Citizens Community Bancorp Inc.

Earnings Release Presentation

2024 Second Quarter Results

Citizens Community Bancorp Inc.

Cautionary Notes and Additional Disclosures

DATES AND PERIODS PRESENTED

Unless otherwise noted, “20YY” refers to either the corresponding fiscal year-end date or the corresponding 12-months (i.e., fiscal year) then ended. “MMM-YY” refers to either the corresponding quarter-end date, or the corresponding three-month period then ended.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This presentation may contain certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. These statements include, but are not limited to, descriptions of the financial condition, results of operations, asset and credit quality trends, profitability, projected earnings, future plans, strategies and expectations of Citizens Community Bancorp, Inc. (“CZWI” or the “Company”) and its subsidiary, Citizens Community Federal, National Association (“CCFBank”) . The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and is including this statement for purposes of complying with those safe harbor provisions. Forward-looking statements, which are based on certain assumptions of the Company, are generally identifiable by use of the words “believe,” “expect,” “estimates,” “intend,” “anticipate,” “estimate,” “project,” “on pace,” “seek,” “target,” “potential,” “focus,” “may,” “preliminary,” “could,” “should” or similar expressions. These forward-looking statements express management’s current expectations or forecasts of future events, and by their nature, are subject to risks and uncertainties. Therefore, there are a number of factors that might cause actual results to differ materially from those in such statements. These uncertainties include: conditions in the financial markets and economic conditions generally; the impact of inflation on our business and our customers; geopolitical tensions, including current or anticipated impact of military conflicts; higher lending risks associated with our commercial and agricultural banking activities; future pandemics (including new variants of COVID-19); cybersecurity risks; adverse impacts on the regional banking industry and the business environment in which it operates; interest rate risk; lending risk; changes in the fair value or ratings downgrades of our securities; the sufficiency of allowance for credit losses; competitive pressures among depository and other financial institutions; disintermediation risk; our ability to maintain our reputation; our ability to maintain or increase our market share; our ability to realize the benefits of net deferred tax assets; our inability to obtain needed liquidity; our ability to raise capital needed to fund growth or meet regulatory requirements; our ability to attract and retain key personnel; our ability to keep pace with technological change; prevalence of fraud and other financial crimes; the possibility that our internal controls and procedures could fail or be circumvented; our ability to successfully execute our acquisition growth strategy; risks posed by acquisitions and other expansion opportunities, including difficulties and delays in integrating the acquired business operations or fully realizing the cost savings and other benefits; restrictions on our ability to pay dividends; the potential volatility of our stock price; accounting standards for credit losses; legislative or regulatory changes or actions, or significant litigation, adversely affecting the Company or Bank; public company reporting obligations; changes in federal or state tax laws; and changes in accounting principles, policies or guidelines and their impact on financial performance.

Stockholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. Such uncertainties and other risks that may affect the Company's performance are discussed further in Part I, Item 1A, "Risk Factors," in the Company's Form 10-K, for the year ended December 31, 2023, filed with the Securities and Exchange Commission ("SEC") on March 5, 2024, and the Company's subsequent filings with the SEC. The Company undertakes no obligation to make any revisions to the forward-looking statements contained herein or to update them to reflect events or circumstances occurring after the date hereof.

NON-GAAP FINANCIAL MEASURES

These slides contain non-GAAP financial measures. For purposes of Regulation G, a non-GAAP financial measure is a numerical measure of the registrant's historical or future financial performance, financial position or cash flows that excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statement of income, balance sheet or statement of cash flows (or equivalent statements) of the issuer; or includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented. In this regard, GAAP refers to generally accepted accounting principles in the United States. Non·GAAP financial measures referred to herein include net income as adjusted, EPS as adjusted, ROAA as adjusted, return on average tangible common equity (ROATCE), ROATCE as adjusted, tangible book value, tangible book value per share, efficiency ratio as adjusted and tangible common equity / tangible assets. Reconciliations of all Non·GAAP financial measures used herein to the comparable GAAP financial measures in the appendix at the end of this presentation.

SOURCE

Unless otherwise noted, internal Company documents

Citizens Community Bancorp Inc.

Investment Summary

Markets	Growing markets with diverse industries and unemployment rates lower than national averages mitigate volatility and support steady growth
Returns	Strong earnings and ROATCE profile with capacity and infrastructure to grow organically
Asset Quality	Sound underwriting practices and portfolio administration have produced strong credit performance
Capital Ratios	Solid bank capital ratios and improving holding company regulatory capital ratios
Shareholder Friendly	Board and Executive Management commitment to the company's stock through individual share repurchases and open authorization to reduce share count

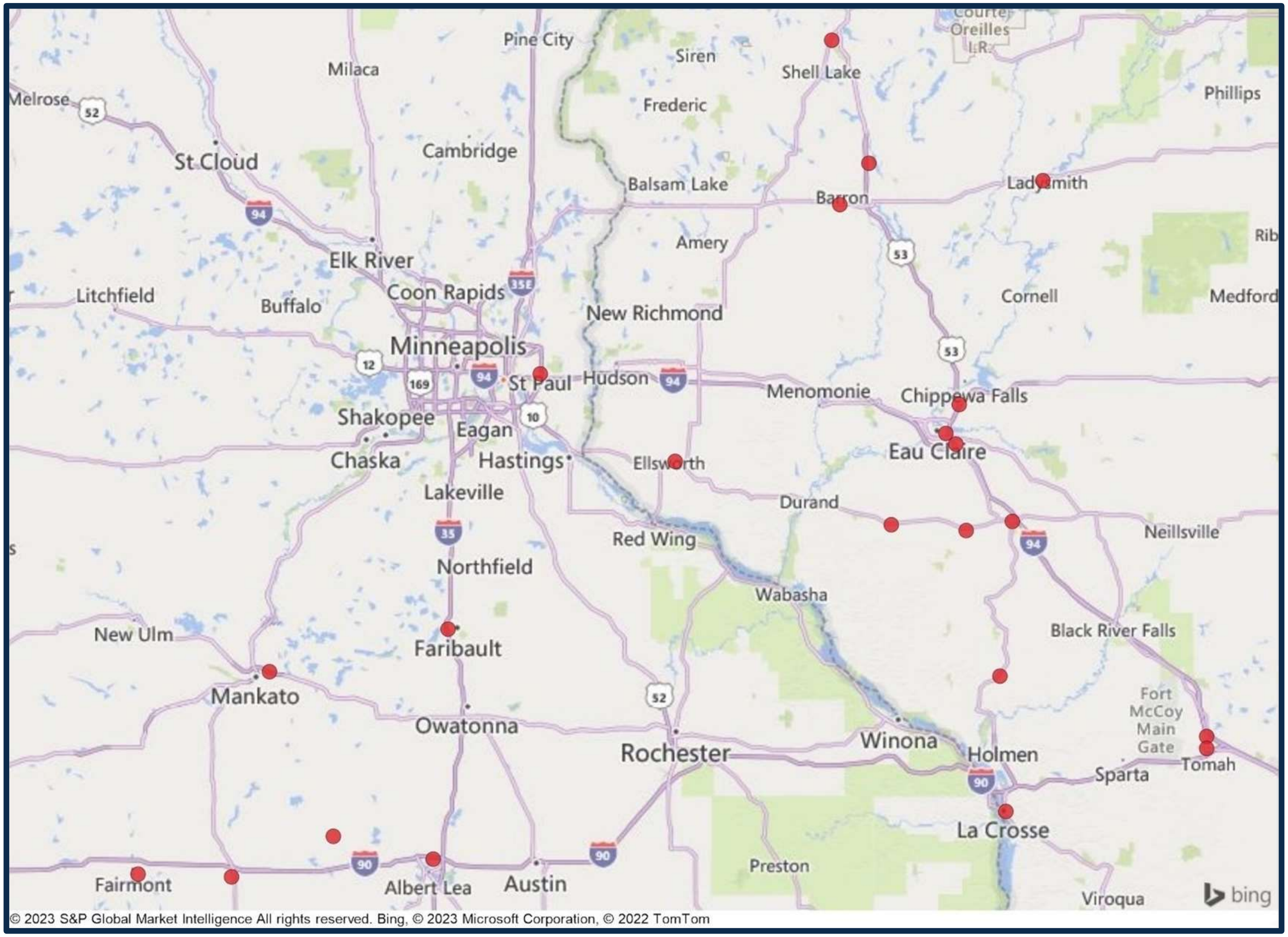
Citizens Community Bancorp Inc.

Performance Objectives

Capital Management	Decrease balance sheet size and maximize earnings to enhance capital in case of an economic downturn, and to support share repurchases under buyback authorizations
Diversification	Maintain balanced deposit and loan portfolios to minimize concentrations by industry, customer, product types, loan exposures and geography
Strong Asset Quality Metrics	Maintain a strong credit culture which emphasizes prudent underwriting, disciplined loan administration, and timely intervention with borrowers experiencing difficulties
Operating Leverage	Continuously update workflows and use of software applications to improve productivity, efficiency, and customer service
Sustainable Business Practices	Foster a culture of accountability for executing business strategy in a manner that engages customers, colleagues, and our communities that will generate strong results and increase stakeholder value

Operating Market Overview

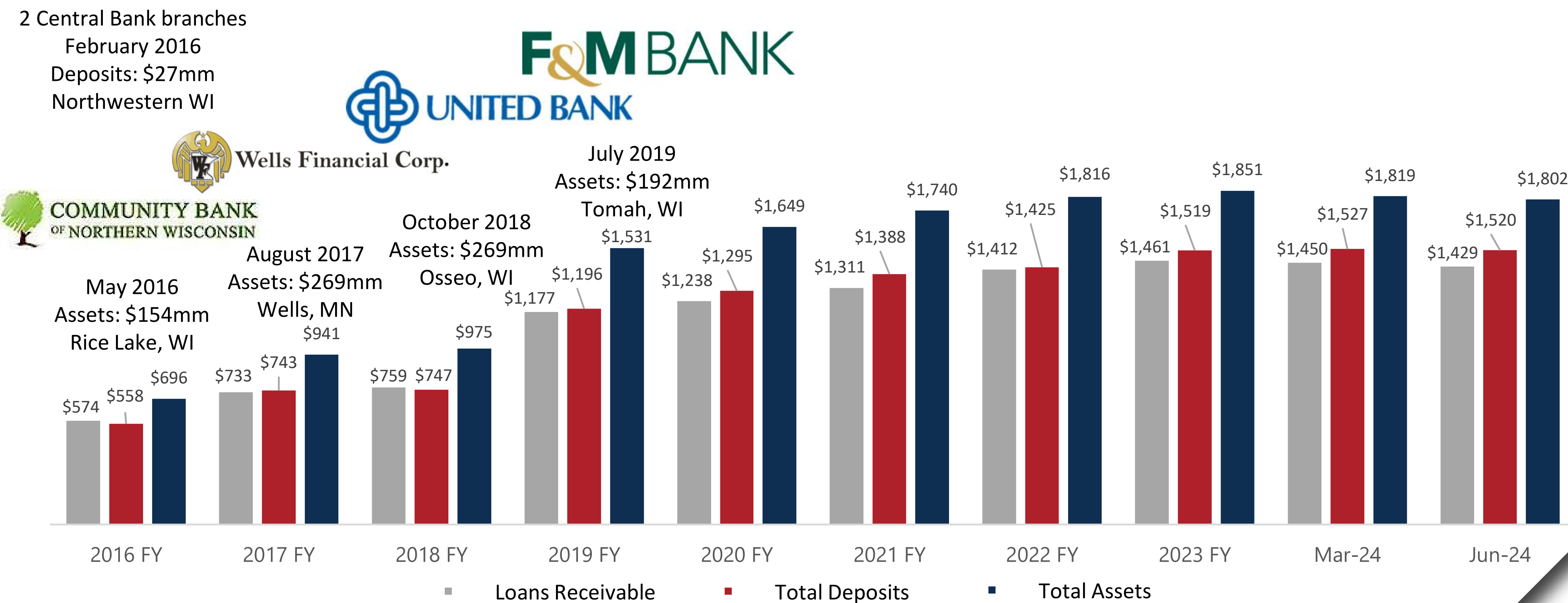
CZWI Operates in diverse markets within the northwestern region of Wisconsin, metro Twin Cities and the Mankato, Minnesota MSA



