UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________ to _________

Commission File Number: 001-42990

HOYNE BANCORP, INC.
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**39-2556785** **(I.R.S. Employer Identification Number)**
810 S. Oak Park Avenue **Oak Park, Illinois** **(Address of Principal Executive Offices)**	**60304** **(Zip code)**

(708) 434-4300
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $0.01 per share	HYNE	NASDAQ Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐		
Non-accelerated filer	☒	Smaller reporting company	☒	Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

8,096,938 shares of the registrant's common stock, par value $.01 per share, were issued and outstanding as of August 11, 2026.

Hoyne Bancorp, Inc.
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Explanatory Note

Hoyne Bancorp, Inc. was formed to serve as the stock holding company for Hoyne Savings Bank in connection with the conversion of Hoyne Savings, MHC, the mutual holding company and sole stockholder of Hoyne Financial Corporation and Hoyne Savings Bank, from the mutual form of organization to the stock form of organization, which was completed December 3, 2025. Accordingly, certain financial statements and other financial information at or prior to December 3, 2025, contained in this Form 10-Q relate solely to the consolidated financial results of Hoyne Savings, MHC, and its consolidated subsidiaries, Hoyne Financial Corporations and Hoyne Savings Bank. The results as of and for the year ended December 31, 2025 include the results of Hoyne Bancorp, Inc. and its subsidiary, Hoyne Savings Bank.

PART I —FINANCIAL INFORMATION

Item 1. Financial Statements

HOYNE BANCORP, INC. AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except share data)

	June 30, 2026 (unaudited)	December 31, 2025
Assets		
Cash and cash equivalents	$ 25,376	$ 47,595
Certificates of deposit in other financial institutions	870	870
Investment securities:		
Available-for-sale, (amortized cost of $116,635 and $121,879 at June 30, 2026 and December 31, 2025, respectively)	100,856	106,654
Held-to-maturity, at amortized cost	25,915	28,368
Federal Home Loan Bank of Chicago stock (FHLB)	1,166	1,166
Bankers Bank stock	992	992
Real Estate Owned (REO)	729	729
Loans receivable, net of allowance for credit losses of $2,952 and $2,682 at June 30, 2026 and December 31, 2025, respectively	282,289	267,949
Premises and equipment, net	7,337	7,420
Accrued interest receivable	1,685	1,451
Bank-owned life insurance (BOLI)	20,356	14,949
Core deposit intangibles	46	138
Deferred tax assets	9,480	9,366
Other assets	2,862	1,730
Total assets	$ 479,959	$ 489,377
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits	$ 312,562	$ 321,551
Advances from borrowers for taxes and insurance	3,067	3,060
Accounts payable and accrued expenses	3,187	3,400
Total liabilities	318,816	328,011
Stockholders' Equity:		
Preferred stock, $0.01 par value, 500,000 shares authorized, none issued	-	-
Common stock, $0.01 par value, 9,500,000 shares authorized, 8,096,938 issued and outstanding	81	81
Unallocated common stock - ESOP	(6,326)	(6,456)
Additional paid-in capital	77,307	77,241
Retained earnings	101,364	101,386
Accumulated other comprehensive loss	(11,283)	(10,886)
Total stockholders' equity	161,143	161,366
Total liabilities and stockholders' equity	$ 479,959	$ 489,377

The accompanying notes are an integral part of these condensed consolidated financial statements.

HOYNE BANCORP, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS) – (UNAUDITED)
(Dollars in thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Interest income:				
Loans receivable	$ 4,551	$ 3,925	$ 8,786	$ 7,646
Investment securities	673	787	1,366	1,603
Other	186	284	513	526
Total interest income	5,410	4,996	10,665	9,775
Interest expense, deposits	(983)	(1,633)	(2,034)	(3,298)
Net interest income	4,427	3,363	8,631	6,477
Provision for credit losses	(135)	(135)	(270)	(270)
Net interest income after provision for credit losses	4,292	3,228	8,361	6,207
Noninterest income:				
Customer service fees	164	40	259	73
Other	233	178	417	343
Total noninterest income	397	218	676	416
Noninterest expense:				
Compensation	(2,405)	(1,615)	(4,854)	(3,473)
Occupancy	(582)	(547)	(1,208)	(1,108)
Advertising	(81)	(33)	(149)	(37)
Amortization of core deposit intangible	(46)	(46)	(92)	(92)
Other	(1,429)	(1,015)	(2,762)	(1,965)
Total noninterest expense	(4,543)	(3,256)	(9,065)	(6,675)
Income (Loss) before income taxes	146	190	(28)	(52)
Income tax (benefit):				
Tax Expense (benefit)	50	72	(6)	(5)
Net income (loss)	96	118	(22)	(47)
Earnings (loss) per share - basic and diluted	$ 0.01	—	$ (0.00)	—
Weighted-average shares outstanding - basic and diluted	7,461,057	—	7,457,819	—
Other comprehensive income (loss):				
Unrealized gain (loss) on securities available-for-sale, net of income taxes of ($55) for three months ended June 30, 2026 and ($157) for six months ended June 30, 2026, and ($335) for three months ended June 30, 2025 and ($1,240) for six months ended June 30, 2025.	(139)	843	(397)	3,111
Total other comprehensive income (loss)	(139)	843	(397)	3,111
Comprehensive income (loss)	$ (43)	$ 961	$ (419)	$ 3,064

The accompanying notes are an integral part of these condensed consolidated financial statements.

HOYNE BANCORP, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY – (UNAUDITED)
For the Three and Six Months Ended June 30, 2026 and 2025

	Common Stock	Unallocated Common Stock - ESOP	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (loss)	Total
				Three Months Ended June 30, 2025 (Dollars in thousands)		
Balance at March 31, 2025	$ —	$ —	$ —	$ 101,555	$ (13,623)	$ 87,932
Net income (loss)	—	—	—	118		118
Other comprehensive income (loss)	—	—	—		843	843
Balance, June 30, 2025	$ —	$ —	$ —	$ 101,673	$ (12,780)	$ 88,893
				Three Months Ended June 30, 2026 (Dollars in thousands)		
Balance at March 31, 2026	$ 81	$ (6,391)	$ 77,269	$ 101,268	$ (11,144)	$ 161,083
Net income (loss)	—	—	—	96		96
ESOP shares committed to be released	—	65	38			103
Other comprehensive income (loss)	—	—	—		(139)	(139)
Balance, June 30, 2026	$ 81	$ (6,326)	$ 77,307	$ 101,364	$ (11,283)	$ 161,143

	Common Stock	Unallocated Common Stock - ESOP	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (loss)	Total
				Six Months Ended June 30, 2025 (Dollars in thousands)		
Balance at December 31, 2024	$ —	$ —	$ —	$ 101,720	$ (15,891)	$ 85,829
Net income (loss)	—	—	—	(47)		(47)
Other comprehensive income (loss)	—	—	—		3,111	3,111
Balance, June 30, 2025	$ —	$ —	$ —	$ 101,673	$ (12,780)	$ 88,893
				Six Months Ended June 30, 2026 (Dollars in thousands)		
Balance at December 31, 2025	$ 81	$ (6,456)	$ 77,241	$ 101,386	$ (10,886)	$ 161,366
Net income (loss)				(22)		(22)
ESOP shares committed to be released	—	130	66			196
Other comprehensive income (loss)					(397)	(397)
Balance, June 30, 2026	$ 81	$ (6,326)	$ 77,307	$ 101,364	$ (11,283)	$ 161,143

The accompanying notes are an integral part of these condensed consolidated financial statements.

HOYNE BANCORP, INC. AND SUBSIDIARY

CONSOLIDATED STATEMENT OF CASH FLOWS – (UNAUDITED)

For the Six Months Ended June 30, 2026 and 2025

	For the Six Months Ended June 30,	
	2026	2025
	(Dollars in thousands)	
Net cash flows from operating activities:		
Net Income (loss)	$ (22)	$ (47)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Depreciation	315	267
(Accretion) amortization of premiums and discounts	(17)	5
Provision for credit losses	270	270
Amortization of core deposit intangible	92	92
Accretion of Loan credit and yield adjustment	(25)	(20)
Increase in cash surrender value of BOLI	(407)	(330)
ESOP compensation expense	196	—
Change in other assets	(1,133)	(479)
Change in accrued interest receivable	(234)	125
Deferred income tax benefit	(114)	2,034
Change in accounts payable and accrued expenses	(213)	814
Net cash flows provided (used) by operating activities	(1,292)	2,731
Net cash flows from investing activities:		
Purchase of BOLI	(5,000)	2,701
Proceeds from maturities of certificates of deposit	870	1,350
Purchase of certificates of deposit	(870)	(870)
Proceeds from repayment of available-for-sale securities	5,424	7,006
Repayment of held-to-maturity securities	2,448	2,893
Change in loans receivable	(14,585)	(7,558)
Disposal of fixed assets	—	635
Purchase of premises and equipment	(232)	(394)
Net cash flows provided (used) by investing activities	(11,945)	5,763
Net cash flows from financing activities:		
Change in deposit accounts	(8,989)	(111)
Change in advances from borrowers for taxes and insurance	7	129
Net cash flows provided (used) by financing activities	(8,982)	18
Net change in cash and cash equivalents	(22,219)	8,512
Cash and cash equivalents:		
Beginning of the period	47,595	15,327
End of the period	$ 25,376	$ 23,839
Supplemental cash flow information:		
Cash paid during the period for Interest	$ 1,800	$ 3,423
Taxes paid during the period	—	—
Premises and Equipment transferred to ORE	—	729

The accompanying notes are an integral part of these condensed consolidated financial statements.

