CIBL Inc.
165 West Liberty Street, Suite 210
Reno, NV 89501
(775) 329 8555

To our shareholders:

CIBL's assets as of March 31, 2025, consisted of:

- Cash and liquid investments of $20.2 million, including an equity method limited partnership of $1.6 million and equity securities of approximately $44,000, equivalent to $1,722 per share value in total. As of March 31, 2025, CIBL had 11,680 common shares outstanding,

- Ownership of Bretton Woods Telephone Company and World Surfer, Inc. providers of broadband and communication services in Northern New Hampshire.

- 20% interest in Brick Skirt Holdings, Inc. a provider of broadband and communications services to sections of western New York state.

- 10,000 shares in Solix, Inc., a private outsourcing firm that provides, among other services, Universal Service Fund ("USF") administration services to the telecommunications industry.

Revenues for the first quarter ended March 31, 2025, increased 12.2% to $525,000 from $468,000 for the prior year's first quarter while EBITDA from operations decreased 12.0% to $125,000 from $142,000 due to lower capitalized labor in the 2025 period.

During 2025, we repurchased 586 of our common shares, 5.02% of our total shares outstanding, at an average price of $1,699 per share.

Thank you for continued support of CIBL and if you have any comments or questions, we are at the above address or e-mail us at: office@ciblinc.com, or visit us on our website: ciblinc.com.

CIBL, Inc. and Subsidiaries

Financial Report to Shareholders

March 31, 2025

CIBL, Inc.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements and Uncertainty of Financial Projections

The following discussion contains certain forward-looking statements. Forward-looking statements are not based on historical information but relate to future operations, strategies, financial results or other developments. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to significant business, financial, economic and competitive uncertainties and contingencies, many of which are beyond our control and all of which, with respect to future business decisions, are subject to change. These uncertainties and contingencies can affect actual results and could cause actual results to differ materially from those expressed in any forward-looking statements made by, or on behalf of, the Company.

RESULTS OF OPERATIONS

Three Months Ended March 31, 2025, compared to 2024.

Revenues in the first quarter of 2024 increased 12.2% to $525,000 from $468,000 for the previous year due to increased service revenues from broadband, end-user terminals and voice over internet protocol.

Total operating expenses, excluding depreciation, of its New Hampshire operations increased $74,000 to $400,000 from $326,000 due to lower capitalized labor. Corporate expenses decreased $8,000 to $236,000 from $244,000 as compared to 2024 from lower directors' fees and professional fees. Depreciation increased by $17,000 to $48,000 from $31,000 for the periods ending in 2025 and 2024.

EBITDA

EBITDA is used by our management as a supplemental financial measure to evaluate the operating performance of our business and when viewed with our GAAP results and the accompanying reconciliations, we believe it provides a more complete understanding of factors and trends affecting our business than the GAAP results alone. We also regularly communicate our EBITDA to the shareholders through our earnings releases because it is the financial measure commonly used by analysts that cover the telecommunications industry and by our investor base to evaluate our operating performance. In addition, we routinely use EBITDA as a metric for valuing potential acquisitions. We understand that analysts and investors regularly rely on non-GAAP financial measures, such as EBITDA, to provide a financial measure by which to compare a company's assessment of its operating performance against that of other companies in the same industry. This non-GAAP financial measure is helpful in more clearly reflecting the sales of our products and services, as well as highlighting trends in our core business that may not otherwise be apparent when relying solely on GAAP financial measures, because this non-GAAP financial measure eliminates from earnings financial items that have less bearing on our performance.

EBITDA from operations in the first quarter of 2025 decreased $17,000 to $125,000 from $142,000 in the first quarter of 2024. The decrease in EBITDA is related to an increase in service revenues of $57,000 from broadband, end-user terminals and voice over internet protocol, offset by less capitalized labor for plant under construction and switch replacements in the current year period of $74,000.