Source: S&P Global Market Intelligence

Franchise Expansion

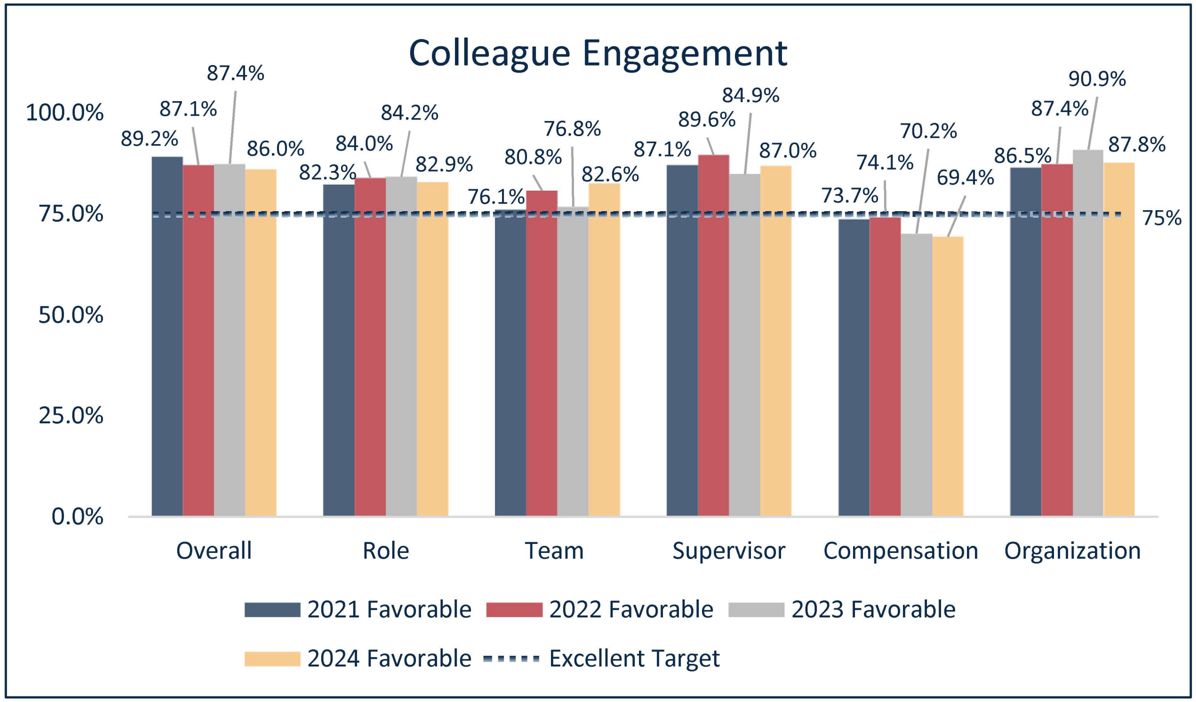
CZWI has transformed the Company from a consumer bank to a commercial bank to strengthen the earnings profile and franchise.



Source: S&P Global Market Intelligence, company filings

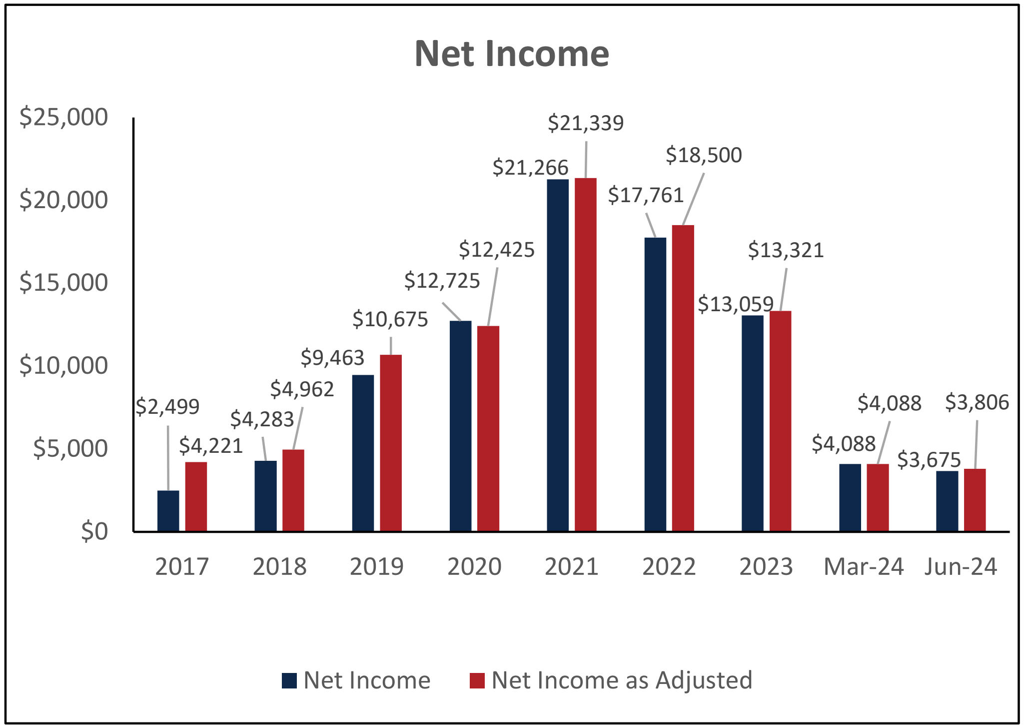
Culture & Engagement

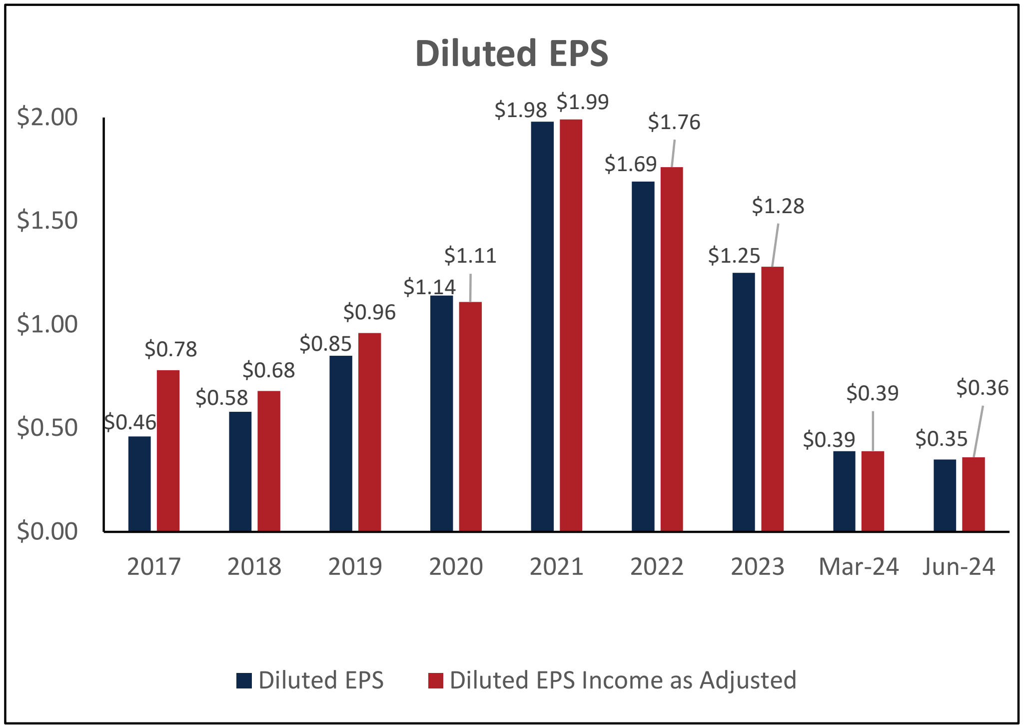
	2021	2022	2023	2024
Participation Rate:	71.8%	91.4%	84.8%	95.1%



Citizens Community Bancorp Inc.

