

HIGH COUNTRY BANCORP, INC. ANNOUNCES QUARTERLY EARNINGS AND DECLARES DIVIDEND

The Board of Directors (“the Board”) of High Country Bancorp, Inc. (OTCQX: HCBC) (“the Company”) has announced its quarterly earnings for the period ended December 31, 2025. For the second quarter of fiscal 2026, the Company’s consolidated net income was \$1.5 million or \$1.59 per share, compared to \$733,000 or \$0.77 per share for the quarter ended December 31, 2024. For the six-month fiscal year-to-date period ended December 31, 2025, consolidated net income was \$2.3 million or \$2.39 per share, compared to \$1.5 million or \$1.59 per share for the six months ended December 31, 2024.

The Company’s net interest income increased by \$528,000 or 9.9% during the quarter ended December 31, 2025 compared to the prior year period primarily due to an increase in the balance of loans as well as a decline in average rates on borrowed funds and interest-bearing deposits, partially offset by the impact of an increase in the average balance of interest-bearing deposits and borrowed funds. Noninterest income increased by \$128,000 or 26.3% during the quarter ended December 31, 2025 compared to the prior year period primarily due to increases in service charges on deposits, income on loans sold, debit card surcharge income and other noninterest income. Noninterest expense declined by \$56,000 or -1.2% during the quarter ended December 31, 2025 compared to the prior year period due to declines in occupancy, equipment and data processing expense, insurance and professional fees and other noninterest expense, partially offset by an increase in compensation and benefits expense. The decline in other noninterest expense was primarily the result of prior year non-recurring system upgrade costs incurred by the Company’s subsidiary bank. The Company’s provision for income tax expense increased to \$445,000, or an effective tax rate of approximately 22.7%, during the quarter ended December 31, 2025 from \$212,000, or an effective rate of approximately 22.4% compared to the prior year period.

For the six months ended December 31, 2025, the Company’s net interest income increased by \$1.0 million or 9.7% compared to the prior year period primarily due to an increase in the balance of loans as well as a decline in average rates on borrowed funds and interest-bearing deposits, partially offset by the impact of an increase in the average balance of interest-bearing deposits and borrowed funds. Noninterest income increased by \$198,000 or 19.2% during the six months ended December 31, 2025 compared to the prior year period primarily due to increases in service charges on deposits, debit card surcharge income and other non-interest income. Noninterest expense increased by \$54,000 or 0.6% during the six months ended December 31, 2025 compared to the prior year period due to increases in compensation and benefits expense and occupancy, equipment and data processing expense, partially offset by declines in insurance and professional fees and other noninterest expense. The decline in other noninterest expense was primarily the result of prior year non-recurring system upgrade costs incurred by the Company’s subsidiary bank. The Company’s provision for income tax expense increased to \$626,000, or an effective tax rate of approximately 21.7%, during the six months ended December 31, 2025 from \$430,000, or an effective rate of approximately 22.3%, compared to the prior year period.

Factors including, but not limited to, loan growth, credit quality and others are used to determine the level of the allowance for credit losses. A -\$300,000 benefit for credit loss was recorded during the quarter ending December 31, 2025 compared to no provision recorded in the prior year period. A provision for credit loss of \$600,000 was recorded during the fiscal year-to-date period ended December 31, 2025 compared to a \$400,000 provision in prior year period. Management evaluates credit risk on an ongoing basis to determine an appropriate level for the allowance for loan losses.

Total consolidated assets have increased by \$19.7 million or 3.8% from \$513.9 million at June 30, 2025 to \$533.6 million at December 31, 2025. Net loans held for investment have increased by \$18.4 million or 4.3% during the first six months of fiscal 2026. Total consolidated deposits have increased by \$10.9 million or 2.6% from \$423.7 million at June 30, 2025 to \$434.5 million at December 31, 2025.

On January 26, 2026, the Board declared a cash dividend in the amount of \$0.50 per share to the shareholders of record at the close of business on February 9, 2026, payable on or about February 23, 2026. The Board determined that the payment of a cash dividend was appropriate after consideration of the Company's financial condition and the strength of its core earnings.

High Country Bancorp, Inc. is the holding company for High Country Bank, which conducts business through its main office in Salida, Colorado and branch offices in Salida, Buena Vista, Canon City and Longmont, Colorado. At December 31, 2025, the Company had 1,006,232 shares of common stock issued and outstanding.

This report contains certain forward-looking statements pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties including changes in economic conditions in the Company's market area, changes in policies by regulatory agencies, fluctuations in interest rates, loan demand in the Company's market area and competition that could cause actual results to differ materially from historical earnings and those presently anticipated or projected. The Company wishes to caution readers not to place undue reliance on any such forward-looking statements, which reflect management's analysis only as the date made. The Company does not undertake any obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date of such statements.