	Three Months Ended March 31,	
(in thousands)	2025	2024
EBITDA from:		
Operations	$125	$142
Less:		
Corporate office expenses	(236)	(244)
EBITDA	$ (111)	$ (102)
Reconciliation to net income:		
EBITDA	$(111)	$(102)
Depreciation and amortization	(48)	(31)
Investment income	192	256
Equity in earnings of affiliated companies	26	(156)
Unrealized and realized (losses) on available for sale equity securities	20	(42)
Income tax (expense) benefit	(14)	15
Net income (loss)	$65	($60)
Average Shares outstanding	11,824	12,664

Investment income, of $192,000 in 2025 and $256,000 in 2024, reflects interest earned on United States Treasury Bills.

Equity in earnings of affiliated companies represents CIBL's investment in an equity method merger/arbitrage limited partnership and Brick Skirt, Inc., a former subsidiary of LICT Corporation. CIBL's share of earnings from these affiliated companies were $26,000 and ($156,000) in 2025 and 2024, respectively.

The Company's effective tax rates for 2025 and 2024 were 17.7% and $20.0%, respectively.

As a net result, CIBL's operations had income of $65,000, or $5.50 per share in 2025 and a loss of ($60,000), or ($4.74) per share in 2024, respectively.

LIQUIDITY AND CAPITAL RESOURCES

Working Capital

As of March 31, 2025, CIBL had current assets of $20.5 million and current liabilities of $0.5 million resulting in working capital of $20.0 million compared to $21.0 million as of December 31, 2024.

Capital expenditures were $24,000 and $75,000 for the three months ending March 31, 2025, and 2024, respectively.

Share Repurchases and Distributions

CIBL's Board of Directors has authorized a stock repurchase program. Since its spin-off from LICT Corporation, the Board has authorized the repurchase of a cumulative 11,350 shares of its common stock, of which 910 shares are remaining to be purchased. Since CIBL was spun off by LICT Corporation, on November 19, 2007, the Company has acquired 10,440 shares of its common stock at an average price of $1,562; 586 of these shares, at an average price of $1,699 per share, were purchased in 2025 to date.

In addition to its open market repurchase programs, the Company has conducted two tender offers for its shares, purchasing a total of 4,746 shares at an average price of $1,100 per share.

CIBL, Inc. and Subsidiaries

Consolidated Financial Statements (Unaudited)

March 31, 2025

CIBL, Inc. and Subsidiaries
Consolidated Balance Sheets (Unaudited)
(In Thousands, Except Common Share Data)

	March 31, 2025	December 31, 2024	March 31, 2024
Assets			
Current Assets			
Cash and cash equivalents	$1,583	$2,341	$1,281
Investment in United States Treasury Bills	16,860	16,598	19,126
Investment in available for sale equity securities	44	294	509
Investment in equity method limited partnership	1,630	1,645	1,722
Accounts receivable	223	284	226
Prepaid expenses	138	192	127
Materials and supplies	59	59	59
Income taxes receivable	-	-	35
Total Current Assets	20,537	21,413	23,085
Telecommunications property, plant and equipment, net	937	958	693
Goodwill	337	337	337
Other intangibles, net	27	30	38
Other investments	1,678	1,636	700
Deferred income tax	45	39	5
Other assets	59	59	71
Total Assets	$23,620	$24,472	$24,929
Liabilities and Equity			
Current Liabilities			
Income taxes payable	$58	$14	-
Trade accounts payable and accrued expenses	138	138	$152
Accrued liabilities	344	284	346
Total Current Liabilities	540	436	498
Other liabilities	46	46	59
Total Liabilities	586	482	557
Equity			
Common stock, par value $.01, 30,000 shares authorized; 26,865, 26,865 and 26,415 issued; and 11,680; 12,266; and 12,647 outstanding	--	--	--
Contributed capital	7,112	7,112	6,212
Retained earnings	37,481	37,416	37,213
Treasury stock, 15,186; 14,600; and 13,769 shares at cost	(21,559)	(20,538)	(19,053)
Total Equity	23,034	23,990	24,372
Total Liabilities and Equity	$23,620	$24,472	$24,929