Net Income and Diluted EPS

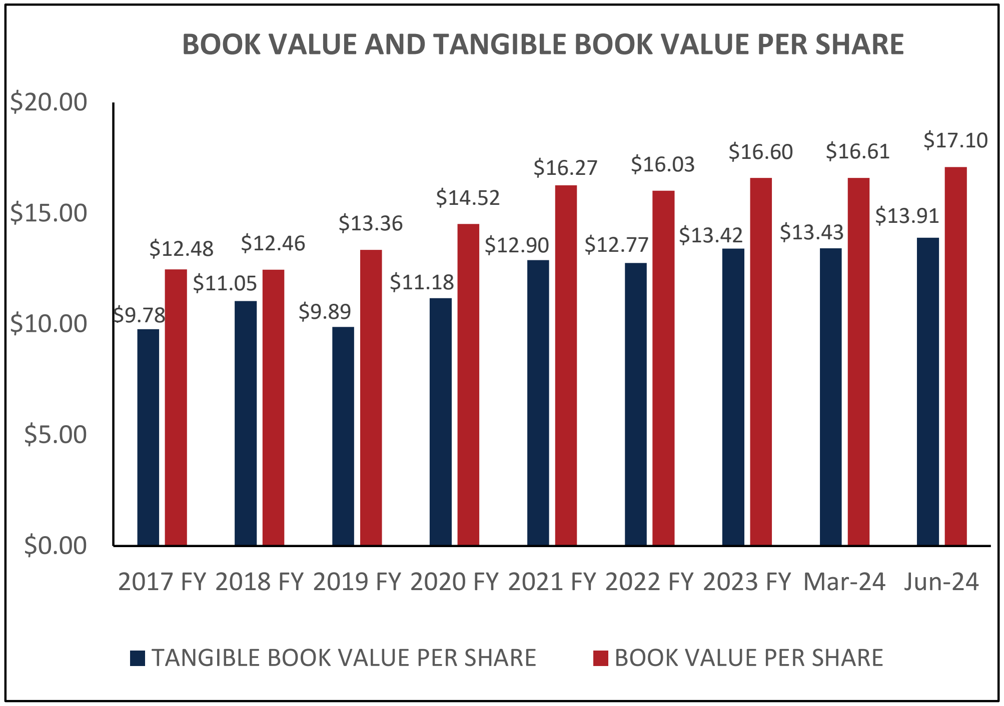


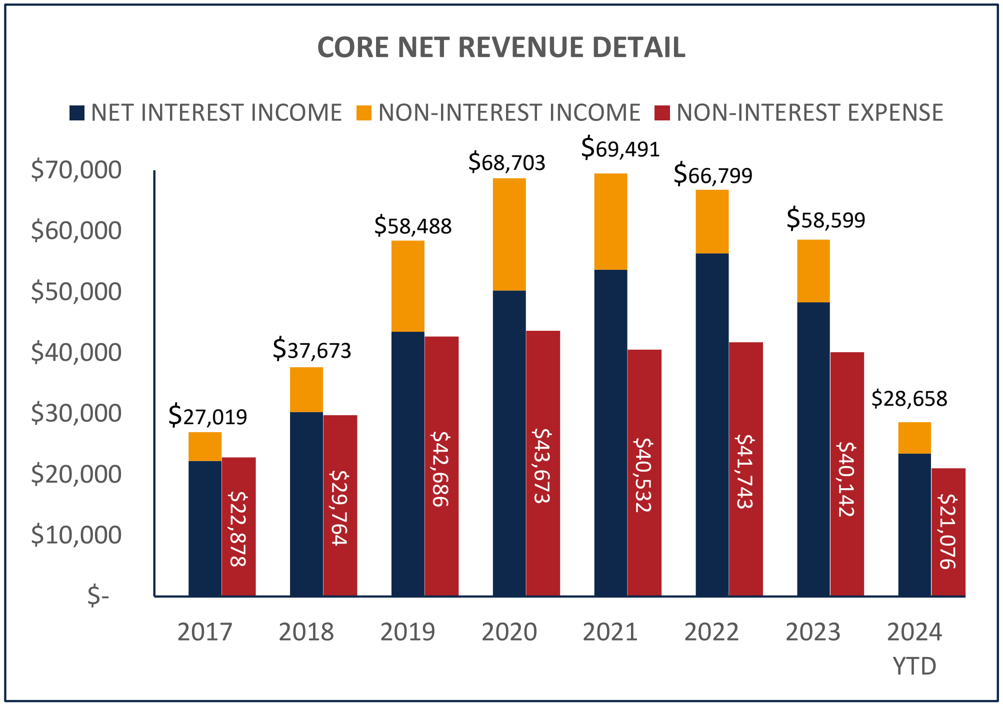


Net Income as Adjusted and Diluted EPS Income as Adjusted are non-GAAP financial measures, which management believes may be helpful in understanding the Company's results of operations or financial position and comparing results over different periods. Reconciliation of Net Income and Diluted EPS Income as Adjusted to the comparable GAAP financial measure can be found in the appendix of this presentation. These measures should not be viewed as a substitute for operating results determined in accordance with GAAP.

Source: S&P Global Market Intelligence, company filings

Book Value, Tangible Book Value and Core Net Revenue Detail

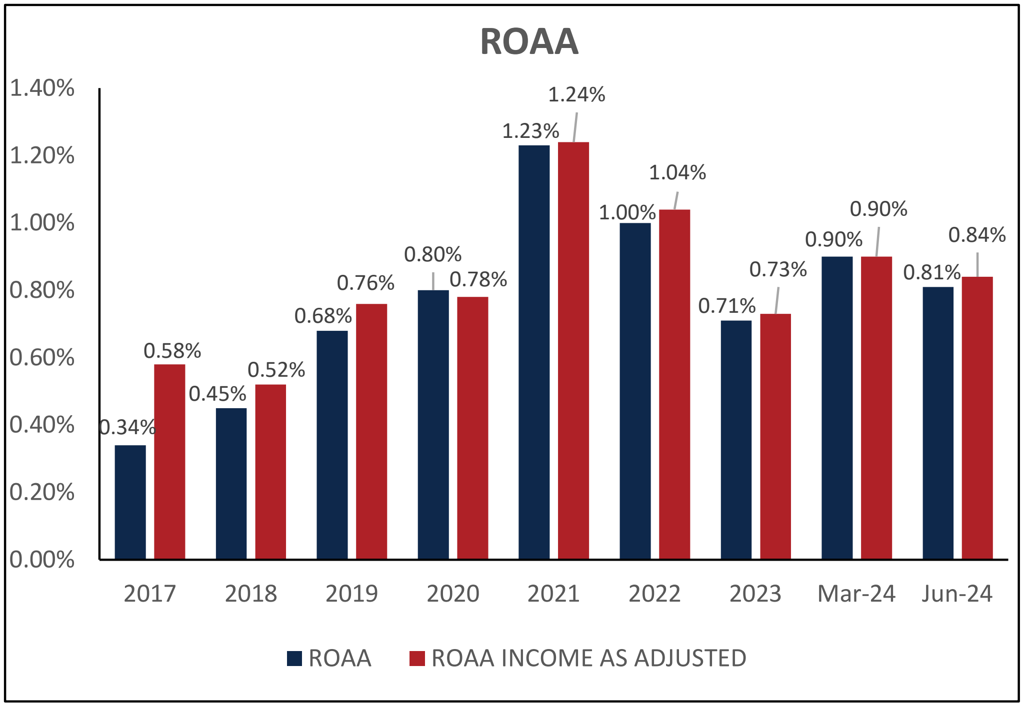


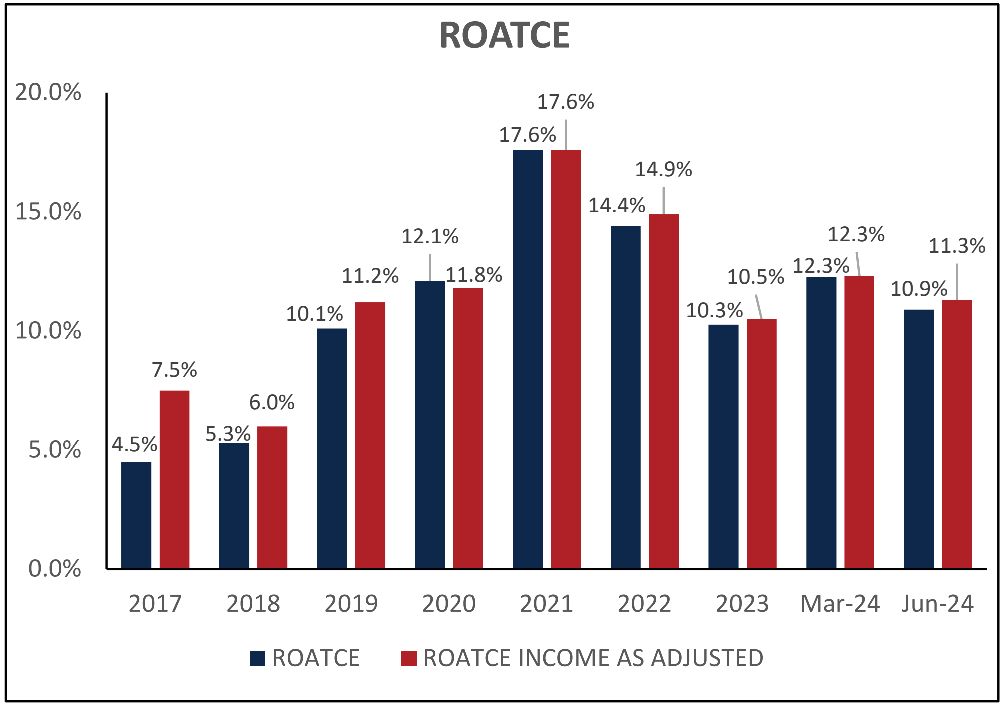


Tangible book value per share is a non-GAAP measure which management believes may be helpful in better assessing capital adequacy.
The reconciliation of Tangible book value per share can be found in the appendix of this presentation. These measures should not be viewed as substitutes for operating results determined in accordance with GAAP.

Source: S&P Global Market Intelligence, company filings

Return on Average Assets and Return on Average Tangible Common Equity



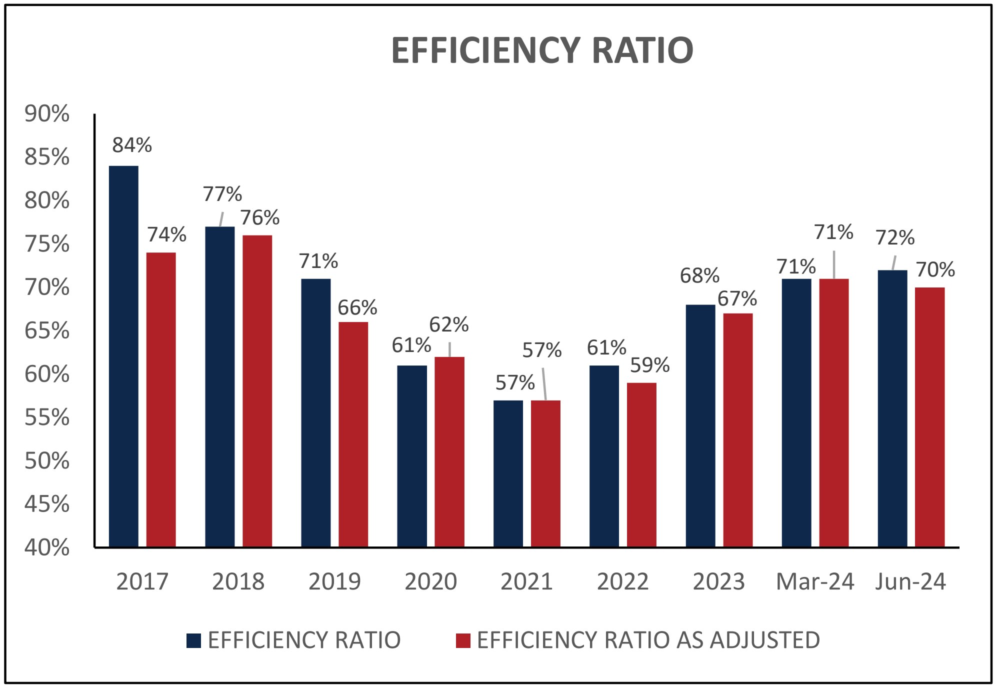


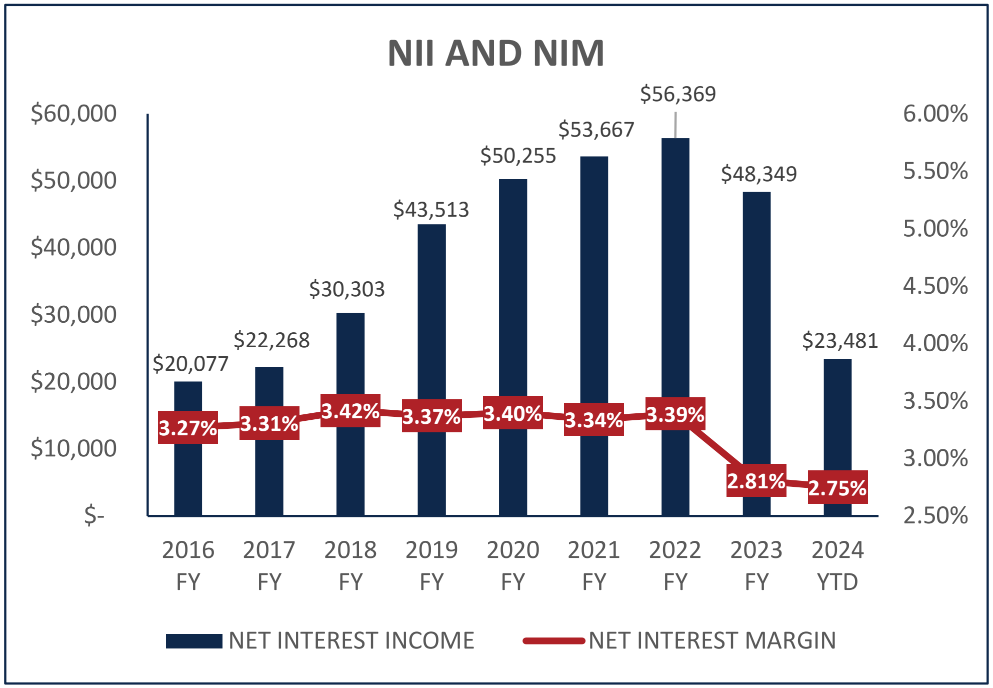
Return on average assets as adjusted, return on average tangible common equity (ROATCE) and ROATCE as adjusted are non-GAAP measures, which management believes may be helpful in better understanding the underlying business performance trends related to average assets and average tangible equity. Reconciliations of ROAA as adjusted, ROTCE, and ROTCE as adjusted can be found in the appendix of this presentation. These measures should not be viewed as substitutes for operating results determined in accordance with GAAP.