HOYNE BANCORP, INC. AND SUBSIDIARY

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS – (UNAUDITED)

1. Organization

Hoyne Bancorp, Inc, a Delaware corporation (the "Company") was formed to serve as the stock holding company for Hoyne Savings Bank ("Bank") as part of the mutual-to-stock conversion. Upon completion of the conversion, which occurred on December 3, 2025, Hoyne Bancorp, Inc. became 100% owner of Hoyne Savings Bank. 100% of the common stock of Hoyne Bancorp, Inc. is held by the public, Hoyne Charitable Foundation, and Employee Stock Ownership Program. The cost of the reorganization and the issuing of common stock totaling approximately $3.7 million were deferred and deducted from the sales proceeds of the offering. In connection with the mutual-to-stock conversion completed on December 3, 2025, Hoyne Savings, MHC and Hoyne Financial Corporation merged into Hoyne Bancorp, Inc. The merger eliminated $567,362 of negative shareholders' equity. As a holding company of an Illinois-chartered stock savings bank, Hoyne Bancorp, Inc. is regulated by the Board of Governors of the Federal Reserve System ("Federal Reserve Board"). In connection with the conversion, it also issued 161,938 shares of common stock and donated $250,000 in cash to Hoyne Charitable Foundation, Inc.

The unaudited consolidated financial statements and other financial information contained in this Quarterly Report on Form 10-Q should be read in conjunction with the Company's audited consolidated financial statements and related notes at and for the years ended December 31, 2025 and 2024 contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, as filed with the Securities Exchange Commission on March 26, 2026.

2. Nature of Operations

Hoyne Savings Bank is an Illinois stock institution. The Bank operates as a single segment and its principal business consists of originating commercial real estate loans (including commercial construction), commercial and industrial loans, one to four residential loans, and to a lesser extent, home equity loans and lines of credit and other consumer loans in the market areas surrounding its branch footprint. The Bank also established a loan production office in Oak Park, Illinois in 2023 and attracts retail deposits from the general public as well as deposits from commercial customers in the areas surrounding the main office and branches, offering a wide variety of deposit products and services. The Bank also invests in securities. Its revenues are derived primarily from interest on loans and investment securities. Its primary sources of funds are deposits and principal and interest payments on loans and investment securities.

3. Summary of Significant Accounting Policies

The accompanying unaudited consolidated financial statements have been prepared in conformity with accounting principals generally accepted in the United States of America ("U.S. GAAP") and conform to practices within the banking industry. The accounting policies followed in the preparation of the interim consolidated financial statements are consistent with those used in the preparation of the annual financial statements. The interim consolidated financial statements reflect all normal and recurring adjustments that are necessary, in the opinion of management, for fair statement of results for the interim periods presented. Results for the three and six months ended June 30, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026. Reference is made to the accounting policies of the Company described in the notes to the Audited Consolidated Financial Statements contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025. The Company has consistently followed these policies in preparing this Quarterly Report on Form 10-Q.

3. Summary of Significant Accounting Policies (continued)

Principles of Consolidation — The consolidated financial statements for the three and six months ended June 30, 2026 include the accounts and results of operations of Hoyne Bancorp, Inc. and Hoyne Savings Bank. The comparable periods in 2025 contain the results of Hoyne Savings, MHC, Hoyne Financial Corporation, and Hoyne Savings Bank and Prospect Services Incorporated. Significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates — The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and activities at the date of the financial statements, and during the reporting period. Actual results could differ from those estimates.

Significant estimates used in the preparation of these financial statements and disclosures include the allowance for credit losses, realizability of net deferred income tax assets and the fair values of financial instruments. For these estimates, it is reasonably possible that the recorded amounts or related disclosures could significantly change in the near future as more information is available.

Future Accounting Pronouncements — In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The amendments in this ASU improve the transparency of income tax disclosures by requiring consistent categories and greater disaggregation of information in the rate reconciliation table, as well as income taxes paid disaggregated by jurisdiction. These expanded disclosures allow investors to better assess how an entity's overall operations, including the related tax risks, tax planning, and operational opportunities, affect its income tax rate and prospects for future cash flows. The updated guidance is effective for annual periods beginning after December 15, 2025, and management believes these disclosures will not have a material impact on the consolidated financial statements.

4. Investment Securities

The amortized cost and fair value of securities available-for-sale and held-to-maturity, with gross unrealized gains and losses, are as follows (in thousands):

	June 30, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Available-for-sale securities:				
Agencies	$ 45,483	$ —	$ (7,220)	$ 38,263
Mortgage-backed	70,442	31	(8,567)	61,906
Municipal bonds	710	—	(23)	687
Total available-for-sale securities	$ 116,635	$ 31	$ (15,810)	$ 100,856
Held-to-maturity securities:				
Agencies	$ 1,981	$ —	$ (407)	$ 1,574
Mortgage-backed	23,686	17	(2,046)	21,657
Municipal bonds	248	—	(30)	218
Total Held-to-maturity securities	$ 25,915	$ 17	$ (2,483)	$ 23,449

	December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Available-for-sale securities:				
Agencies	$ 45,481	$ -	$ (6,982)	$ 38,499
Mortgage-backed	75,692	58	(8,285)	67,465
Municipal bonds	706	-	(16)	690
Total available-for-sale securities	$ 121,879	$ 58	$ (15,283)	$ 106,654
Held-to-maturity securities:				
Agencies	$ 1,980	$ —	$ (400)	$ 1,580
Mortgage-backed	26,140	27	(1,926)	24,241
Municipal bonds	248	—	(29)	219
Total Held-to-maturity securities	$ 28,368	$ 27	$ (2,355)	$ 26,040

4. Investment Securities (continued)

The amortized cost and fair value of investment securities by contractual maturity are as follows (in thousands):

	June 30, 2026			
	Available-for-Sale		Held-to-Maturity	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due in 1 year or less	$ —	$ —	$ —	$ —
Due in 1 to 5 years	16,486	14,807	—	—
Due after 5 years to 10 years	29,707	24,143	2,229	1,792
Due after 10 years	—	—	—	—
Total	46,193	38,950	2,229	1,792
Mortgage-backed	70,442	61,906	23,686	21,657
Total	$ 116,635	$ 100,856	$ 25,915	$ 23,449

There were no sales of investment securities available-for-sale during the three and six months ended June 30, 2026 or 2025.

Information pertaining to available-for-sale debt securities with gross unrealized losses at June 30, 2026 and December 31, 2025 aggregated by investment category and length of time that individual securities have been in a continuous loss position follows (in thousands):

	June 30, 2026			
	Less Than Twelve Months		Over Twelve Months	
	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value
Available-for-sale:				
Agencies	$ —	$ —	$ 7,220	$ 38,263
Mortgage-backed	11	1,268	8,556	58,748
Municipal bonds	8	452	15	235
Total	$ 19	$ 1,720	$ 15,791	$ 97,246

	December 31, 2025			
	Less Than Twelve Months		Over Twelve Months	
	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value
Available-for-sale:				
Agencies	$ —	$ —	$ 6,982	$ 38,499
Mortgage-backed	1	82	8,284	63,916
Municipal bonds	1	222	15	468
Total	$ 2	$ 304	$ 15,281	$ 102,883

4. Investment Securities (continued)

At June 30, 2026, 23 available-for-sale agencies securities are in an unrealized loss position with aggregate depreciation of 15.87% from the Bank's amortized cost basis, 172 available-for-sale mortgage-backed securities are in an unrealized loss position with aggregate depreciation of 12.49 % from the amortized cost basis, and three available-for-sale municipal bond securities are in an unrealized loss position with aggregate depreciation of 3.29% from the amortized cost basis. These unrealized losses relate principally to the changes in interest rates and are not due to changes in the financial condition of the issuer, the quality of any underlying assets, or applicable credit enhancements. In reaching the conclusion that an allowance for credit losses is unnecessary, management observed that the securities were issued by a government body or agency, the securities continue to be highly rated (AA or better) where applicable, the issuer continues to make contractual payments, and the quality of any underlying assets or credit enhancements has not changed. Since management has the ability to hold debt securities for the foreseeable future, we expect to recover the amortized cost basis of these securities before they are sold or mature.

We regularly evaluate various attributes of securities held to maturity to determine the appropriateness of the allowance for credit losses. The credit quality indicators monitored differ depending on the major security type.

We evaluate the credit quality of securities issued by the U.S. government (e.g., U.S. Treasury bonds) and U.S. government-sponsored agencies (e.g., Federal National Mortgage Association and Federal Home Loan Mortgage Corporation mortgage-backed securities) by considering the creditworthiness and performance of the securities and the strength of guarantees. These securities are either explicitly or implicitly guaranteed by the U.S. government, are highly rated by major rating agencies, and have a long history of no credit losses. Based on this analysis, management believes we will collect all amounts owed on these securities and, accordingly, we have not recognized an allowance for credit losses on these securities.

Other securities held to maturity are generally evaluated using credit ratings, which are a key indicator of a debt security's probability of default. We use credit ratings issued by S&P or Moody's (or both). These ratings are updated monthly. We may also consider other relevant information that becomes known about the issuers or the security's performance.

No accrued interest was written off during the three or six months ended June 30, 2026 and 2025. No securities held to maturity were past due or on nonaccrual as of June 30, 2026 and December 31, 2025. We exclude accrued interest receivable from the amortized cost basis of both securities held to maturity and available for sale when estimating credit losses and when presenting required disclosures in the financial statements. Accrued interest on securities held to maturity totaling approximately $64,000 and $69,000 and accrued interest on securities available for sale totaling approximately $271,000 and $312,000 at June 30, 2026 and December 31, 2025, respectively, was excluded from the amortized cost basis of securities held to maturity and available for sale.