See notes to consolidated financial statements

CIBL, Inc. and Subsidiaries
Consolidated Statements of Operations (Unaudited)
(In Thousands, Except Common Share Data)

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Revenue		
Revenue	$525	$468
Costs and expenses		
Operating costs, excluding depreciation	341	271
General and administrative costs of operations	59	55
Corporate office expenses	236	244
Depreciation and amortization	48	31
Total Operating expenses	684	601
Operating loss	(159)	(133)
Other income (expense):		
Investment income	192	256
Equity in earnings (losses) of affiliated companies	26	(156)
Unrealized and realized gain (loss) on available for sale equity securities	20	(42)
Total Other income	238	58
Income (loss) before income taxes	79	(75)
Income tax (expense) benefit	(14)	15
Net income (loss)	$65	($60)
Basic and diluted weighted average shares outstanding	11,824	12,664
Actual shares outstanding	11,680	12,647
Earnings Per Share		
Net income (loss) per share	$5.50	($4.74)

See notes to consolidated financial statements

CIBL, Inc. and Subsidiaries
Consolidated Statements of Changes in Equity (Unaudited)
(In Thousands, Except Common Share Data)

	Shares of Common Stock Outstanding	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock	Total
Balance at January 1, 2025	12,266	$--	$7,112	$37,416	$(20,538)	$23,990
Net income	--	--	--	65	--	65
Purchase of treasury stock	(586)	--	--	--	(1,021)	(1,021)
Balance at March 31, 2025	11,680	$--	$7,112	$37,481	(21,559)	$23,034

See notes to consolidated financial statements

CIBL Inc. and Subsidiaries

Consolidated Statements of Cash Flows (Unaudited)
(In Thousands, Except Common Share Data)

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Cash Flows From Operating Activities		
Net income (loss)	$65	($60)
Adjustments to reconcile net income (loss) to net cash from operating activities		
Depreciation and amortization	48	31
Equity in earnings of affiliated companies	(27)	156
Unrealized losses on available for sale equity securities	(4)	42
Realized (gain) on available for sale equity securities	(16)	
Deferred income taxes	(5)	(42)
Changes in operating assets and liabilities:		
Accounts receivable	61	2
Accounts payable and accrued liabilities	79	51
Other operating assets and liabilities	53	43
Net Cash From Operating Activities	254	223
Cash Flows From Investing Activities		
Capital expenditures	(24)	(75)
Proceeds from sale of available for sale equity securities	270	
Redemption of U.S. Treasury Bills	2,000	19,200
Acquisition of U.S. Treasury Bills	(2,262)	(19,280)
Net Cash To Investing Activities	(16)	(155)
Cash Flows From Financing Activities		
Purchase of treasury stock	(996)	(39)
Net Cash To Financing Activities	(996)	(39)
Net Change in Cash and Cash Equivalents	(758)	29
Cash and Cash Equivalents		
Beginning of period	2,341	1,252
Cash and cash equivalents at end of period	$1,583	$1,281
Supplemental Cash Flow Information		
Cash paid for income taxes	$ -	$13

For 2025, the Company accrued excise tax payable on purchases of treasury stock of $25

See notes to consolidated financial statements

CIBL, Inc. and Subsidiaries
Notes to Consolidated Financial Statements (Unaudited)
(In Thousands, Except Common Share Data)

1. Organization

Acquisition of New Hampshire Operations

On December 31, 2019, the Company completed the acquisition of operations in New Hampshire ("NH") from LICT Corporation ("LICT"), a publicly traded company that spun off CIBL in 2007. The acquired operations consist of Bretton Woods Telephone Company ("BWTC"), a Rural Local Exchange Carrier serving the Mt. Washington/Carroll, New Hampshire area, and World Surfer, Inc. ("WS"), a fiber broadband provider serving the same and extended areas.