Source: SEC filings and Company documents

Efficiency Ratio, Net Interest Income (NII) and Net Interest Margin (NIM)

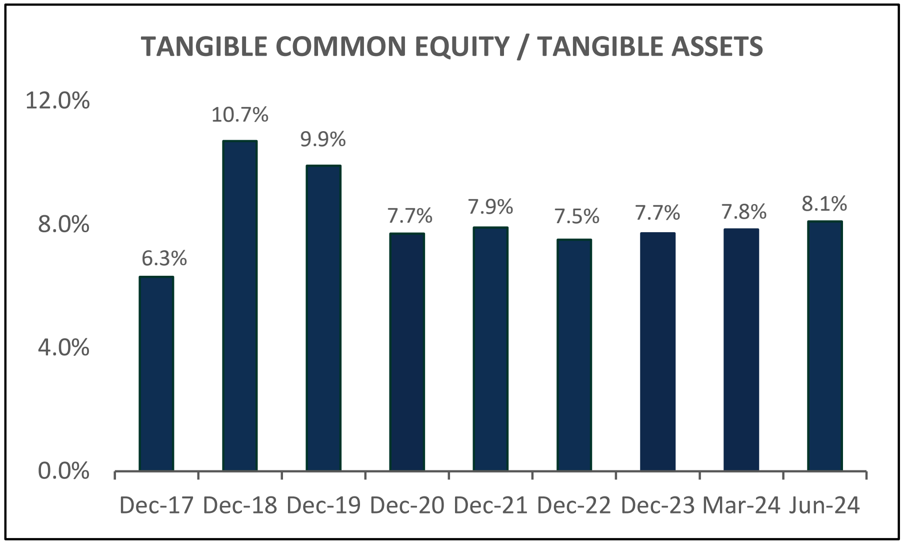
Citizens Community Bancorp Inc.

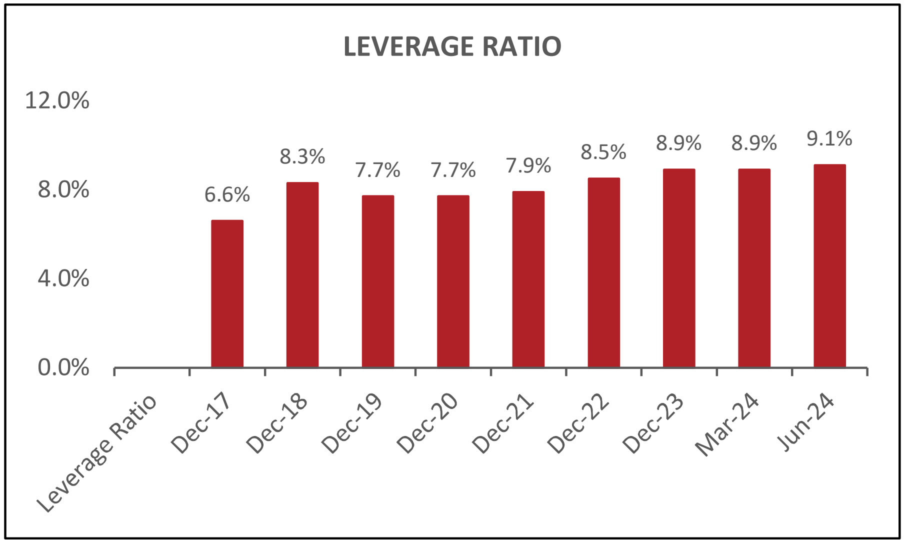


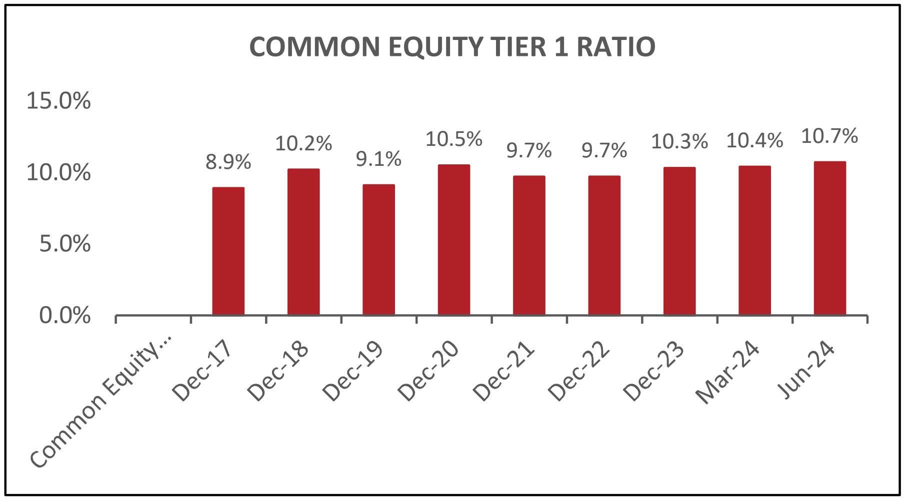


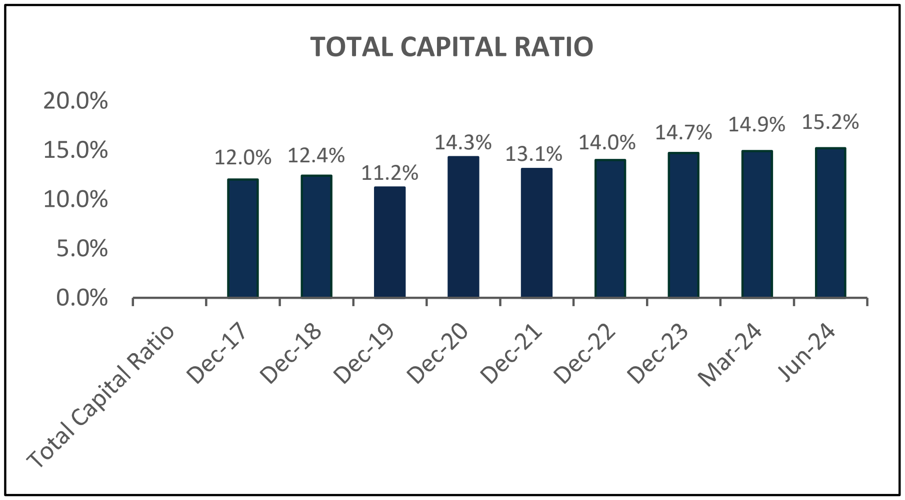
The efficiency ratio as adjusted is a non-GAAP measure, which management believes may be helpful in better understanding the underlying business performance trends related to non-interest expense. A reconciliation of the efficiency ratio as adjusted to its comparable GAAP financial measure can be found in the appendix of this presentation. This measure should not be viewed as a substitute for operating results determined in accordance with GAAP.