5. Loans Receivable

Loans receivable consist of the following (in thousands):

	June 30, 2026	December 31, 2025
One to four residential	**$ 95,785**	$ 109,123
Purchased and participations	**5,489**	5,993
Home improvement, first mortgage	**421**	457
Home equity line of credit (HELOC)	**6,511**	5,431
Commercial, construction	**49,556**	46,124
Commercial and Industrial	**26,692**	23,169
Commercial Real Estate	**89,727**	76,338
Commercial Line of Credit (LOC)	**17,971**	9,706
Total	**292,152**	276,341
Add premiums on purchased loans	**32**	35
Less:		
Loans sold	**(5,853)**	(4,386)
Loans in process	**26**	(304)
Allowance for credit losses	**(2,952)**	(2,682)
Deferred income from loan fees	**(1,116)**	(1,055)
	$ 282,289	$ 267,949

As of June 30, 2026, $5.0 million of loans sold related to the commercial real estate segment while $853,000 related to the one to four residential segment. As of December 31, 2025, $3.5 million of loans sold related to the commercial real estate segment while $886,000 related to the one to four residential segment. The loan balances used in the credit quality disclosures included in this footnote are presented gross, without reducing the balance for portions sold. All sold loans are current on payments, accruing and pass rated, and are disclosed as such within the one to four residential and commercial real estate segments in the respective subsequent table disclosures.

Accrued interest on loans totaling approximately $1.3 million and $1.0 million at June 30, 2026 and December 31, 2025 respectively, was excluded from the amortized cost basis of loans.

5. Loans Receivable (continued)

Activity in the allowance for credit losses is summarized for the three and six months ended June 30, 2026 and 2025, as follows (in thousands):

	One to Four Residential	Purchased and participations	Home improvement first mortgage	HELOC	Commercial construction	Commercial and industrial	Commercial real estate	LOC	Total
Allowance for Credit Loss									
For the Three Months Ended									
Beginning balance March 31, 2026	$ 992	$ 56	$ 4	$ 58	$ 456	$ 278	$ 933	$ 40	$ 2,817
Provision	(24)	(1)	—	8	45	(8)	(26)	141	135
Charge-offs	—	—	—	—	—	—	—	—	—
Recoveries	—	—	—	—	—	—	—	—	—
Ending balance June 30, 2026	$ 968	$ 55	$ 4	$ 66	$ 501	$ 270	$ 907	$ 181	$ 2,952
Beginning balance March 31, 2025	1,102	78	2	52	238	191	495	115	$ 2,273
Provision	8	(9)	—	(2)	109	(40)	96	(27)	135
Charge-offs	—	—	—	—	—	—	—	—	—
Recoveries	4	—	—	—	—	—	—	—	4
Ending balance June 30, 2025	$ 1,114	$ 69	$ 2	$ 50	$ 347	$ 151	$ 591	$ 88	$ 2,412
For the Six Months Ended									
Beginning balance January 1, 2026	$ 1,059	$ 58	$ 4	$ 53	$ 448	$ 225	$ 741	$ 94	$ 2,682
Provision	(91)	(3)	—	13	53	45	166	87	270
Charge-offs	—	—	—	—	—	—	—	—	—
Recoveries	—	—	—	—	—	—	—	—	—
Ending balance June 30, 2026	968	55	4	66	501	270	907	181	2,952
Beginning balance January 1, 2025	1,074	75	2	52	195	186	435	107	2,126
Provision	24	(6)	—	(2)	152	(35)	156	(19)	270
Charge-offs	—	—	—	—	—	—	—	—	—
Recoveries	16	—	—	—	—	—	—	—	16
Ending balance June 30, 2025	1,114	69	2	50	347	151	591	88	2,412

5. Loans Receivable (continued)

The aging of loans receivable by class of receivable is as follows (in thousands):

	June 30, 2026				
2026	**Current**	**30 – 89 days**	**90+ days**	**Total**	**Non-Accrual**
One to four residential and home improvement	**$ 94,358**	**$ 888**	**$ 960**	**$ 96,206**	**$ 1,462**
Purchased and Participations	**5,454**	**10**	**25**	**5,489**	**—**
Home Equity Line of Credit (HELOC)	**6,411**	**100**	**—**	**6,511**	**—**
Commercial & Industrial	**26,692**	**—**	**—**	**26,692**	**—**
Commercial real estate	**89,727**	**—**	**—**	**89,727**	**—**
Commercial, construction	**49,556**	**—**	**—**	**49,556**	**—**
Commercial Line of Credit (LOC)	**17,971**	**—**	**—**	**17,971**	**—**
	$ 290,169	**$ 998**	**$ 985**	**$ 292,152**	**$ 1,462**

	December 31, 2025				
2025	**Current**	**30 – 89 days**	**90+ days**	**Total**	**Non-Accrual**
One to four residential and home improvement	$ 108,408	$ 783	$ 389	$ 109,580	$ 1,294
Purchased and Participations	5,951	—	42	5,993	—
Home Equity Line of Credit (HELOC)	5,281	137	13	5,431	—
Commercial & Industrial	23,169	—	—	23,169	—
Commercial real estate	76,338	—	—	76,338	—
Commercial, construction	46,124	—	—	46,124	—
Commercial Line of Credit (LOC)	9,706	—	—	9,706	—
	$ 274,977	$ 920	$ 444	$ 276,341	$ 1,294

There were 29 participation loans with a balance of $24,962 that had no related allowance that were 90+ days past due and accruing interest at June 30, 2026 and none as of December 31, 2025. As of June 30, 2026, there was one non-accrual loan in the one to four residential class with a balance of $254,790 that had a related allowance of $164,863. As of December 31, 2025, there was one non-accrual loan in the one to four residential class with a balance of $257,044 that had a related allowance of $50,958. No material amount of accrued interest was written off by reversing interest income during the three and six months ended June 30, 2026 or 2025.

When, for economic or legal reasons related to the borrower's financial difficulties, the Bank grants a concession to the borrower that the Bank would not otherwise consider, the modified loan is classified as a troubled loan modification (TLM). TLMs may consist of forgiveness of interest and/or principal, a reduction of the interest rate, interest-only payments for a period of time, and/or the extension of amortization terms. There were no new TLMs in the three and six months ended June 30, 2026 or 2025.

The Bank considers a TLM in default if it becomes past due more than 30 days. No TLMs defaulted within 12 months of their modification date during the three and six months ended June 30, 2026 or 2025.

There were no significant changes in the extent to which collateral secured our collateral dependent loans as of June 30, 2026 and December 31, 2025. At June 30, 2026 and December 31, 2025, we had approximately $280,749 and $27,650, respectively, of residential real-estate collateral dependent loans without an allowance and no collateral dependent loans with an allowance.

The Bank has no commitments to loan additional funds to borrowers whose loans have been determined to be collateral dependent.

There were no mortgage loans in the process of foreclosure at June 30, 2026, and an aggregate of $324,000 in principal amount of mortgage loans in the process of foreclosure at December 31, 2025.

5. Loans Receivable (continued)

Business commercial loans are generally evaluated using the following internally prepared ratings:

"Pass" ratings are assigned to loans with adequate collateral and debt service ability such that collectability of the contractual loan payments is highly probable.

"Watch / special mention" ratings are assigned to loans where management has some concern that the collateral or debt service ability may not be adequate, though the collectability of the contractual loan payments is still probable.

"Substandard" ratings are assigned to loans that do not have adequate collateral and/or debt service ability such that collectability of the contractual loan payments is no longer probable.

"Doubtful" ratings are assigned to loans that do not have adequate collateral and/or debt service ability, and collectability of the contractual loan payments is unlikely.

As of June 30, 2026 and December 31, 2025, and based on the most recent analysis performed, the aggregate dollar amount of loans segmented by risk category (and by class of loan and year of origination) is as follows (in thousands):

June 30, 2026	2026	2025	2024	2023	2022	Prior	Revolvers	Total
Pass								
One to four residential	$ 2,168	$ 3,105	$ 3,930	$ 3,673	$ 6,613	$ 74,666	$ —	$ 94,155
Purchased and Participations	—	—	—	—	—	5,489	—	5,489
Home improvement, first mortgage	99	170	—	121	20	11	—	421
Home equity line of credit	—	—	—	—	—	—	6,511	6,511
Commercial construction	2,720	24,548	9,924	12,364	—	—	—	49,556
Commercial and industrial	886	19,308	4,660	452	—	—	—	25,306
Commercial real estate	29,652	28,452	14,023	17,373	—	—	—	89,500
Commercial line of credit	2,375	647	14,949	—	—	—	—	17,971
Total pass	$ 37,900	$ 76,230	$ 47,486	$ 33,983	$ 6,633	$ 80,166	$ 6,511	$ 288,909
Special Mention								
One to four residential	—	—	—	—	—	168	—	168
Purchased and Participations	—	—	—	—	—	—	—	—
Home improvement, first mortgage	—	—	—	—	—	—	—	—
Home equity line of credit	—	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—	—
Commercial and industrial	—	—	1,386	—	—	—	—	1,386
Commercial real estate	—	—	227	—	—	—	—	227
Commercial line of credit	—	—	—	—	—	—	—	—
Total special mention	$ —	$ —	$ 1,613	$ —	$ —	$ 168	$ —	$ 1,781
Substandard								
One to four residential	—	—	—	—	—	1,462	—	1,462
Purchased and Participations	—	—	—	—	—	—	—	—
Home improvement, first mortgage	—	—	—	—	—	—	—	—
Home equity line of credit	—	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—	—
Commercial and industrial	—	—	—	—	—	—	—	—
Commercial real estate	—	—	—	—	—	—	—	—
Commercial line of credit	—	—	—	—	—	—	—	—
Total substandard	$ —	$ —	$ —	$ —	$ —	$ 1,462	$ —	$ 1,462
Total	$ 37,900	$ 76,230	$ 49,099	$ 33,983	$ 6,633	$ 81,796	$ 6,511	$ 292,152