The Company exchanged 1,000 shares of common stock for all outstanding shares of BWTC and WS. The Company recognized goodwill on the acquisition of approximately $337.

Other

In addition, CIBL holds, or has held, investments in affiliates in which the Company does not have majority voting control but has the ability to significantly influence management decisions (either through an ownership of 20% or more or structured as a partnership or limited liability company treated as a partnership). These investments are accounted for in accordance with the equity method and consist of a merger/arbitrage limited partnership and a broadband/telecom services company in western New York state.

2. Summary of Significant Accounting Policies

Principles of Consolidation

The accompanying financial statements include the operations of the Company and its wholly-owned subsidiaries. All inter-company transactions and balances have been eliminated in consolidation.

The accompanying interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information. Accordingly, they are not audited and do not include all of the information and footnotes required for complete financial statements. These consolidated financial statements and footnotes should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's annual report for the year ended December 31, 2024. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2025, are not necessarily indicative of the results that may be expected for the year ending December 31, 2025. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Regulatory Accounting

The Company's public utility activities are regulated by the Federal Communications Commission ("FCC"), and the applicable state Public Service Commissions. The Company follows the Federal Communication Commission's (FCC) Uniform System of Accounts, Part 32 of the FCC Rules and Regulations.

Where applicable, this regulated accounting recognizes the economic effects of rate regulation by recording costs and a return on investment; as such, amounts are recovered through rates authorized by regulatory authorities. Developments that could give rise to substantial modifications of regulatory accounting practices include (1) increasing competition restricting the Company's wireline business' ability to establish prices to recover specific costs, and (2) significant changes in the manner in which rates are set by regulators from cost-based regulation to another form of regulation. The Company periodically reviews the applicability of regulatory accounting guidelines based on the developments in its current regulatory and competitive environments.

In 2019, BWTC adopted the FCC's voluntary USF Alternative Connect America Cost Model ("A-CAM") II effective January 1, 2019. BWTC's A-CAM II revenues for the three months ended of March 31, 2025, and 2024 were $23 and $28, respectively. A-CAM II revenues for BWTC, transition down $20 per year through 2028.

On October 30, 2023, BWTC received its authorization to participate in the Federal Communications Commission's ("FCC) Enhanced Alternative Connect America Cost Model ("Enhanced A-CAM"). Enhanced A-CAM requires a commitment to continue to provide broadband speeds at or above 100/20 Mbps to BWTC incumbent local exchange network. BWTC would receive Enhanced A-CAM aggregate support payments of $831 through 2038 to average $55.4 per annum. These amounts replace the A-CAM II revenues which were set to expire in 2028.

Use of Estimates

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the financial statement date, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at the date of purchase to be cash equivalents.

United States Treasury Bills

The Company considers all highly liquid investments with maturities in excess of three months, and no greater than six months at the date of purchase, to be short-term investments.

Investment in Available for Sale Equity Securities

Equity securities are stated at fair value, with any unrealized gains and losses, reported as part of other income (loss) in the consolidated statement of operations.

On December 31, 2024, the Company held 18 shares of LICT Corporation stock (less than a 1% interest) with a fair value of $254. During 2025, the Company sold 18 shares at a gain of $16. Our Chairman is also Chairman and CEO of LICT Corporation.

On August 31, 2023, CIBL received 5,700 shares of MachTen, Inc. (OTC Pink: MACT) as a spin-off distribution from our holdings of LICT Corporation shares. On March 31, 2025, December 31, 2024, and March 31, 2024, these shares had an aggregate fair value of $44 and $40 and $38, respectively.

Investment in Equity Method Limited Partnership

The Company accounts for its investment in an equity method limited partnership in which it does not have majority voting control but has the ability to significantly influence financial and operating policies, in accordance with the equity method, based upon information in such equity investees' financial statements.