Citizens Community Bancorp, Inc.
Capital Ratios





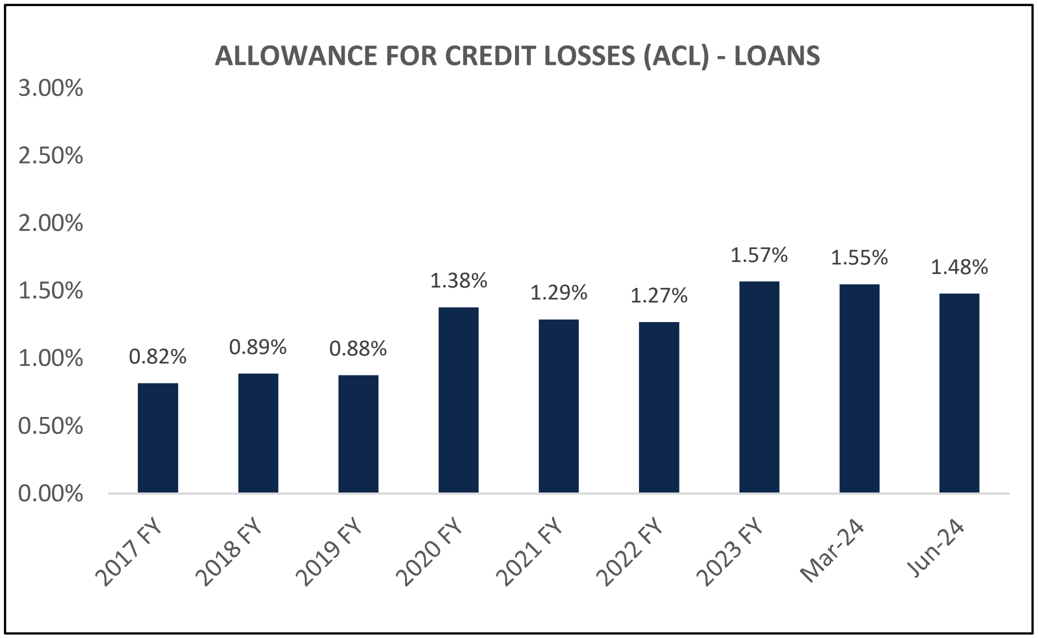


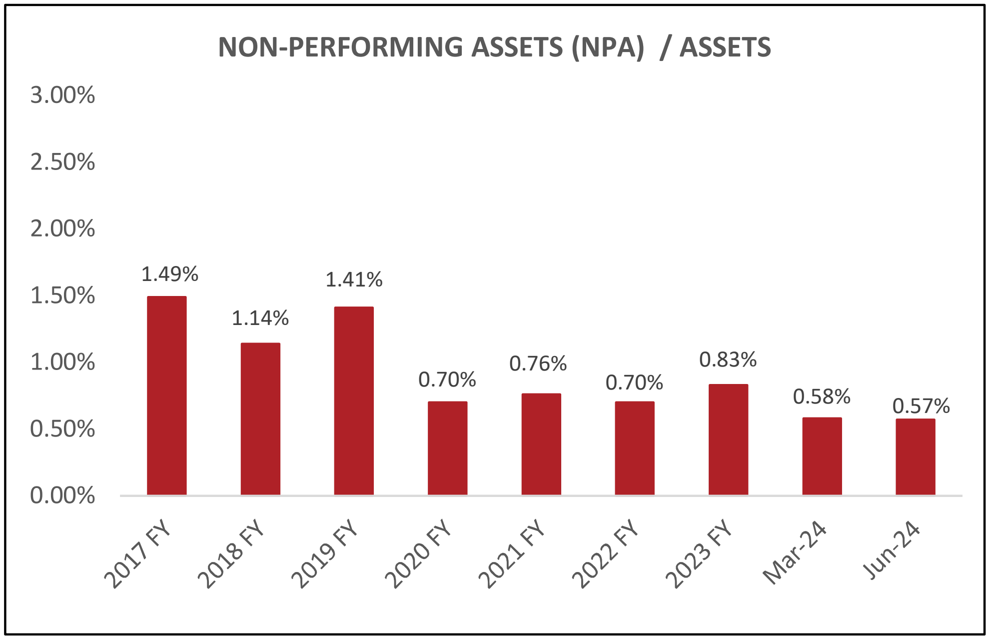


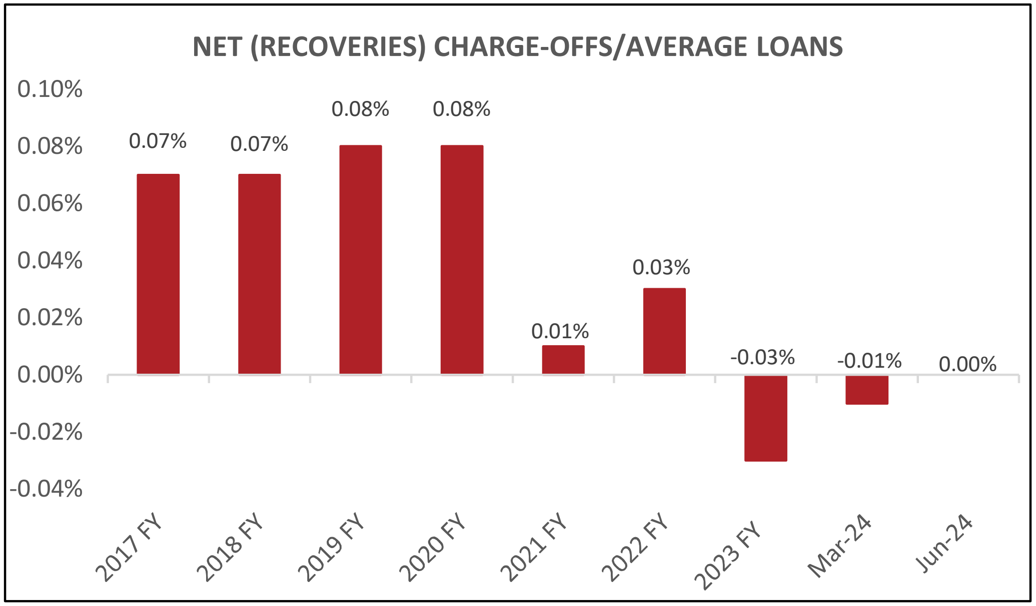
Tangible common equity/tangible assets is a non-GAAP measure, which management believes may be helpful in better understanding the underlying business performance trends related to tangible assets and tangible common equity. A reconciliation of tangible common equity and tangible assets to its comparable financial measure can be found in the appendix of the presentation. This measure should not be viewed as a substitute for operating results determined in accordance with GAAP.

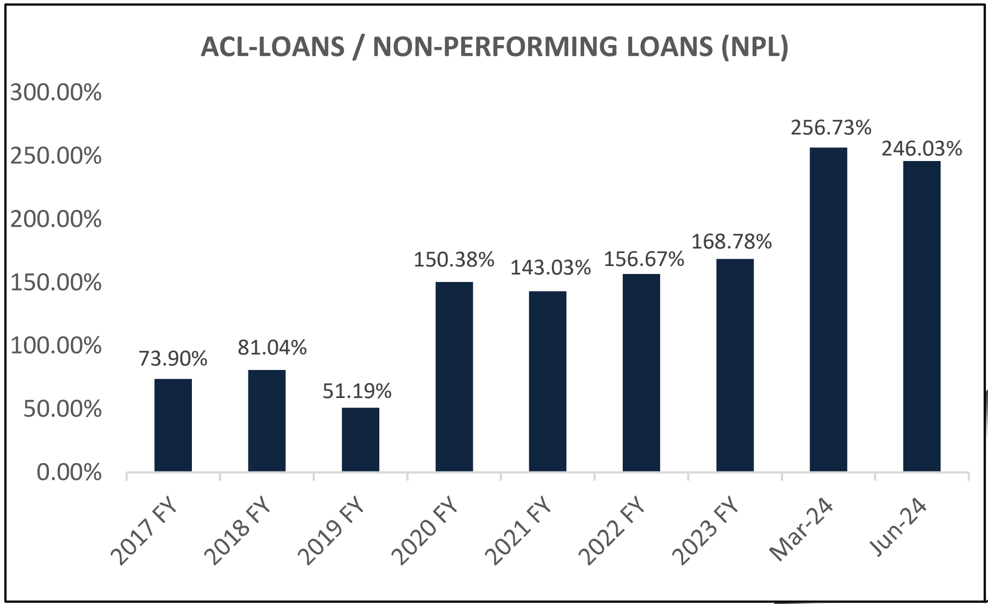
Citizens Community Bancorp Inc.

Asset Quality



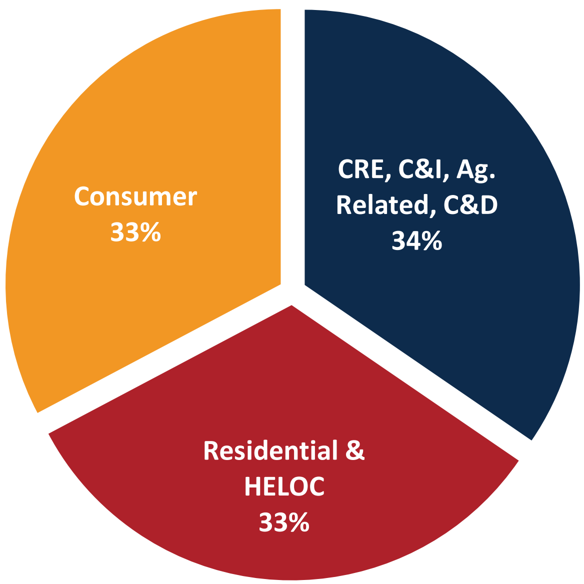




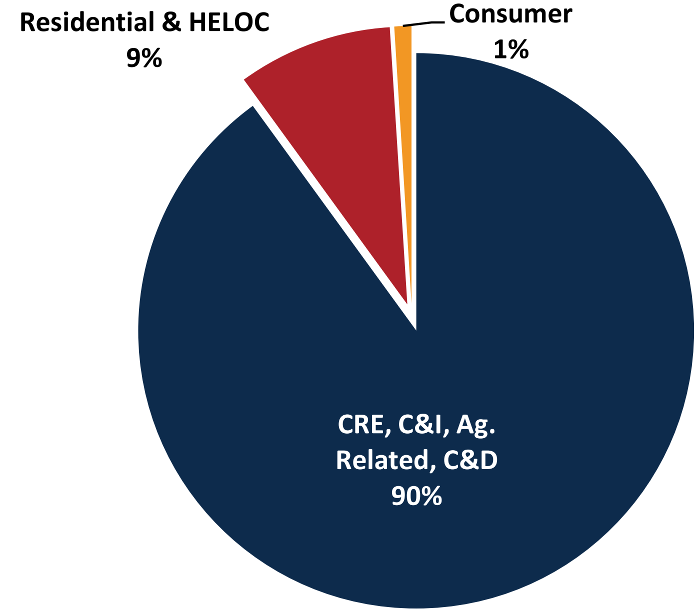


Loan Portfolio

09/30/2016



06/30/2024



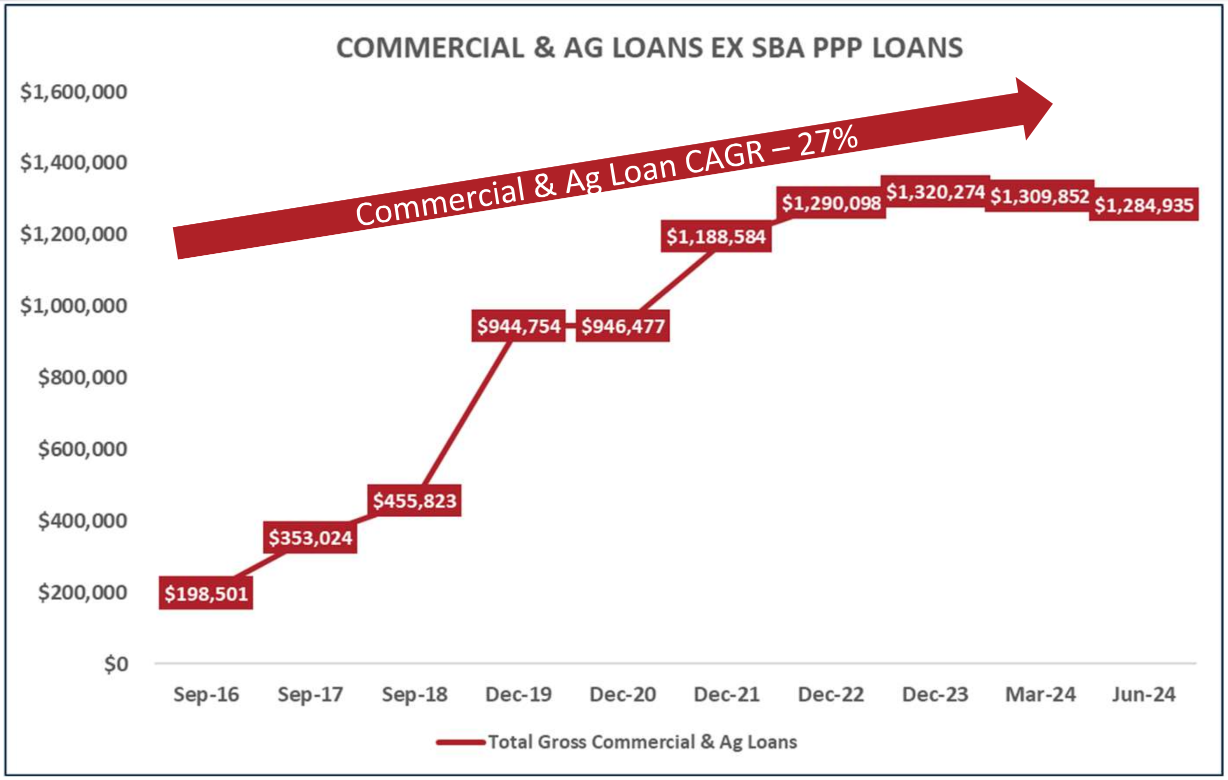
($000s)	Sep-16	Sep-17	Sep-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24	
Commercial Real Estate	$54,600	$109,024	$156,735	$420,383	$425,283	$610,214	$630,857	$653,437	$650,856	$637,848	
Housing related CRE	$53,475	$77,166	$108,029	$181,084	$204,544	$266,600	$304,022	$325,189	$330,314	$326,145	
Commercial & Industrial	$31,001	$55,251	$76,254	$133,734	$116,553	$122,167	$136,013	$121,666	$128,434	$127,386	
Ag. Real Estate / Ag. Operating	$42,845	$91,875	$97,066	$123,143	$101,580	$110,083	$116,714	$109,041	$106,688	$105,657	**Q2 2024**
Construction & Development	$16,580	$19,708	$17,739	$86,410	$98,517	$79,520	$102,492	$110,941	$93,560	$87,898	**5.57%**
Residential mortgage and Purchased HELOC loans	$187,738	$247,634	$209,781	$184,739	$137,646	$94,861	$108,651	$131,901	$132,560	$136,419	**Yield (1)**
Indirect Consumer Installment	$168,294	$115,287	$78,245	$39,585	$25,851	$15,971	$10,236	$6,535	$5,851	$5,110	
Consumer Installment	$19,715	$20,668	$18,844	$18,186	$13,213	$8,874	$7,150	$6,187	$5,750	$5,860	
Gross Loans Ex SBA PPP Loans	**$574,248**	**$736,613**	**$762,693**	**$1,187,264**	**$1,123,187**	**$1,308,290**	**$1,416,135**	**$1,464,897**	**$1,454,013**	**$1,432,323**	
SBA PPP Loans	$0	$0	$0	$0	$123,702	$8,755	$0	$0	$0	$0	
Total Gross Loans	**$574,248**	**$736,613**	**$762,693**	**$1,187,264**	**$1,246,889**	**$1,317,045**	**$1,416,135**	**$1,464,897**	**$1,454,013**	**$1,432,323**	

(1) Yield excludes SBA PPP accretion, PCI loan accretion, loan purchase accretion, and interest income recognized on nonaccrual loan payoffs

Citizens Community Bancorp Inc.