5. Loans Receivable (continued)

December 31, 2025	2025	2024	2023	2022	2021	Prior	Revolvers	Total
Pass								
One to four residential	$ 3,147	$ 4,897	$ 3,822	$ 7,009	$ 24,385	$ 63,877	$ —	$ 107,137
Purchased and Participations	—	—	—	—	—	5,993	—	5,993
Home improvement, first mortgage	290	—	129	21	—	17	—	457
Home equity line of credit	—	—	—	—	—	—	5,431	5,431
Commercial construction	20,074	12,573	13,477	—	—	—	—	46,124
Commercial and industrial	10,455	11,215	477	—	—	—	—	22,147
Commercial real estate	29,650	34,162	12,296	—	—	—	—	76,108
Commercial line of credit	648	3,558	5,500	—	—	—	—	9,706
Total pass	$ 64,264	$ 66,405	$ 35,701	$ 7,030	$ 24,385	$ 69,887	$ 5,431	$ 273,103
Special Mention								
One to four residential	—	—	—	—	521	171	—	692
Purchased and Participations	—	—	—	—	—	—	—	—
Home improvement, first mortgage	—	—	—	—	—	—	—	—
Home equity line of credit	—	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—	—
Commercial and industrial	—	1,022	—	—	—	—	—	1,022
Commercial real estate	—	230	—	—	—	—	—	230
Commercial line of credit	—	—	—	—	—	—	—	—
Total special mention	$ —	$ 1,252	$ —	$ —	$ 521	$ 171	$ —	$ 1,944
Substandard								
One to four residential	—	—	—	—	—	1,294	—	1,294
Purchased and Participations	—	—	—	—	—	—	—	—
Home improvement, first mortgage	—	—	—	—	—	—	—	—
Home equity line of credit	—	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—	—
Commercial and industrial	—	—	—	—	—	—	—	—
Commercial real estate	—	—	—	—	—	—	—	—
Commercial line of credit	—	—	—	—	—	—	—	—
Total substandard	$ —	$ —	$ —	$ —	$ —	$ 1,294	$ —	$ 1,294
Total	$ 64,264	$ 67,657	$ 35,701	$ 7,030	$ 24,906	$ 71,352	$ 5,431	$ 276,341

	2026	2025	2024	2023	2022	Prior	Revolvers	Total
Current gross write-offs for the six months ended June 30, 2025								
One to four residential	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Purchased and Participations	—	—	—	—	—	—	—	—
Home improvement, first mortgage	—	—	—	—	—	—	—	—
Home equity line of credit	—	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—	—
Commercial and industrial	—	—	—	—	—	—	—	—
Commercial real estate	—	—	—	—	—	—	—	—
Commercial line of credit	—	—	—	—	—	—	—	—
Total	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Current gross write-offs for the six months ended June 30, 2026								
One to four residential	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Purchased and Participations	—	—	—	—	—	—	—	—
Home improvement, first mortgage	—	—	—	—	—	—	—	—
Home equity line of credit	—	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—	—
Commercial and industrial	—	—	—	—	—	—	—	—
Commercial real estate	—	—	—	—	—	—	—	—
Commercial line of credit	—	—	—	—	—	—	—	—
Total	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —

6. Premises and Equipment

Premises and equipment consist of the following (in thousands):

	June 30, 2026	December 31, 2025
Land	**$ 961**	$ 961
Buildings and improvements	**17,575**	17,459
Furniture, fixtures, and equipment	**2,710**	2,666
Total	**21,246**	21,086
Less accumulated depreciation	**14,047**	13,725
Construction in progress	**138**	59
	$ 7,337	$ 7,420

The Bank leases a building for one of its branches. The Bank does not have any future lease commitments for that facility, and is operating on a month-to-month basis. Rent expense was $20,400 and $40,800 during the three and six months ended June 30, 2026, respectively. Rent expense was $20,400 and $40,800 during the three and six months ended June 30, 2025, respectively. The Bank also leases its Oak Park office. The three year lease was effective in January of 2023 and expired on December 31, 2025, and the Bank did not include renewal option periods in the original right of use asset as the renewal option was not determined to be reasonably certain to occur at lease inception. The lease was renewed in January of 2026. The right of use asset and lease liability are $337,661 and $339,174, respectively, as of June 30, 2026, and $0 as of December 31, 2025. The right of use asset is included in other assets on the consolidated balance sheet and the lease liability is included in accounts payable and accrued expenses on the consolidated balance sheet. There are four years and six months remaining on the lease, all payments will be made by 2030. The payments remaining on the lease consist of the following for the periods presented:

	Remaining Future Lease Payments
2026	**$ 39,000**
2027	**80,000**
2028	**82,000**
2029	**83,000**
2030	**85,000**
	$ 369,000

7. Core Deposit Intangibles

The core deposit intangibles ("CDI") were acquired in business combinations. On October 16, 2020, the Bank acquired Loomis Federal Savings and Loan Association, which included a CDI of $3,000. The Bank has an additional CDI of $2,705,000 from a previous business combination that is being amortized over its estimated useful life of 120 months. Accumulated amortization at June 30, 2026 was $2.6 million and $2.5 million at December 31, 2025. The CDIs are reviewed for impairment when events or circumstances indicate that the carrying amount may not be recoverable. No events or circumstances indicating impairment existed as of June 30, 2026 and December 31, 2025.

CDI, net of accumulated amortization, at June 30, 2026 is approximately $46,000. The entire remaining balance is expected to amortize before the end of 2026.

8. Deposits

Deposit accounts consist of the following (in thousands):

	June 30, 2026	December 31, 2025
Demand accounts		
Passbook accounts	**$ 86,560**	$ 89,870
NOW accounts	**63,128**	54,215
Daily money market accounts	**17,174**	16,239
Total demand deposits	**166,862**	160,324
Certificates of deposit	**145,700**	161,227
Total of all deposit accounts	**$ 312,562**	$ 321,551

Time deposits that meet or exceed the FDIC insurance limit of $250,000 totaled $33.6 million at June 30, 2026 and $39.0 million at December 31, 2025.

9. Fair Value Measurements

We utilize fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. From time to time, we may be required to record at fair value other assets on a nonrecurring basis, such as individually evaluated loans and other real estate owned. These nonrecurring fair value adjustments typically involve application of the lower of cost or market accounting or write-downs of individual assets. Additionally, we are required to disclose, but not record, the fair value of other financial instruments.

Fair Value Hierarchy

We group assets and liabilities at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 — Valuation is based upon quoted prices for identical instruments traded in active markets.

Level 2 — Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3 — Valuation is generated from model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include use of option pricing models, discounted cash flow models and similar techniques.

Following is a description of valuation methodologies used for assets recorded at fair value.

9. Fair Value Measurements (continued)

Investment Securities

Available-for-sale securities are recorded at market value and held-to-maturity securities are carried at amortized cost. Fair value measurement is based upon quoted prices, if available. If quoted prices are not available, fair values are measured using independent pricing models or other model-based valuation techniques such as the present value of future cash flows, adjusted for the security's credit rating, prepayment assumptions and other factors such as credit loss assumptions. Level 1 securities include those traded on an active exchange, such as the New York Stock Exchange, and U.S. Treasury securities that are traded by dealers or brokers in active over-the-counter market funds. Level 2 securities include mortgage-backed securities issued by government sponsored enterprises and state, county and municipal bonds. Securities classified as Level 3 include asset-backed securities in less liquid markets (table in thousands).

	Assets Measured at Fair Value on a Recurring Basis At June 30, 2026			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2026
Available-for-sale debt securities:				
Mortgage-backed	$ —	$ 61,906	$ —	$ 61,906
Agencies	—	38,263	—	38,263
Municipal bonds	—	687	—	687
Total available-for-sale debt securities	$ —	$ 100,856	$ —	$ 100,856

	Assets Measured at Fair Value on a Recurring Basis At December 31, 2025			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2025
Available-for-sale debt securities:				
Mortgage-backed	$ —	$ 67,465	$ —	$ 67,465
Agencies	—	38,499	—	38,499
Municipal Bonds	—	690	—	690
Total available-for-sale debt securities	$ —	$ 106,654	$ —	$ 106,654

We estimate the fair value of these investments through independent pricing sources. Independent pricing sources utilize information such as similar security transactions and observable yield curves to estimate the fair value of individual securities.

Assets Recorded at Fair Value on a Nonrecurring Basis

We may be required, from time to time, to measure certain assets at fair value on a nonrecurring basis in accordance with GAAP. These include assets that are measured at the lower of cost or market that were recognized at fair value below cost at the end of the period. The only assets measured at fair value on a nonrecurring basis were individually evaluated loans of $89,927 and $206,086 as of June 30, 2026 and December 31, 2025, respectively.

Individually Evaluated Loans

We do not record loans at fair value on a recurring basis. However, from time to time, a loan is considered individually evaluated and a specific reserve is established within the allowance for credit losses. Loans for which it is probable that payment of interest and principal will not be made in accordance with the contractual terms of the loan agreement are individually evaluated. Once a loan is identified as individually evaluated, management measures specific reserves in accordance with U.S. GAAP. The fair value of individually evaluated loans is estimated using one of three methods, including collateral value, market value of similar debt, and discounted cash flows. Those individually evaluated loans not requiring an allowance represent loans for which the fair value of the expected repayments or collateral exceed the recorded investments in such loans. In accordance with GAAP, individually evaluated loans where an allowance is established based on the fair value of collateral require classification in the fair value hierarchy. When the fair value of the collateral is based on an observable market price, we record the individually evaluated loan as nonrecurring Level 2. When an appraised value is used or an appraisal is not available or management determines the fair value of the collateral is further impaired below the appraised value and there is no observable market price, the Bank records the individually evaluated loan as nonrecurring Level 3.

Real Estate Owned

Other real estate properties are adjusted to fair value upon transfer of the loans to real estate owned. Subsequently, real estate owned assets are carried at fair value less estimated selling costs. Fair value is based upon independent market prices, appraised values of the collateral or management's estimation of the value of the collateral. When the fair value of the collateral is based on an observable market price, we record the other real estate as nonrecurring Level 2. When an appraised value is used or an appraisal is not available or management determines the fair value of the collateral is further impaired below the appraised value and there is no observable market price, we record the other real estate asset as nonrecurring Level 3.