During 2016, the Company invested $1,300 in a merger/arbitrage limited partnership ("Partnership") whose primary purpose is to invest in liquidations; stub securities resulting from corporate merger, acquisition and recapitalization activities; and risk arbitrage transactions in connection with mergers, consolidations, acquisitions, transfers of assets, tender offers, exchange offers, recapitalizations or other similar transactions. The Partnership may engage, to a lesser extent, in other investments in securities including capital structure arbitrage, matched pair trading and related trading in options. A Current Director Emeritus of the Company is the managing member of the limited liability company which is the General Partner of the Partnership. As of March 31, 2025, December 31, 2024, and March 31, 2024, the Company's investment was recorded at $1,630 and $1,645 and $1,722, respectively.

Accounts Receivable

Trade receivables consist of uncollateralized customer obligations due under normal trade terms requiring payment within 30 days from the invoice date. The receivables are non-interest-bearing. Payments on trade receivables are applied to the applicable unpaid invoices. The carrying amount of the trade receivables is reduced by an amount that reflects management's best estimate of the amounts that will not be collected.

Other Affiliated Investments

Solix, Inc.

The Company's 1.43% ownership interest in Solix, Inc. ("Solix") is accounted for using the cost method. Solix is an outsourcing firm that provides services such as USF administration services to the telecommunications industry. The carrying value of such investment as of March 31, 2025, December 31, 2024, and March 31, 2024 was $100.

Brick Skirt Holdings, Inc.

On September 25, 2024, CIBL announced, that it completed its acquisition of 20% of Brick Skirt Holdings, Inc. ("Brick Skirt"), from LICT Corporation ("LICT"). CIBL acquired this interest through the issuance of 750 of its common shares. Brick Skirt, through subsidiaries, provides broadband and communication services to sections of western New York state.

The aggregate purchase price of the Brick Skirt shares is $1,500 payable by delivery of said shares by LICT to CIBL. As consideration for the Brick Skirt shares CIBL delivered a total of 750 of its common shares to LICT.

Our interest in Brick Skirt is recorded using the equity accounting method. For the three months ended March 31, 2025, $42 has been included in the consolidated statement of operations as other income.

The carrying value of Brick Skirt as of March 31, 2025, December 31, 2024, and March 31, 2024, was $1,578, $1,536 and $600, respectively.

Telecommunications Property, Plant and Equipment

Additions to the Telecommunications plant and equipment are recorded at cost, which includes contracted work, direct labor and materials, and allocable overheads. When units of plant and equipment are retired, sold, or otherwise disposed of in the ordinary course of business, their average book cost less net salvage is charged to accumulated depreciation.

Maintenance and repair costs and the replacement and renewal of items determined to be less than units of plant and equipment are charged to expense.

Depreciation

The majority of plant and equipment is used for the wireline telephone business. Depreciation is based on the composite group remaining life method and straight-line composite rates. This methodology provides for the recognition of the cost of the remaining investment in telephone plant and equipment less anticipated positive net salvage value, over the remaining asset lives. Use of this methodology requires the periodic revision of depreciation rates. In the evaluation of asset lives, multiple factors are considered, including expected future retirements, technology changes and the adequacy of depreciation reserves.

Goodwill and Other Intangible Assets

The Company follows the Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2017-04, Simplifying the Test for Goodwill Impairment, which eliminates the second step in the goodwill impairment test that required an entity to determine the implied fair value of the reporting unit's goodwill. Under the ASU, goodwill impairment testing should be completed at least annually by comparing the fair value of a reporting unit with its carrying value. As a result of this comparison, the Company would recognize an impairment charge for the amount by which the carrying amount exceeds the unit's fair value, with any losses recognized not to exceed the total amount of goodwill allocated to the reporting unit. Prior to performing this quantitative assessment, the Company has the option to perform a qualitative assessment to determine if impairment is more likely than not to have occurred. If the Company concludes that it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then the quantitative assessment is not required.