High Country Bancorp, Inc.
Consolidated Statement of Condition
(Unaudited)
(Rounded to thousands, except share data)

	December 31,	June 30,
	2025	2025
	<hr/>	<hr/>
<u>Assets</u>		
Cash and equivalents, non-interest earning	\$ 8,432,000	\$ 4,285,000
Cash and equivalents, interest earning	2,798,000	5,337,000
Cash and Equivalents	<hr/> 11,230,000	<hr/> 9,622,000
Interest-earning time deposits	249,000	497,000
Available-for-sale securities	57,137,000	57,465,000
Loans held for sale	1,601,000	2,111,000
Loans receivable, net of allowance for credit losses	442,249,000	423,826,000
Nonmarketable equity securities, carried at cost	2,534,000	2,483,000
Accrued interest receivable	1,938,000	1,817,000
Property and equipment, net	6,242,000	6,611,000
Deferred income taxes	1,358,000	1,036,000
Bank owned life insurance	6,365,000	6,341,000
Prepaid expenses and other assets	2,703,000	2,095,000
Total Assets	<hr/> <hr/> \$ 533,606,000	<hr/> <hr/> \$ 513,904,000
 <u>Liabilities and Stockholders' Equity</u>		
<u>Liabilities</u>		
Deposits		
Non-interest-bearing demand deposits	\$ 57,730,000	\$ 57,721,000
Savings, interest-bearing demand and money market	310,109,000	304,899,000
Time deposits	66,692,000	61,031,000
Total deposits	<hr/> 434,531,000	<hr/> 423,651,000
FHLBank term advances and term borrowing	29,000,000	25,000,000
FHLBank line of credit borrowing	18,600,000	19,100,000
Accrued interest payable	87,000	77,000
Accrued income taxes and other liabilities	7,229,000	4,161,000
Total Liabilities	<hr/> <hr/> \$ 489,447,000	<hr/> <hr/> \$ 471,989,000
 <u>Stockholders' Equity</u>		
Common stock, par	\$ 10,000	\$ 10,000
Paid-in capital	10,077,000	9,992,000
Company common stock held in subsidiary trust	(659,000)	(659,000)
Accumulated other comprehensive income (loss)	(1,082,000)	(1,926,000)
Retained earnings	35,813,000	34,498,000
Total Stockholders' Equity	<hr/> <hr/> \$ 44,159,000	<hr/> <hr/> \$ 41,915,000
Total Liabilities and Stockholders' Equity	<hr/> <hr/> \$ 533,606,000	<hr/> <hr/> \$ 513,904,000

High Country Bancorp, Inc.
Consolidated Statement of Operations
Three and Six Months Ending December 31, 2025 and 2024

(Unaudited)

(Rounded to thousands, except share data)

	<u>Three Months Ending December 31,</u>		<u>Six Months Ending December 31,</u>	
	2025	2024	2025	2024
Interest Income				
Interest and fees on loans	\$ 7,158,000	\$ 6,612,000	\$ 14,152,000	\$ 13,202,000
Investment securities	436,000	400,000	865,000	805,000
Interest-earning time deposits	1,000	3,000	4,000	6,000
Interest on other interest-earning assets	19,000	39,000	39,000	74,000
Total Interest Income	<u>7,614,000</u>	<u>7,054,000</u>	<u>15,060,000</u>	<u>14,087,000</u>
Interest Expense				
Deposits	1,285,000	1,242,000	2,656,000	2,513,000
FHLBank advances	252,000	245,000	530,000	490,000
FHLBank line of credit and other borrowing	220,000	238,000	390,000	613,000
Total Interest Expense	<u>1,757,000</u>	<u>1,725,000</u>	<u>3,576,000</u>	<u>3,616,000</u>
Net Interest Income	<u>5,857,000</u>	<u>5,329,000</u>	<u>11,484,000</u>	<u>10,471,000</u>
Net Provision (Benefit) for Credit Losses	<u>(300,000)</u>	<u>-</u>	<u>600,000</u>	<u>400,000</u>
Net Interest Income After Provision (Benefit) for Credit Losses	<u>6,157,000</u>	<u>5,329,000</u>	<u>10,884,000</u>	<u>10,071,000</u>
Noninterest Income				
Service charges on deposits	45,000	24,000	91,000	76,000
Income on loans sold	81,000	62,000	138,000	140,000
Debit card surcharge income	287,000	230,000	589,000	476,000
Other non-interest income	202,000	171,000	410,000	338,000
Total Noninterest Income	<u>615,000</u>	<u>487,000</u>	<u>1,228,000</u>	<u>1,030,000</u>
Noninterest Expense				
Compensation and benefits	2,981,000	2,391,000	5,629,000	4,914,000
Occupancy, equipment and data processing expense	959,000	1,024,000	1,949,000	1,900,000
Insurance and professional fees	261,000	291,000	506,000	568,000
Other	614,000	1,165,000	1,138,000	1,786,000
Total Noninterest Expense	<u>4,815,000</u>	<u>4,871,000</u>	<u>9,222,000</u>	<u>9,168,000</u>
Net Income Before Income Taxes	<u>1,957,000</u>	<u>945,000</u>	<u>2,890,000</u>	<u>1,933,000</u>
Income tax expense	445,000	212,000	626,000	430,000
Net Income	<u>\$ 1,512,000</u>	<u>\$ 733,000</u>	<u>\$ 2,264,000</u>	<u>\$ 1,503,000</u>
Basic Earnings per Share	\$ 1.59	\$ 0.77	\$ 2.39	\$ 1.59
Fully Diluted Earnings per Share	\$ 1.50	\$ 0.72	\$ 2.25	\$ 1.48
Weighted Average Common Shares Outstanding				
Basic	948,437	945,907	947,672	945,475
Diluted	1,005,431	1,017,196	1,005,266	1,017,894