10. Fair Value of Financial Instruments

Financial instruments are classified within the fair value hierarchy using the methodologies described in Note 9 – Fair Value Measurements. The following disclosures include financial instruments that are carried at fair value as well as those that are not carried at fair value on the Consolidated Balance Sheets. The calculation of estimated fair values is based on market conditions at a specific point in time and may not reflect current or future fair values.

Cash and Cash Equivalents

The carrying value of cash and cash equivalents is a reasonable estimate of fair value.

Certificates of Deposit in Other Financial Institutions

The carrying value of certificates of deposit is a reasonable estimate of fair value given the short term nature of instruments.

Other Investments

The carrying value of other investments includes FHLB Stock and Bankers Bank stock and approximates fair value and is classified as Level 3, as the stock is nonmarketable and has restrictions placed on its transferability.

Loans

For disclosure purposes, the fair value of fixed rate loans which are not considered individually evaluated is estimated by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings. For collectively evaluated variable rate loans, the carrying amount is a reasonable estimate of fair value for disclosure purposes.

10. Fair Value of Financial Instruments (continued)

Deposits

The fair value of passbook savings accounts, interest-bearing checking accounts, noninterest-bearing checking accounts and market rate checking accounts is the amount payable on demand at the reporting date, while the fair value of fixed maturity certificate of deposits is estimated by discounting the future cash flows using current rates at which comparable certificates would be issued.

The carrying amounts and estimated fair value (in thousands) of our financial instruments at June 30, 2026 and December 31, 2025 are as follows (in thousands):

		June 30, 2026		December 31, 2025	
		Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Financial assets:					
Cash and cash equivalents	Level 1	**$ 25,376**	**$ 25,376**	$ 47,595	$ 47,595
Certificates of deposit	Level 2	**870**	**870**	870	870
Investment securities AFS	Level 2	**100,856**	**100,856**	106,654	106,654
Investment securities HTM	Level 2	**25,915**	**23,449**	28,368	26,040
Other Investments	Level 3	**2,158**	**2,158**	2,158	2,158
Accrued interest receivable	Level 1	**1,685**	**1,685**	1,451	1,451
Loans, net	Level 3	**282,289**	**273,980**	267,949	258,840
Financial liabilities:					
Deposits	Level 2	**312,562**	**311,341**	321,551	320,437
Accrued interest payable	Level 1	**596**	**596**	735	735

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 of the entire holdings of a particular financial instrument. Because no market exists for a significant portion of our financial instruments, fair value estimates are based on many judgments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair value estimates are based on existing on and off-balance sheet financial instruments without attempting to estimate the value of anticipated future business and the value of assets and liabilities that are not considered financial instruments. Significant assets and liabilities that are not considered financial instruments include deferred income taxes and premises and equipment. In addition, the tax ramifications related to the realization of the unrealized gains and losses can have a significant effect on fair value estimates and have not been considered in the estimates.

11. Regulatory Information

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 Company's financial statements.

Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of the Bank's assets, liabilities, and certain off-balance sheet items, as calculated under regulatory accounting practices. The Bank's capital amounts and classification may also be subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

The Bank qualified for and elected to opt into the optional Community Bank Leverage Ratio Framework ("CBLRF"). The CBLRF provides for a simple measure of capital adequacy for certain community banking organizations consistent with section 201 of the Economic Growth, Regulatory Relief, and Consumer Protection Act. Generally, depository institutions and depository institution holding companies that have less than $10 billion in total consolidated assets and meet other qualifying criteria, including a Tier 1 leverage ratio of greater than nine percent, are considered qualifying community banking organizations and are eligible to opt into the community bank leverage ratio framework.

Qualifying community banking organizations that elect to use the CBLRF and that maintain a leverage ratio of greater than nine percent are considered to have satisfied the risk-based and leverage capital requirements in the agencies' generally applicable capital rule. Additionally, such insured depository institutions are considered to have met the well-capitalized ratio requirements for purposes of section 38 of the Federal Deposit Insurance Act. The CBLRF does not have a total capital requirement; therefore, an electing banking organization is not required to calculate Tier 2 capital or make any Tier 2 capital deductions under the generally applicable capital rule. The leverage ratio required for purposes of the CBLRF is calculated as Tier 1 capital divided by average total consolidated assets, consistent with how banking organizations calculate their leverage ratio under the generally applicable capital rule. In November 2025, the OCC and the FDIC jointly issued a proposal to reduce the minimum leverage ratio for opting-in banks from 9% to 8%, effective July 1, 2026. The table below presents the leverage ratio and capital adequacy requirements under the CBLRF.

Management believes, as of June 30, 2026 and December 31, 2025, that the Bank meets all capital adequacy requirements to which it is subject. The most recent notification from Regulatory Authorities categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. There are no conditions or events since that notification that management believes have changed the Bank's category (table in thousands).

	Actual		Requirements Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	**Ratio**	**Amount**	**Ratio**
As of June 30, 2026				
Tier 1 capital (to average assets for the leverage ratio)	**$ 127,377**	**27.3 %**	**$ 42,050**	**9.0 %**
As of December 31, 2025:				
Tier 1 capital (to average assets for the leverage ratio)	$ 126,916	24.8 %	$ 46,351	9.0 %

12. ESOP

In conjunction with the Conversion, the Bank established an Employee Stock Ownership Plan ("ESOP") for the exclusive benefit of eligible employees. The Bank makes annual contributions to the ESOP in amounts as defined by the plan document. These contributions are used to pay debt service. Certain ESOP shares are pledged as collateral for debt. As the debt is repaid, shares are released from collateral and allocated to active participants, based on the proportion of debt service paid in the year. Shares allocated to participants are vested by 100% after five years of service, and credit is given for years of service with Hoyne Savings Bank prior to the adoption of the ESOP. Participants will also become fully vested in the case of death, disability or retirement.

In connection with the Company's initial public stock offering, the ESOP borrowed $6.48 million from the Company for the purpose of purchasing shares of the Company's common stock. A total of 647,755 shares were purchased with the loan proceeds. Accordingly, common stock acquired by the ESOP is shown as a reduction of stockholder's equity. The loan is expected to be repaid over a period of up to 25 years.

A partial annual contribution to the ESOP was made during the year ended December 31, 2025, as loan payments are made annually on December 31st of each year. Compensation expense is recognized over the service period based on the average fair value of the shares and totaled approximately $103,000 and $196,000 for the three and six months ended June 30, 2026, respectively. The following table presents share information held by the ESOP:

	June 30, 2026	December 31, 2025
	(Dollars in thousands, except share data)	
Number of shares allocated to participants	**2,568**	—
Number of shares committed to be released	**12,545**	2,159
Number of unallocated shares	**632,642**	645,596
Total shares	**647,755**	647,755
Fair value of unallocated ESOP shares	**$ 10,600**	$ 9,400

13. Earnings Per Share (EPS)

Basic EPS represents income available to common stockholders divided by the weighted-average number of shares of common stock outstanding during the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue shares of common stock (such as stock options) were exercised or converted into additional shares of common stock that should then share in the earnings of the entity. Diluted EPS is computed by dividing net income attributable to common stockholders by the weighted-average number of shares of common stock outstanding for the period, plus the effect of potential dilutive common stock equivalents.

There were no securities or other contracts that had a dilutive effect during the three or six months ended June 30, 2026 or the year ended December 31, 2025, and therefore the weighted-average number of shares of common stock outstanding used to calculate both basic and diluted EPS is the same. Shares held by the ESOP that have not been allocated to employees in accordance with the terms of the ESOP, referred to as "unallocated ESOP shares", are not deemed outstanding for purposes of the EPS calculation. EPS data is not applicable for the three and six months ended June 30, 2025 as the Company had no shares of its common stock outstanding at such date.

	Three months ended June 30, 2026	Six months ended June 30, 2026
Net income (loss) applicable to shares of common stock	**$ 96,760**	**$ (21,592)**
Average number of shares of common stock outstanding	**8,096,938**	**8,096,938**
Less: Average unallocated ESOP shares	**(635,881)**	**(639,119)**
Weighted average shares of common stock outstanding for basic EPS	**7,461,057**	**7,457,819**
Earnings (loss) per common share, basic and diluted	**$ 0.01**	**$ (0.00)**

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion and analysis is intended to assist in the understanding of our financial performance through a discussion of our financial condition as of June 30, 2026 (unaudited) and as compared to our financial condition as of December 31, 2025 and our results of operations for the three and six month periods ended June 30, 2026 and 2025 (unaudited). This section should be read in conjunction with the unaudited consolidated financial statements and notes thereto appearing in Part 1 Item 1 of this Quarterly Report on Form 10-Q.

Forward Looking Statements

This report contains forward-looking statements, which can be identified by the use of words such as "estimate," "project," "believe," "intend," "anticipate," "plan," "seek," "expect" and words of similar meaning. These forward-looking statements include, but are not limited to:

- statements of our goals, intentions and expectations;
- statements regarding our business plans, prospects, growth and operating strategies; and
- statements regarding the quality of our loan and investment portfolios.

These forward-looking statements are based on current beliefs and expectations of our management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change.