Commercial & Ag Loan Portfolio

- CZWI has transformed its loan portfolio through organic growth and acquisitions
- Change has occurred from a primarily consumer focused portfolio to a diversified mix consisting of commercial real estate, agricultural and commercial business loans
- Credit quality remains a focus in conjunction with loan growth

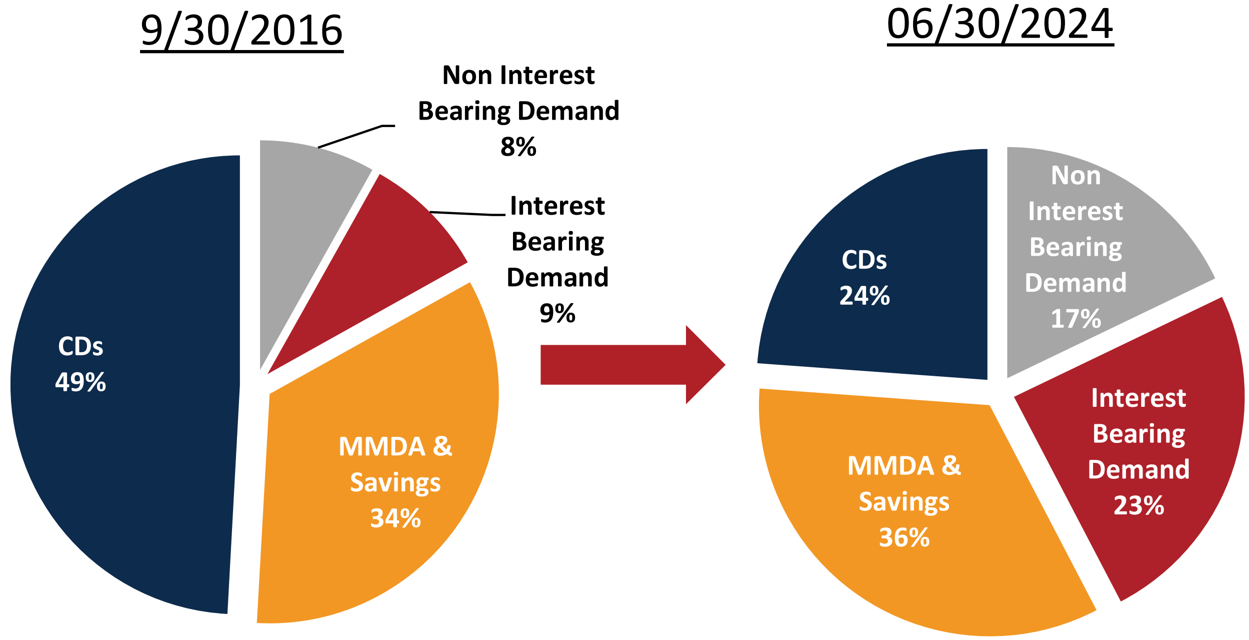


($000s)	Sep-16	Sep-17	Sep-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24
Gross Commercial & Ag Loans:										
Commercial real estate	$88,940	$159,962	$216,703	$514,459	$507,675	$698,465	$725,971	$750,531	$745,720	$729,236
Agricultural real estate	$28,198	$68,002	$70,517	$85,363	$68,795	$78,495	$87,908	$83,350	$80,451	$78,248
Multi-family real estate	$19,135	$26,228	$48,061	$87,008	$122,152	$178,349	$208,908	$228,095	$235,450	$234,758
Construction and development	$16,580	$19,708	$17,739	$86,410	$98,517	$79,520	$102,492	$110,941	$93,560	$87,898
Commercial and industrial	$31,001	$55,251	$76,254	$133,734	$116,553	$122,167	$136,013	$121,666	$128,434	$127,386
Agricultural operating	$14,647	$23,873	$26,549	$37,780	$32,785	$31,588	$28,806	$25,691	$26,237	$27,409
Total Gross Commercial & Ag Loans	**$198,501**	**$353,024**	**$455,823**	**$944,754**	**$946,477**	**$1,188,584**	**$1,290,098**	**$1,320,274**	**$1,309,852**	**$1,284,935**

Citizens Community Bancorp Inc.

Deposit Composition

- Focus has been on transforming the deposit composition to core deposits
- Deposit transformation and growth has been achieved through both acquisitions and organic initiatives



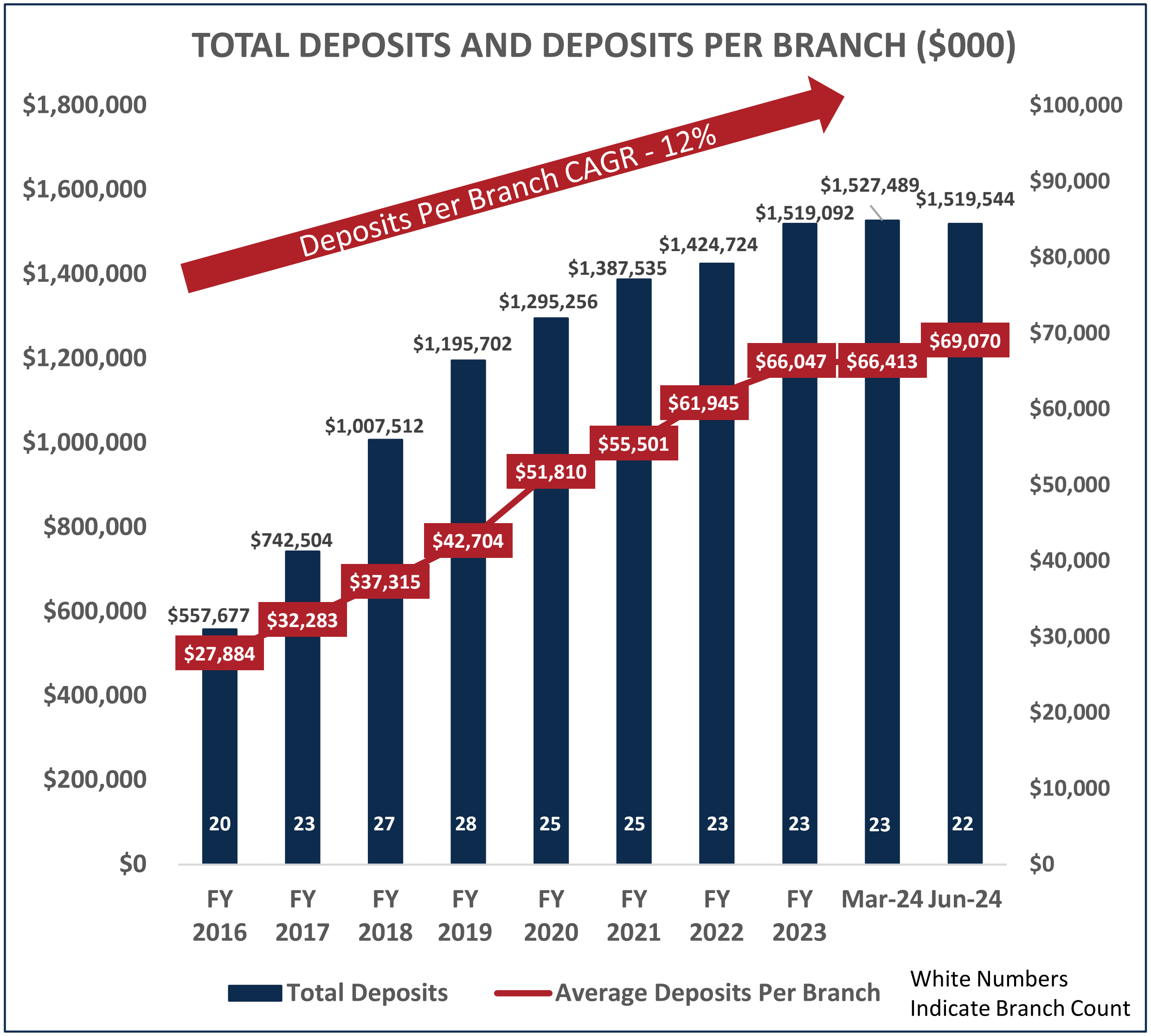
Deposit Composition - Quarter Lookback

($000)	Sep-16	Sep-17	Sep-18	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23	Mar-24	Jun-24	
Non-interest-bearing demand deposits	$45,408	$75,318	$87,495	$168,157	$238,348	$276,631	$284,726	$265,704	$248,537	$255,703	
Interest bearing demand deposits	$48,934	$147,912	$139,276	$223,102	$301,764	$396,231	$371,210	$343,276	$361,278	$353,477	**Q2 2024**
Savings accounts	$52,153	$102,756	$97,329	$156,599	$196,348	$222,674	$220,019	$176,548	$177,595	$170,946	**Cost of Deposits**
Money market accounts	$137,234	$125,749	$109,314	$246,430	$245,549	$288,985	$323,435	$374,055	$387,879	$370,164	**2.49%**
Certificate accounts	$273,948	$290,769	$313,115	$401,414	$313,247	$203,014	$225,334	$359,509	$352,200	$369,254	
Total Deposits	**$557,677**	**$742,504**	**$746,529**	**$1,195,702**	**$1,295,256**	**$1,387,535**	**$1,424,724**	**$1,519,092**	**$1,527,489**	**$1,519,544**	

Source: S&P Global Market Intelligence, company filings

Citizens Community Bancorp Inc.

Branch Deposit Growth & Efficiency



Includes branch acquisitions and consolidations

- $69 million average branch size as of June 30, 2024, up 148% in size over the past 8 years
- 3 branch locations were consolidated in 2022
- 1 branch location opened in 2022 in an identified market of opportunity
- 1 branch closed in 2Q 2024
- Since FY 2016
  - 19 branches opened or purchased
  - 17 branches closed, consolidated, or sold

Source: S&P Global Market Intelligence, company filings

Appendix

Citizens Community Bancorp Inc.

