (loss) before taxes on income	182,682	47,558
Tax expense (benefit)	1,896	(28,134)
Net income (loss)	\$ 180,786	\$ 75,692