- estimates of our risks and future costs and benefits;
- general economic conditions, either nationally or in our market areas, that are different than expected;
- changes in the level and direction of loan delinquencies and charge-offs and changes in estimates of the adequacy of the allowance for credit losses;
- our ability to access cost-effective funding;
- major catastrophes such as tornadoes, floods or other natural disasters, the related disruption to local, regional and global economic activity and financial markets, and the impact that any of the foregoing may have on us and our customers and other constituencies;
- further data processing and other technological changes that may be more difficult or expensive than expected;
- success or consummation of new business initiatives may be more difficult or expensive than expected;
- the inability of third-party service providers to perform;
- fluctuations in real estate values and both residential and commercial real estate market conditions;
- demand for loans and deposits in our market area;
- our ability to continue to implement our business strategies;

- competition among depository and other financial institutions;
- inflation and changes in the interest rate environment that reduce our margins and yields, reduce the fair value of financial instruments or reduce the origination levels in our lending business, or increase the level of defaults, losses and prepayments on loans;
- adverse changes in the securities markets;
- changes in laws or government regulations or policies affecting financial institutions, including changes in regulatory fees and capital requirements;
- our ability to manage market risk, credit risk and operational risk in the current economic conditions;
- our ability to enter new markets successfully and capitalize on growth opportunities;
- our ability to successfully integrate any assets, liabilities, customers, systems and management personnel we may acquire into our operations and our ability to realize related revenue synergies and cost savings within expected time frames and any goodwill charges related thereto;
- changes in consumer spending, borrowing and savings habits;
- changes in accounting policies and practices, as may be adopted by the bank regulatory agencies, the Financial Accounting Standards Boards, the Securities and Exchange Commission or the Public Company Accounting Oversight Board;
- geopolitical tensions that could affect economic activity or specific industry sectors;
- our ability to hire and retain key employees; and
- our compensation expense associated with equity allocated or awarded to our employees

Overview

Hoyne Bancorp, Inc. (the “Company”, and together with Hoyne Savings Bank, “we” or “us”) is a Delaware corporation which was incorporated in June 2025.

On December 3, 2025, Hoyne Bancorp, Inc. became the holding company for Hoyne Savings Bank (the “Bank”) when Hoyne Savings MHC completed its conversion into the stock holding company form of organization. In connection with the conversion, the Company sold 7,935,000 shares of common stock at a price of $10.00 per share, for gross proceeds of $79.4 million. The Company also contributed 161,938 shares of common stock and $250,000 in cash to Hoyne Charitable Foundation, Inc. Shares of the Company’s common stock began trading on December 4, 2025, on the Nasdaq Capital Market under the trading symbol “HYNE”.

Hoyne Savings Bank is an Illinois-chartered savings bank which was originally organized in 1887 as Hoyne Building and Loan Homestead Association and is headquartered in Chicago, Illinois. We originate commercial real estate (including commercial construction), commercial and industrial, and one to four residential mortgage loans and, to a lesser extent, home equity loans. We currently operate six full- service banking offices and one loan production office in Cook County, Illinois.

Our primary sources of funds consist of attracting deposits from the general public and using those funds and other sources to originate loans to our customers and invest in securities. As of June 30, 2026, we had total assets of $480.0 million, including $282.3 million in net loans and $100.9 million of investment securities available-for-sale, and investment securities held-to-maturity of $25.9 million, total deposits of $312.6 million and total stockholders’ equity of

$161.1 million. For the three months ended June 30, 2026, we had a net income of $96,000 compared to a net income of $118,000 for the three months ended June 30, 2025. For the six months ended June 30, 2026, we had a net loss of $22,000 compared to a net loss of $47,000 for the six months ended June 30, 2025.

Our results of operations depend, to a large extent, on net interest income, which is the difference between the income earned on our loan and investment portfolios and interest expense on deposits and borrowings. Our net interest income is largely determined by our net interest spread, which is the difference between the average yield earned on interest-earning assets and the average rate paid on interest-bearing liabilities, and the relative amounts of interest-earning assets and interest-bearing liabilities. Results of operations are also affected by our provisions for loan losses, fee income and other noninterest income and noninterest expense. Noninterest expense principally consists of compensation, office occupancy and equipment expense, data processing, advertising and business promotion and other expenses. We expect that our noninterest expenses will increase as we continue to grow and expand our operations. In addition, our compensation expense will increase due to the new stock benefit plans we intend to implement in the next 12 to 18 months. Our results of operations and financial condition are also significantly affected by general economic and competitive conditions, particularly changes in interest rates, changes in accounting guidance, government policies and actions of regulatory authorities.

Critical Accounting Policies

The discussion and analysis of the financial condition and results of operations are based on our consolidated financial statements, which are prepared to conform with generally accepted in the United States of America (“U.S. GAAP”) and to general practices within the banking industry. The preparation of the financial statements require certain estimates, judgments, and assumptions, which are believed to be reasonable based upon the information available. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the periods presented. The Jumpstart Our Business Startups Act of 2012 contains provisions that, among other things, reduce certain reporting requirements for qualifying public companies. As an “emerging growth company” we may delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. We have opted to take advantage of the benefits of this extended transition period. Accordingly, our financial statements may not be comparable to companies that comply with such new or revised accounting standards.

Of the significant accounting policies used in the preparation of our consolidated financial statements, we have identified certain items as critical accounting policies based on the associated estimates, assumptions, judgements and complexity. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies” in our Annual Report on Form 10-K for the year ended December 31, 2025.

Comparison of Financial Condition as of June 30, 2026 and December 31, 2025

Total Assets. Total assets decreased $9.4 million or 1.9% to $480.0 million as of June 30, 2026 compared to $489.4 million as of December 31, 2025. The decrease resulted primarily from decreases in cash and cash equivalents of $22.2 million, investment securities available-for-sale of $5.8 million, and investment securities held to maturity of $2.5 million. These decreases were offset by increases in loans receivable, net of $14.3 million, Bank Owned Life Insurance of $5.4 million, and other assets of $1.1 million.

Cash and Cash Equivalents. Cash and cash equivalents decreased $22.2 million, or 46.7%, to $25.4 million as of June 30, 2026 compared to $47.6 million as of December 31, 2025. The decrease was primarily the result of funding commercial loan originations and purchasing additional BOLI to enhance the yield on interest earning assets.

Investment Securities Available-for-Sale. Investment securities available-for-sale decreased $5.8 million, or 5.4%, to $100.9 million as of June 30, 2026, from $106.7 million as of December 31, 2025 as a result of maturities and paydowns. The resulting liquidity was used to fund loan portfolio originations.

Investment Securities Held-to-Maturity. Investment securities held-to-maturity decreased $2.5 million, or 8.6%, to $25.9 million as of June 30, 2026, from $28.4 million as of December 31, 2025 as a result of maturities and paydowns. The liquidity from the decrease was used to fund the increase in our loan portfolio.

Other Assets. Other assets increased $1.1 million, or 65.4%, to $2.9 million as of June 30, 2026 from $1.7 million as of December 31, 2025. The increase was primarily due to an increase in other investments purchased to enhance the yield on interest earning assets.

Loans Receivable, Net. Loans receivable, net increased $14.3 million, or 5.4%, to $282.2 million as of June 30, 2026, from $267.9 million as of December 31, 2025. The increase includes $28.6 million in net commercial loan growth offset by a $13.8 million decrease in one to four residential loans and participations.

Allowance for Credit Losses. As of June 30, 2026, the allowance for credit losses on loans ("ACL") increased $270,000 or 10.1%, to $3.0 million as of June 30, 2026, from $2.7 million as of December 31, 2025, due to an increase in the provision for credit loss as a result of the growth in the commercial loan portfolio.

Bank Owned Life Insurance. Bank Owned Life Insurance increased $5.4 million, or 36.2%, to $20.3 million as of June 30, 2026, from $14.9 million as of December 31, 2025, due primarily to the purchase of additional policies to enhance the yield on interest earning assets.

Premises and Equipment, Net. Premises and equipment, net decreased $83,000, or 1.1%, to $7.3 million as of June 30, 2026 from $7.4 million as of December 31, 2025, due primarily to depreciation expense.

Deposits. Deposits decreased $9.0 million, or 2.8%, to $312.6 million as of June 30, 2026 from $321.6 million as of December 31, 2025. The decrease was due to a decline of $18.8 million in passbook accounts and certificates of deposit offset by an increase of $9.8 million in NOW and money market accounts.

Total Stockholders' Equity. Total stockholders' equity for the first six months of 2026 decreased $223,000, or 0.1%, to $161.1 million from $161.4 million as of December 31, 2025. The decrease was due primarily to an increase in accumulated other comprehensive loss of $397,000 during the first six months of 2026 due to interest rate environment.

Average Balances, Net Interest Income, and Yields Earned and Rates Paid. The following table shows for the periods indicated the total dollar amount of interest earned from average interest-earning assets and the resulting yields, as well as the interest expense paid on average interest-bearing liabilities, expressed both in dollars and rates, and the net interest margin. All average balances are based on daily balances.

	For the Three Months Ended June 30,					
	2026			2025		
	Average Outstanding Balance	Interest	Average Yield/ Rate	Average Outstanding Balance	Interest	Average Yield/ Rate
	(Dollars in thousands)					
Interest-earning assets:						
Loans, net	$ 283,158	$ 4,551	6.43 %	$ 245,267	$ 3,925	6.40 %
Certificates of deposit with other financial institutions	870	9	4.14 %	870	2	0.92 %
Interest-bearing cash and cash equivalents	19,428	168	3.46 %	27,874	271	0.39 %
Investment securities available-for-sale	101,744	538	2.12 %	112,351	614	2.19 %
Investment securities held-to-maturity	26,339	135	2.05 %	31,623	173	2.19 %
FHLB of Chicago stock	1,166	7	2.40 %	1,166	9	3.09 %
Bankers’ Bank Stock	992	2	0.81 %	992	2	0.81 %
Total interest-earning assets	433,697	5,410	4.99 %	420,143	4,996	4.76 %
Noninterest-earning assets	42,441			35,016		
Total assets	$ 476,138			$ 455,159		
Interest-bearing liabilities:						
Savings accounts	86,393	90	0.42 %	97,358	70	0.29 %
Checking accounts	58,066	1	0.01 %	49,344	1	0.01 %
Money market accounts	16,837	74	1.76 %	17,622	67	1.52 %
Certificates of deposit(1)	148,359	818	2.21 %	196,418	1,495	3.04 %
Total interest-bearing deposits	$ 309,655	$ 983	1.27 %	$ 360,742	$ 1,633	1.81 %
Total interest-bearing liabilities	309,655	983	1.27 %	360,742	1,633	1.81 %
Noninterest-bearing liabilities	5,465			6,923		
Total liabilities	$ 315,120			$ 367,665		
Stockholders' Equity	161,018			87,494		
Total liabilities and stockholders' equity	$ 476,138			$ 455,159		
Net interest income		4,427			3,363	
Interest rate spread(2)			3.72 %			2.95 %
Net interest-earning assets(3)	$ 124,042			$ 59,401		
Net interest margin(4)			4.08 %			3.20 %
Average interest-earning assets to average-interest bearing liabilities	140.06 %			116.47 %		