Net Interest Margin Analysis

	Quarter ended June 30, 2024			Quarter ended March 31, 2024			Quarter ended December 31, 2023			Quarter ended September 30, 2023		
($ Dollars in Thousands)	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
Average interest earning assets:												
Cash and cash equivalents	$ 18,894	$ 272	5.79%	$ 13,071	$ 191	5.88%	$ 16,699	$ 241	5.75%	$ 21,298	$ 302	5.63%
Loans receivable	1,439,535	19,921	5.57%	1,456,586	20,168	5.57%	1,458,558	19,408	5.28%	1,435,284	19,083	5.27%
Investment securities	238,147	2,012	3.40%	243,991	2,060	3.40%	243,705	2,102	3.42%	252,226	2,119	3.33%
Non-marketable equity securities, at cost	13,051	258	7.95%	13,350	260	7.83%	15,760	275	6.92%	15,511	268	6.85%
Total interest earning assets	$ 1,709,627	$ 22,463	5.28%	$ 1,726,998	$ 22,679	5.28%	$ 1,734,722	$ 22,026	5.04%	$ 1,724,319	$ 21,772	5.01%
Average interest-bearing liabilities:												
Total deposits	$ 1,258,778	$ 9,338	2.98%	$ 1,268,485	$ 9,209	2.92%	$ 1,199,468	$ 7,851	2.60%	$ 1,209,688	$ 7,388	2.42%
FHLB Advances & Other Borrowings	121,967	1,549	5.11%	124,701	1,565	5.05%	191,575	2,428	5.03%	182,967	2,263	4.91%
Total interest bearing liabilities	$ 1,380,745	$ 10,887	3.17%	$ 1,393,186	$ 10,774	3.11%	$ 1,391,043	$ 10,279	2.93%	$ 1,392,655	$ 9,651	2.75%
Net interest income		$ 11,576			$ 11,905			$ 11,747			$ 12,121	
Interest Rate Spread			**2.11%**			**2.17%**			**2.11%**			**2.26%**
Net interest margin			**2.72%**			**2.77%**			**2.69%**			**2.79%**

Source: S&P Global Market Intelligence, company filings

Interest Rate Risk

Economic Value of Equity (EVE)			
June 30, 2024		December 31, 2023	
Change in Interest Rates In Basis Points ("bp") Rate Shock in Rates (1)	Percent Change	Change in Interest Rates In Basis Points ("bp") Rate Shock in Rates (1)	Percent Change
+300 bp	1%	+300 bp	0%
+200 bp	0%	+200 bp	0%
+100 bp	0%	+100 bp	0%
-100 bp	0%	-100 bp	0%
-200 bp	-1%	-200 bp	-2%

Net Interest Income Over One Year Horizon			
June 30, 2024		December 31, 2023	
Change in Interest Rates In Basis Points ("bp") Rate Shock in Rates (1)	Percent Change	Change in Interest Rates In Basis Points ("bp") Rate Shock in Rates (1)	Percent Change
+300 bp	-10%	+300 bp	-13%
+200 bp	-7%	+200 bp	-8%
+100 bp	-4%	+100 bp	-4%
-100 bp	4%	-100 bp	4%
-200 bp	7%	-200 bp	7%

(1) Assumes an immediate and parallel shift in the yield curve at all maturities.

Note: The tables above may not be indicative of future results.

Reconciliation of Non-GAAP Financial Measures

Citizens Community Bancorp Inc.

Reconciliation of GAAP Earnings and Core Earnings (non-GAAP):

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Mar-24	Jun-24
GAAP pre-tax earnings	$ 3,822	$ 6,609	$ 12,277	$ 17,280	$ 28,959	$ 23,581	$ 18,932	$ 5,192	$ 4,715
Merger related costs (1)	$ 1,860	$ 463	$ 3,880	$ -	$ -	$ -	$ -	$ -	$ -
Branch closure costs (2)	$ 951	$ 26	$ 15	$ 165	$ -	$ 981	$ 380	$ -	$ 168
Settlement proceeds (3)	$ (283)	$ -	$ -	$ (131)	$ -	$ -	$ -	$ -	$ -
FHLB borrowings prepayment fee (4)	$ 104	$ -	$ -	$ -	$ 102	$ -	$ -	$ -	$ -
Audit and Financial Reporting (5)	$ -	$ -	$ 358	$ -	$ -	$ -	$ -	$ -	$ -
Net gain on sale of branch	$ -	$ -	$ (2,295)	$ -	$ -	$ -	$ -	$ -	$ -
Net gain on sale of acquired business lines (6)	$ -	$ -	$ -	$ (432)	$ -	$ -	$ -	$ -	$ -
Income before provision for income taxes as adjusted (7)	$ 6,454	$ 7,098	$ 14,235	$ 16,882	$ 29,061	$ 24,562	$ 19,312	$ 5,192	$ 4,883
Provision for income tax on pre-tax earnings as adjusted (8)	$ 2,233	$ 1,798	$ 3,260	$ 4,457	$ 7,722	$ 6,062	$ 5,991	$ 1,104	$ 1,077
Tax impact of certain acquired BOLI policies (9)	$ -	$ -	$ 300	$ -	$ -	$ -		$ -	$ -
Tax cuts and Jobs Act of 2017 (10)	$ -	$ 338	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total provision for income tax as adjusted	$ 2,233	$ 2,136	$ 3,560	$ 4,457	$ 7,722	$ 6,062	$ 5,991	$ 1,104	$ 1,077
Net income as adjusted (non-GAAP) (7)	$ 4,221	$ 4,962	$ 10,675	$ 12,425	$ 21,339	$ 18,500	$ 13,321	$ 4,088	$ 3,806
GAAP diluted earnings per share, net of tax	$ 0.46	$ 0.58	$ 0.85	$ 1.14	$ 1.98	$ 1.69	$ 1.25	$ 0.39	$ 0.35
Merger related costs, net of tax	$ 0.22	$ 0.06	$ 0.27	$ -	$ -	$ -	$ -	$ -	$ -
Branch related costs, net of tax	$ 0.12	$ -	$ -	$ 0.01	$ -	$ 0.07	$ 0.03	$ -	$ 0.01
Settlement proceeds	$ (0.03)	$ -	$ -	$ (0.01)	$ -	$ -	$ -	$ -	$ -
FHLB borrowings prepayment fee	$ 0.01	$ -	$ -	$ -	$ 0.01	$ -	$ -	$ -	$ -
Tax impact of certain acquired BOLI policies (9)	$ -	$ -	$ (0.03)	$ -	$ -	$ -	$ -	$ -	$ -
Tax Cuts and Jobs Act of 2017 tax provision (10)	$ -	$ 0.04	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Audit and Financial Reporting, net of tax	$ -	$ -	$ 0.02	$ -	$ -	$ -	$ -	$ -	$ -
Net gain on sale of branch	$ -	$ -	$ (0.15)	$ -	$ -	$ -	$ -	$ -	$ -
Net gain on sale of acquired business lines	$ -	$ -	$ -	$ (0.03)	$ -	$ -	$ -	$ -	$ -
Diluted earnings per share, as adjusted, net of tax (non-GAAP)	$ 0.78	$ 0.68	$ 0.96	$ 1.11	$ 1.99	$ 1.76	$ 1.28	$ 0.39	$ 0.36
Average diluted shares outstanding	5,378,548	7,335,247	11,121,435	11,161,811	10,726,539	10,513,773	10,470,298	10,443,267	10,373,089

Citizens Community Bancorp Inc.

Reconciliation of Non-GAAP Financial Measures

(1) All costs incurred are presented as professional fees and other non-interest expense in the consolidated statement of operations and include costs $0, $0, $0, $0, $0, $0, $341,000, $350,000, and $565,000 for the three months ended June 30, 2024 and March 31, 2024, and years ended December 31, 2023, December 31, 2022, December 31, 2021, December 31, 2020, December 31, 2019, September 30, 2018, and September 30, 2017, respectively, which are nondeductible expenses for federal income tax purposes.

(2) Branch closure costs include severance pay recorded in compensation and benefits, accelerated depreciation expense and lease termination fees included in occupancy and other costs included in other non-interest expense in the consolidated statement of operations. In addition, other non-interest expense includes costs related to the reduction in valuation of a closed branch office in the fourth quarter of fiscal 2017 and costs associated with three branch closures during the quarter ended December 31, 2020, one branch closure in the quarter ended September 30, 2022, two branch closures in the quarter ended December 31, 2022, one branch office closure in the quarter ended December 31, 2023, and one branch office closure in the quarter ended June 30, 2024. Professional services includes legal costs related to the sale of the Michigan branch included in these Branch closure costs during the quarter ended March 31, 2019.

(3) Settlement proceeds includes litigation income from a JP Morgan Residential Mortgage-Backed Security (RMBS) claim. This JP Morgan RMBS was previously owned by the Bank and sold in 2011.

(4) The prepayment fee to restructure our FHLB borrowings is included in other non-interest expense in the consolidated statement of operations.

(5) Audit and financial reporting costs include additional audit and professional fees related to the change in our year end from September 30 to December 31, effective December 31, 2018.

(6) Net gain on sale of acquired business lines resulted from (1) the sale of Wells Insurance Agency and (2) the termination and sale of the wealth management business line sales contract acquired in a former acquisition.

(7) Pretax net income as adjusted and net income as adjusted are non-GAAP measures that management believes enhances the market's ability to assess the underlying business performance and trends related to core business activities.

(8) Provision for income tax on pre-tax income as adjusted is calculated at our effective tax rate for each respective period presented.

(9) Tax impact of certain acquired BOLI policies from United Bank.

(10) As a result of the Tax Cuts and Jobs Act of 2017, we recorded a one-time net tax provision of $338,000 in 2018, which is included in provision for income taxes expense in the consolidated statement of operations.

Citizens Community Bancorp Inc.

Reconciliation of Non-GAAP Financial Measures

Return on Average Assets (ROAA) as Adjusted

(In thousands except ROAA and ROAA as adjusted)

	2017	2018	2019	2020	2021	2022	2023	Mar-24	Jun-24
Net Income	$ 2,499	$ 4,283	$ 9,463	$ 12,725	$ 21,266	$ 17,761	$ 13,059	$ 4,088	$ 3,675
Net Income as adjusted	$ 4,221	$ 4,962	$ 10,675	$ 12,425	$ 21,339	$ 18,500	$ 13,321	$ 4,088	$ 3,806
Average assets	$ 731,407	$ 954,912	$ 1,398,482	$ 1,594,053	$ 1,722,483	$ 1,775,049	$ 1,836,337	$ 1,834,152	$ 1,815,693
Return on average assets	**0.34%**	**0.45%**	**0.68%**	**0.80%**	**1.23%**	**1.00%**	**0.71%**	**0.90%**	**0.81%**
Return on average assets as adjusted	**0.58%**	**0.52%**	**0.76%**	**0.78%**	**1.24%**	**1.04%**	**0.73%**	**0.90%**	**0.84%**

Return on Average Tangible Common Equity (ROATCE) as Adjusted

(In thousands except ROATCE and ROATCE as adjusted)

	2017	2018	2019	2020	2021	2022	2023	Mar-24	Jun-24
Common Equity	$ 73,483	$ 135,847	$ 150,553	$ 160,564	$ 170,866	$ 167,088	$ 173,334	$ 172,821	$ 176,045
Less: Goodwill	(10,444)	(10,444)	(31,498)	(31,498)	(31,498)	(31,498)	(31,498)	(31,498)	(31,498)
Less: Core Deposit and other intangibles	(5,449)	(4,805)	(7,587)	(5,494)	(3,898)	(2,449)	(1,694)	(1,515)	(1,336)
Tangible Common Equity (TCE)	$ 57,590	$ 120,598	$ 111,468	$ 123,572	$ 135,470	$ 133,141	$ 140,142	**$ 139,808**	**$ 143,211**
Average Tangible Common Equity	$ 58,300	$ 89,094	$ 105,340	$ 115,313	$ 127,793	$ 131,305	$ 132,409	$ 138,692	$ 140,539
Net Income	$ 2,499	$ 4,283	$ 9,463	$ 12,725	$ 21,266	$ 17,761	$ 13,059	$ 4,088	$ 3,675
Intangible amortization, net of tax	143	417	1,153	1,194	1,171	1,095	521	141	140
Tangible Net Income	$ 2,642	$ 4,700	$ 10,616	$ 13,919	$ 22,437	$ 18,856	$ 13,580	$ 4,229	$ 3,815
Net Income as adjusted	$ 4,221	$ 4,962	$ 10,675	$ 12,425	$ 21,339	$ 18,500	$ 13,321	$ 4,088	$ 3,806
Intangible amortization, net of tax	143	417	1,153	1,194	1,171	1,095	521	141	140
Tangible Net Income as adjusted	$ 4,364	$ 5,379	$ 11,828	$ 13,619	$ 22,510	$ 19,595	$ 13,842	$ 4,229	$ 3,946
ROATCE	**4.5%**	**5.3%**	**10.1%**	**12.1%**	**17.6%**	**14.4%**	**10.3%**	**12.3%**	**10.9%**
ROATCE as adjusted	**7.5%**	**6.0%**	**11.2%**	**11.8%**	**17.6%**	**14.9%**	**10.5%**	**12.3%**	**11.3%**

Note: All quarterly periods are annualized for net income / net income as adjusted.