	For the Six Months Ended June 30,					
	2026			2025		
	Average Outstanding Balance	Interest	Average Yield/ Rate	Average Outstanding Balance	Interest	Average Yield/ Rate
	(Dollars in thousands)					
Interest-earning assets:						
Loans, net	$ 281,067	$ 8,786	6.25 %	$ 244,127	$ 7,646	6.26 %
Certificates of deposit with other financial institutions	870	14	3.22 %	1,030	9	1.75 %
Interest-bearing cash and cash equivalents	25,992	472	3.63 %	27,460	488	3.55 %
Investment securities available-for-sale	103,520	1,087	2.10 %	114,304	1,249	2.19 %
Investment securities held-to-maturity	26,956	279	2.08 %	32,335	353	2.18 %
FHLB of Chicago stock	1,166	21	3.60 %	1,166	24	4.12 %
Bankers' Bank Stock	992	6	1.21 %	992	6	1.21 %
Total interest-earning assets	440,563	10,665	4.84 %	421,414	9,775	4.64 %
Noninterest-earning assets	40,684			36,843		
Total assets	$ 481,247			$ 458,257		
Interest-bearing liabilities:						
Savings accounts	87,926	144	0.33 %	99,349	143	0.29 %
Checking accounts	57,242	2	0.01 %	48,820	3	0.01 %
Money market accounts	16,624	144	1.73 %	17,427	122	1.40 %
Certificates of deposit[1]	152,457	1,744	2.29 %	198,183	3,030	3.06 %
Total interest-bearing deposits	314,249	2,034	1.29 %	363,779	3,298	1.81 %
Total interest-bearing liabilities	314,249	2,034	1.29 %	363,779	3,298	1.81 %
Noninterest-bearing liabilities	5,850			7,063		
Total liabilities	320,099			370,842		
Equity	161,148			87,415		
Total liabilities and equity	$ 481,247			$ 458,257		
Net interest income		8,631			6,477	
Interest rate spread[2]			3.55 %			2.83 %
Net interest-earning assets[3]	126,314			57,635		
Net interest margin[4]			3.92 %			3.07 %
Average interest-earning assets to average-interest bearing liabilities	140.20 %			115.84 %		

(1) Certificate of Deposit Account Registry Service ("CDARS") added to certificates of deposit.

(2) Equals the difference between the yield on average interest-earning-assets and the cost of average interest-bearing liabilities.

(3) Equals total interest-earning assets less total interest-bearing liabilities.

(4) Equals net interest income divided by total interest-earning assets.

Rate/Volume Analysis. The following table shows the extent to which changes in interest rates and changes in volume of interest-earning assets and interest-bearing liabilities affected our interest income and expense during the periods indicated. For each category of interest-earning assets and interest-bearing liabilities, information is provided on changes attributable to (1) changes in rate, which is the change in rate multiplied by prior year volume, and (2) changes in volume, which is the change in volume multiplied by prior year rate. The combined effect of changes in both rate and volume has been allocated proportionately to the change due to rate and the change due to volume.

	Three Months Ended June 30, 2026 vs. 2025			Six Months Ended June 30, 2026 vs. 2025		
	Increase (Decrease) Due to		Total Increase (Decrease)	Increase (Decrease) Due to		Total Increase (Decrease)
	Volume	Rate		Volume	Rate	
	(Dollars in thousands)					
Interest-earning assets:						
Loans	$ 608	$ 18	$ 626	$ 1,152	$ (12)	$ 1,140
Certificates of deposit with other financial institutions	—	7	7	(1)	6	5
Interest-bearing cash and cash equivalents	(91)	(12)	(103)	(58)	55	(3)
Investment securities available-for-sale	(47)	(29)	(76)	(111)	(64)	(175)
Investment securities held-to-maturity	(27)	(11)	(38)	(58)	(16)	(74)
FHLB of Chicago stock and Bankers’ Bank stock	—	(2)	(2)	—	(3)	(3)
Total interest-earning assets	$ 443	$ (29)	$ 414	$ 924	$ (34)	$ 890
Interest-bearing liabilities:						
Savings accounts	(7)	27	20	(5)	6	1
Checking accounts	—	—	—	(1)	—	(1)
Money market accounts	(3)	10	7	(5)	27	22
Certificates of deposit	(320)	(357)	(677)	(615)	(671)	(1,286)
Total interest-bearing liabilities	$ (330)	$ (320)	$ (650)	$ (626)	$ (638)	$ (1,264)
Change in net interest income	$ 773	$ 291	$ 1,064	$ 1,550	$ 604	$ 2,154

Comparison of Operating Results for Three and Six Months Ended June 30, 2026 and June 30, 2025

General. For the three months ended June 30, 2026 compared to the same period in 2025, net income decreased $22,000, or 18.6%, to net income of $96,000 compared to a net income of $118,000 for the same period in 2025. The primary reason for the decrease in net income was an increase of $1.3 million in total noninterest expense, offset by an increase of $414,000 in interest income, an increase of $179,000 in noninterest income, a decrease of $650,000 in interest expense, and a decrease in tax expense of $22,000. For the six months ended June 30, 2026 compared to the same period in 2025, net loss decreased by $25,000, or 46.8%, to a net loss of $22,000 compared to a net loss of $47,000 for the same period in 2025. The primary reason for the decrease in net loss was an increase of $890,000 in interest income, a decrease of $1.3 million in interest expense, and an increase of $260,000 in noninterest income offset by an increase of $2.4 million in noninterest expense.

Interest Income. Interest income increased $414,000, or 8.3%, to $5.4 million for the three months ended June 30, 2026 compared to $5.0 million for the same period in 2025. The increase in interest income was due to a $626,000 increase in interest income on loans receivable as a result of the growth in the commercial loan portfolio. The increase was partially offset by a $114,000 decrease in interest income on investment securities due to a decrease in balances as a result of maturities and paydowns. Other interest income decreased by $98,000 due to lower average yields on cash and cash equivalents. The excess liquidity generated from the decrease in investment securities and cash account balances was used to fund the growth in the commercial loan portfolio. Interest income increased $890,000, or 9.1%, to $10.7 million for the six months ended June 30, 2026, compared to $9.8 million for the same period in 2025. The increase in interest income for the six month period was due to a $1.1 million increase in interest income on loans receivable in the commercial loan portfolio. The increase was partially offset by $237,000 decrease in interest income on investments due to a decrease in balances as a result of maturities and paydowns. Other interest income decreased by $13,000 due to lower average yields on cash and cash equivalents.

Interest Expense on Deposits. Interest expense on deposits decreased $650,000, or 40.1%, to $983,000 for the three months ended June 30, 2026, compared to $1.6 million for the three months ended June 30, 2025. The decrease was primarily caused by the decrease in the amount of deposits and in interest rates. Interest expense on deposits decreased $1.3 million, or 38.3%, to $2.0 million for the six months ended June 30, 2026, compared to $3.3 million for the six months ended June 30, 2025. The decrease was primarily similarly caused by the decrease in deposits and interest rates.

Provision for Credit Losses. The provision for credit losses was flat at $135,000 for both the three months ended June 30, 2026 and 2025, and at $270,000 for both the six months ended June 30, 2026 and 2025. The additional provision expense was recorded primarily due to the growth in the loan portfolio.

Noninterest Income. Noninterest income increased $179,000, or 82.1%, to $397,000 for the three months ended June 30, 2026, compared to $218,000 for the three months ended June 30, 2025. The increase was due primarily to the increase in customer service fees due to commercial loan fees and BOLI income. Noninterest income increased $260,000, or 62.5%, to $676,000 for the six months ended June 30, 2026 compared to $416,000 for the six months ended June 30, 2025. The increase was primarily due to the increase in customer service fees due to commercial loan fees and BOLI income.

Noninterest Expense. Noninterest expense increased $1.3 million, or 39.5%, to $4.5 million for the three months ended June 30, 2026 compared to $3.2 million for the three months ended June 30, 2025. The increase was primarily caused by the increase in compensation due to annual raises and bonuses, audit, consulting and legal expenses. Noninterest expense increased $2.4 million, or 35.8%, to $9.1 million for the six months ended June 30, 2026, compared to $6.7 million for the six months ended June 30, 2025. The increase was primarily caused by the increase in compensation, audit, consulting and legal expenses.

Tax Expense (benefit). Tax expense (benefit) decreased $22,000, or 30.5%, to $50,000 for the three months ended June 30, 2026, from $72,000 for the same period in 2025. The major factor in the decrease was the lower net income between the periods. Tax benefit increased $1,000, or 20.0%, to a benefit of $6,000 for the six months ended June 30, 2026, from a benefit of $5,000 for the same period in 2025, primarily as a result of the lower net loss between the periods.

Liquidity and Capital Resources

We maintain levels of liquid assets deemed adequate by management. We adjust our liquidity levels to fund deposit outflows, repay our borrowings, and to fund loan commitments. We also adjust liquidity, as appropriate, to meet asset and liability management objectives.

Liquidity describes our ability to meet the financial obligations that arise in the ordinary course of business. Liquidity is primarily needed to meet the borrowing and deposit withdrawal requirements of our customers and to fund current and planned expenditures. Our primary sources of funds are deposits, principal and interest payments on loans and securities, and proceeds from maturities of securities. We also have the ability to borrow from the FHLB of Chicago and Bankers Bank. As of June 30, 2026, we had no outstanding FHLB advances, and had the capacity to borrow approximately $57.9 million from the FHLB of Chicago and $23.0 million from Bankers Bank.

While maturities and scheduled amortization of loans and securities are predictable sources of funds, deposit flows and loan prepayments are greatly influenced by general interest rates, economic conditions, and competition. Our most liquid assets are cash and short-term investments. The levels of these assets are dependent on our operating, financing, lending, and investing activities during any given period.

Our cash flows are comprised of three primary classifications: cash flows provided by (used in) operating activities, investing activities, and financing activities. Net cash provided by (used in) operating activities was ($1.3 million) and $2.7 million for the six months ended June 30, 2026 and 2025, respectively. Net cash provided by (used in) investing activities, which consists primarily of changes in loans receivable, was ($11.9 million) and $5.8 million for the six months ended June 30, 2026 and 2025, respectively. Net cash provided by (used in) financing activities, which primarily consists of changes in deposits, was ($9.0 million) and $18,000 for the six months ended June 30, 2026 and 2025, respectively.

We are committed to maintaining a strong liquidity position. We monitor our liquidity position on a daily basis. We anticipate that we will have sufficient funds to meet our current short-term and long-term funding commitments.

Based on our deposit retention experience and current pricing strategy, we anticipate that a significant portion of certificates of deposit will be retained. In addition, we participate in the IntraFi network, which includes CDARS as an alternate source of funding with agreed upon interest rates.

As of June 30, 2026, the Bank was considered well capitalized under the regulatory framework for prompt corrective action. During the year ended December 31, 2023, the Bank elected to begin using the Community Bank Leverage Ratio Framework (the “CBLRF”). Under CBLRF, if a qualifying depository institution or depository institution holding company elects to use such measure, such institution or holding company will be considered well capitalized if its ratio of Tier 1 capital to average total consolidated assets (i.e., leverage ratio) exceeds 9.0% subject to a limited two-quarter grace period, during which the leverage ratio cannot go 100 basis points below the then- applicable threshold, and will not be required to calculate and report risk-based capital ratios. The Bank’s Tier 1 capital to average assets for the leverage ratio was 27.3% and 24.8% as of June 30, 2026 and December 31, 2025, respectively. Additionally, as of June 30, 2026, the Bank exceeded all applicable regulatory capital requirements, including the Tier 1 leverage capital level by $85.3 million, or 18.3%.

Off-Balance Sheet Arrangements. As of June 30, 2026, we had $71.7 million of outstanding commitments to originate loans. We had unfunded construction loans as of June 30, 2026 of $12.9 million. Certificates of deposit that are scheduled to mature in less than one year from June 30, 2026, totaled $138.2 million. Management expects that a substantial portion of the maturing certificates of deposit will be renewed. However, if a substantial portion of these deposits are not retained, we may utilize FHLB of Chicago advances or raise interest rates on deposits to attract new accounts, which may result in higher levels of interest expense.

Commitments. The following table summarizes our outstanding commitments to originate loans and to advance additional amounts pursuant to outstanding letters of credit, lines of credit and undisbursed construction loans as of June 30, 2026.

	Total Amounts Committed at June 30, 2026	Amount of Commitment Expiration – Per Period			
		To One Year	One to Three Years	Three to Five Years	After Five Years
	(Dollars in thousands)				
Unused lines of credit	$ 13,152	$ 3,260	$ 1,437	$ 6,142	$ 2,313
Commitments to originate loans	71,687	71,687	—	—	—
Unfunded construction loans	12,929	5,673	5,803	1,453	—
Total commitments	$ 97,768	$ 80,620	$ 7,240	$ 7,595	$ 2,313

Contractual Cash Obligations. The following table summarizes our contractual cash obligations as of June 30, 2026.

	Total at June 30, 2026	Payments Due by Period To One Year	One to Three Years	Three to Five Years	After Five Years
	(Dollars in thousands)				
Certificates of deposit	$ 145,700	$ 138,211	$ 6,725	$ 764	$ —
Total contractual obligations	$ 145,700	$ 138,211	$ 6,725	$ 764	$ —

Impact of Inflation and Changing Prices

The consolidated financial statements and related financial data presented herein have been prepared in accordance with U.S. GAAP, which generally require the measurement of financial position and operating results in terms of historical dollars, without considering changes in relative purchasing power over time due to inflation. Unlike most industrial companies, virtually all of our assets and liabilities are monetary in nature. As a result, interest rates generally have a more significant impact on our performance than does the effect of inflation. Interest rates do not necessarily move in the same direction or in the same magnitude as the prices of goods and services, since such prices are affected by inflation to a larger extent than interest rates.

Exposure to Changes in Interest Rates

Our ability to maintain net interest income depends upon our ability to earn a higher yield on interest- earning assets than the rates we pay on deposits and borrowings. Our interest-earning assets consist primarily of securities available-for-sale and primarily one to four family, residential, commercial real estate (including commercial construction) and commercial and industrial loans, which have fixed and variable rates of interest. Consequently, our ability to maintain a positive spread between the interest earned on assets and the interest paid on deposits and borrowings can be adversely affected when market rates of interest rise.

Net Portfolio Value Analysis. Our interest rate sensitivity is monitored by management through the use of models which generate estimates of the change in its net portfolio value analysis ("NPV") over a range of interest rate scenarios. NPV represents the market value of portfolio equity, which is different from book value, and is equal to the market value of assets minus the market value of liabilities (that is, the difference between incoming and outgoing discounted cash flows of assets and liabilities) with adjustments made for off-balance sheet items. The NPV ratio, under any interest rate scenario, is defined as the NPV in that scenario divided by the market value of assets in the same scenario. Management reviews the quarterly reports from third-party industry sources, which show the impact of changing interest rates on net portfolio value. The following table sets forth our NPV as of June 30, 2026 and reflects the changes to NPV as a result of immediate and sustained changes in interest rates as indicated.

Change in Interest Rates in Basis Points (Rate Shock)	Net Portfolio Value Amount	$ Change	% Change	NPV as % of Portfolio Value of Assets NPV Ratio	Change
	(Dollars in thousands)				
300bp	$ 135,614	$ (19,530)	(12.6)%	28.5 %	(4.1)%
200	142,151	(12,993)	(8.4)%	29.9 %	(2.7)%
100	148,679	(6,465)	(4.2)%	31.2 %	(1.1)%
Static	155,144				
(100)	161,894	6,750	4.4 %	34.0 %	1.4 %
(200)	166,499	11,355	7.3 %	35.0 %	2.4 %
(300)	169,986	14,842	9.6 %	35.7 %	3.1 %

Net Interest Income Analysis. In addition to modeling changes in NPV, we also analyze potential changes to net interest income ("NII") for a twelve-month period under rising and falling interest rate scenarios. The following table shows our NII model as of June 30, 2026.

Change in Interest Rates in Basis Points (Rate Shock)	Net Interest Income	$ Change	% Change
	(Dollars in thousands)		
300bp	$ 18,832	$ (1,034)	(5.2)%
200	19,200	(666)	(3.4)%
100	19,545	(321)	(1.6)%
Static	19,866		
(100)	20,266	400	2.0 %
(200)	20,109	243	1.2 %
(300)	19,084	(782)	(3.9) %

The table above indicates that as of June 30, 2026, in the event of an immediate and sustained 300 basis point increase in interest rates, our net interest income for the twelve months ending June 30, 2027 would be expected to decrease by $1.0 million, or 5.2% to $18.8 million.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Not required for smaller reporting companies.

Item 4. Controls and Procedures

We maintain disclosure controls and procedures that are designed to provide assurance that the information required to be disclosed in the reports files or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission (the "Commission"). An evaluation of the effectiveness of our disclosure controls and procedures at the end of the period covered by this report was carried out under the supervision and with the participation of the Company's management, including our Chief Executive Officer and Chief Financial Officer. Based on such evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of such period.

There were no changes in our internal control over financial reporting during the quarter ended June 30, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

We are not presently involved in any legal proceedings of a material nature. From time to time, we are subject to various legal actions arising in the normal course of our business. In the opinion of management, the resolution of these legal actions is not expected to have a material adverse effect on our financial condition, results of operations or cash flows.

Item 1A. Risk Factors

Not required for smaller reporting companies.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

See Exhibit Index.

EXHIBIT INDEX

Exhibit No.	Description
3.1	Certificate of Incorporation of Hoyne Bancorp, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form S-1, as amended (Commission File No. 333-288102))
3.2	Bylaws of Hoyne Bancorp, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Registration Statement on Form S-1, as amended (Commission File No. 333-288102))
31.1	Certification of the Chief Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended, and Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Chief Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended, and Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

*This exhibit shall not be deemed "filed" by the Registrant for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, duly authorized.

Date: August 11, 2026

HOYNE BANCORP, INC.

By: /s/ Walter F. Healy
Walter F. Healy
President and Chief Executive Officer
(Principal Executive Officer)

/s/ Thomas S. Manfre
Thomas S. Manfre
Chief Financial Officer
(Principal Financial and Principal Accounting Officer)

Exhibit 31.1

Certification of Principal Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Walter F. Healy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hoyne Bancorp, Inc (the “Registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report.

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Dated: August 11, 2026	By: Walter F. Healy /s/Walter F. Healy Chief Executive Officer (Principal Executive Officer)

Certification of Principal Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Thomas S. Manfre, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hoyne Bancorp, Inc (the “Registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report.

4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter (the Registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and

5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

Dated: August 11, 2026

By: Thomas S. Manfre
/s/ Thomas S. Manfre
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Certification of Principal Executive Officer and Principal Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Walter F. Healy, Principal Executive Officer of Hoyne Bancorp, Inc. (the "Company"), and Thomas S. Manfre, Principal Financial Officer of the Company, each hereby certifies in his capacity as an officer of the Company that he has reviewed the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), and that to the best of his knowledge:

1. The Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 11, 2026	By: Walter F. Healy /s/ Walter F. Healy Chief Executive Officer (Principal Executive Officer)
Dated: August 11, 2026	By: Thomas S. Manfre /s/Thomas S. Manfre Chief Financial Officer (Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.