Citizens Community Bancorp Inc.

Reconciliation of Non-GAAP Financial Measures

Efficiency Ratio as Adjusted

(In thousands except Efficiency Ratio and Efficiency Ratio as adjusted)

	2017	2018	2019	2020	2021	2022	2023	Mar-24	Jun-24
Non-interest Expense (GAAP)	$ 22,878	$ 29,764	$ 42,686	$ 43,673	$ 40,532	$ 41,743	$ 40,142	$ 10,777	$ 10,299
Less amortization of intangibles	(219)	(644)	(1,496)	(1,622)	(1,596)	(1,449)	(755)	(179)	(179)
Efficiency ratio numerator	22,659	29,120	41,190	42,051	38,936	40,294	39,387	10,598	10,120
Merger related costs	(1,860)	(463)	(3,880)	-	-	-	-	-	-
Branch Closure costs	(951)	(26)	(15)	(165)	-	(981)	(380)	-	(168)
Audit and financial reporting	-	-	(358)	-	-	-	-	-	-
Prepayment fee	(104)	-	-	-	(102)	-	-	-	-
Efficiency ratio numerator as adjusted	$ 19,744	$ 28,631	$ 36,937	$ 41,886	$ 38,834	$ 39,313	$ 39,007	$ 10,598	$ 9,952
Non-interest income	$ 4,751	$ 7,370	$ 14,975	$ 18,448	$ 15,824	$ 10,430	$ 10,250	$ 3,264	$ 1,913
Net interest margin	22,268	30,303	43,513	50,255	53,667	56,369	48,349	11,905	11,576
Loss (Gain) on investment securities	(111)	17	(271)	(110)	(1,224)	(541)	(459)	(167)	658
Efficiency ratio denominator (GAAP)	26,908	37,690	58,217	68,593	68,267	66,258	58,140	15,002	14,147
Net gain on sale of branch	-	-	(2,295)	-	-	-	-	-	-
Net gain on sale of acquired business lines	-	-	-	(432)	-	-	-	-	-
Settlement proceeds	(283)	-	-	(131)	-	-	-	-	-
Efficiency ratio denominator as adjusted	$ 26,625	$ 37,690	$ 55,922	$ 68,030	$ 68,267	$ 66,258	$ 58,140	$ 15,002	$ 14,147
Efficiency ratio	**84%**	**77%**	**71%**	**61%**	**57%**	**61%**	**68%**	**71%**	**72%**
Efficiency ratio as adjusted	**74%**	**76%**	**66%**	**62%**	**57%**	**59%**	**67%**	**71%**	**70%**

Tangible Book Value Per Share (TBVPS) as Adjusted

(In thousands except Shares Outstanding, Book Value and TBVPS)

	2017	2018	2019	2020	2021	2022	2023	Mar-24	Jun-24
Total Stockholders' equity	$ 73,483	$ 135,847	$ 150,553	$ 160,564	$ 170,866	$ 167,088	$ 173,334	$ 172,821	$ 176,045
Less: Goodwill	(10,444)	(10,444)	(31,498)	(31,498)	(31,498)	(31,498)	(31,498)	(31,498)	(31,498)
Less: Core deposit and intangibles	(5,449)	(4,805)	(7,587)	(5,494)	(3,898)	(2,449)	(1,694)	(1,515)	(1,336)
Tangible book value (non-GAAP)	$ 57,590	$ 120,598	$ 111,468	$ 123,572	$ 135,470	$ 133,141	$ 140,142	$ 139,808	$ 143,211
Shares outstanding	5,888,816	10,913,853	11,266,954	11,056,349	10,502,442	10,425,119	10,440,591	10,406,880	10,297,341
Book Value	**$ 12.48**	**$ 12.45**	**$ 13.36**	**$ 14.52**	**$ 16.27**	**$ 16.03**	**$ 16.60**	**$ 16.61**	**$ 17.10**
TBVPS	**$ 9.78**	**$ 11.05**	**$ 9.89**	**$ 11.18**	**$ 12.90**	**$ 12.77**	**$ 13.42**	**$ 13.43**	**$ 13.91**

Tangible Common Equity / Tangible Assets

(In thousands except Tangible Common Equity / Tangible Asets)

	2017	2018	2019	2020	2021	2022	2023	Mar-24	Jun-24
Total Assets	$ 940,664	$ 975,409	$ 1,167,060	$ 1,649,095	$ 1,739,628	$ 1,816,367	$ 1,851,391	$ 1,819,315	$ 1,802,307
Less: Goodwill	(10,444)	(10,444)	(31,498)	(31,498)	(31,498)	(31,498)	(31,498)	(31,498)	(31,498)
Less: Core deposit and intangibles	(5,449)	(4,805)	(7,587)	(5,494)	(3,898)	(2,449)	(1,694)	(1,515)	(1,336)
Tangible Assets (non-GAAP)	$ 924,771	$ 960,160	$ 1,127,975	$ 1,612,103	$ 1,704,232	$ 1,782,420	$ 1,818,199	$ 1,786,302	$ 1,769,473
Tangible Common Equity / Tangible Assets	**6.2%**	**12.6%**	**9.9%**	**7.7%**	**7.9%**	**7.5%**	**7.7%**	**7.8%**	**8.1%**

Note: All quarterly periods are annualized for net income / net income as adjusted

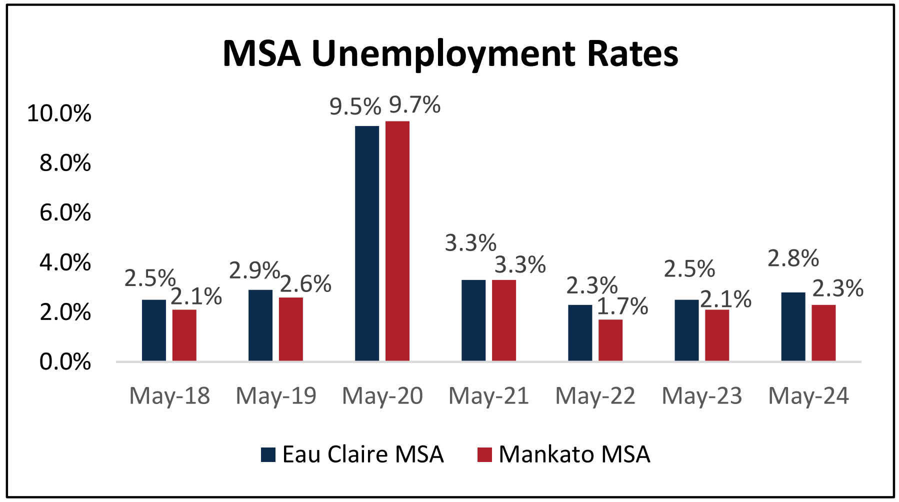
Market Demographics

Eau Claire MSA:

- Features a broad-based, diverse economy, which is driven by commercial, housing, retail and medical industries.

Mankato MSA:

- The Mankato market also possesses a broad-based, diverse economy, which is driven by manufacturing, agribusiness, health care and education.



Eau Claire Area Employers

Menards, Mayo Clinic, University of Wisconsin Eau Claire, TDK Hutchinson Technology, Gerber, Nestlé, jamf, Chippewa Valley Technical College, UnitedHealthcare, Phillips Medisize a molex company

Mankato Area Employers

Taylor, Minnesota State University Mankato, Mayo Clinic, MRCI, Gustavus Adolphus College, Cambria, Monarch Healthcare Management, LSI Le Sueur Incorporated, Johnson Outdoors, Kato Engineering

Source: S&P Global Market Intelligence, eauclairedevelopment.com, greatermankato.com, Google Images, US Bureau of Labor Statistics

Leadership Team

Stephen M. Bianchi
Chairman of the Board
President & CEO

Mr. Stephen M. Bianchi, also known as Steve, has been the Chief Executive Officer and President of Citizens Community Bancorp, Inc. and Citizens Community Federal since June 24, 2016. He has been Chairman of Citizens Community Bancorp, Inc. since October 2018 and Citizens Community Federal National Association. As a banking veteran with 39 years of experience, Mr. Bianchi served in several senior management positions at Wells Fargo Bank and with Associated Bank. He served as the Chief Executive Officer at HF Financial Corp. from October 2011 and its President from April 2010 to May 2015. Mr. Bianchi served as the Chief Executive Officer and President of Home Federal Bank, a subsidiary of HF Financial Corp. from August 2012 to May 2015. He served as the Interim Chief Executive Officer and Interim President of HF Financial Corp. from October 2011 until July 2012. Mr. Bianchi served as Senior Vice President at Associated Bank, where he served as Minnesota Regional President and Minnesota Regional Commercial Banking Manager from July 2006 to April 2010. Before that, he served as Twin Cities Business Banking Manager for Wells Fargo Bank, where he held several other management positions over 14 years. He has been a Director of Citizens Community Bancorp, Inc. since May 25, 2017. He has been a Director of Citizens Community Federal since June 24, 2016. Mr. Bianchi received his B.S. degree in Finance and M.B.A. from Providence College.

James S. Broucek
Executive VP, CFO Principal Accounting Officer, Treasurer & Secretary

Mr. James S. Broucek, also known as Jim, has been Chief Financial Officer and Principal Accounting Officer at Citizens Community Bancorp, Inc and Citizens Community Federal since October 31, 2017. He serves as Executive Vice President, CFO, Treasurer, and Secretary of Citizens Community Bancorp, Inc. and of Citizens Community Federal National Association. He served as a Senior Manager of Wipfli LLP (“Wipfli”) from December 2013 to October 2017. Before joining Wipfli, Mr. Broucek held several positions with TCF Financial Corporation (“TCF Financial”) and its subsidiaries from 1995 to 2013, with his last position being Treasurer of TCF Financial. Prior to joining TCF Financial, Mr. Broucek served as the Controller of Great Lakes Bancorp. Mr. Broucek is a banking veteran with 39 years of experience. Mr. Broucek holds a B.A. in mathematics and business administration with a concentration in accounting from Hope College.