The Company performed a qualitative assessment to determine if impairment is more likely than not to have occurred. As of December 31, 2024 and December 31, 2023, the Company concluded that the Company's fair value exceeded its carrying value therefore "it is not more likely than not" that their goodwill was impaired; therefore, no impairment of goodwill were recorded in the periods ended December 31, 2024 and December 31, 2023.

Fair Value Measurement

The Company follows the authoritative guidance for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis, and of nonfinancial assets and nonfinancial liabilities that are recognized or disclosed at fair value in the financial statements on a nonrecurring basis or are presented only in disclosures. Authoritative guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, or quoted prices for identical assets and liabilities in inactive markets. Level 3 inputs are unobservable.

The Company has three types of assets that are measured at fair value. A money market mutual fund that invests in United States Treasury bills, included in cash and cash equivalents, United States Treasury Bills owned by the company, included in United States Treasury Bills and equity securities invested in LICT Corporation and Mach Ten, Inc. common shares which are all classified as Level 1 inputs, because they are valued using quoted market prices. As of March 31, 2025, the money market mutual fund, US Treasury Bills and MachTen, Inc. common shares had values of $0.5 million, $16.9 million and $44 thousand, respectively. As of December 31, 2024, the money market mutual fund, US Treasury Bills and LICT Corporation and MachTen, Inc. common shares had values of $1.5 million, $16.6 million, and $0.3 million, respectively.

Impairment of Long-Lived Assets

Long-lived assets, such as telecommunications plant, and purchased intangibles subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset group to estimated undiscounted future cash flows expected to be generated by the asset group. If the carrying amount of an asset group exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset group exceeds the fair value of the asset group. There were no asset impairments recorded during the three-month periods ended March 31, 2025, and 2024.

Income Taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements. Income taxes consist of taxes currently payable and those deferred due to temporary differences between the financial reporting and tax basis of the Company's assets and liabilities, using tax rates in effect in the period in which the temporary differences are expected to reverse. The Company establishes valuation allowances relating to deferred tax assets when management concludes that it is more likely than not that the Company will not realize a benefit from the reversal of such temporary differences. The Company files a consolidated federal tax return with BWTC and WS filing separate state returns.

Accounting for Uncertainty in Income Taxes

The Company recognizes the effect of income tax positions only when the tax position is more likely than not to be sustained. Management is not aware of any exposure to uncertain tax positions that would require financial statement recognition or disclosure. The Company is no longer subject to federal or state income tax examinations for periods prior to the year ended December 31, 2021. Interest and penalties, if any, are recorded as interest and other expense accordingly.

Revenue Recognition

Revenue is measured according to ASC 606, Revenue from Contracts with Customers which outlines a single comprehensive model to use in accounting for revenue arising from contracts with customers. At contract inception, the Company assesses the goods and services to be provided to the customer and identifies the associated performance obligation. The Company considers all obligations, whether they are explicitly stated in the contract or are implied by customary business practices.

Telephone service revenue related to New Hampshire's operations was primarily derived from regulated local, intrastate and interstate access and USF services and recognized as services are provided.

Of the Company's $525 and $468 in operating revenue for the three months ended March 31, 2025, and 2024, $500 and $440, respectively was related to contracts with customers and was recognized over the time period that the service was provided. Revenue recognized at a point in time was not material.

3. Treasury Stock

Since it was spun-off from LICT Corporation on November 19, 2007, CIBL's Board of Directors has increased its authorized share repurchase program up to a cumulative 11,350 shares of common stock of which 910 shares are remaining to be purchased. Through March 31, 2025, CIBL has purchased 10,440 shares at an average price of $1,562 per share. During the first three months of 2025 CIBL purchased 586 shares at an average price of $1,699 per share.

In addition to its open market repurchase programs, the Company has conducted two tender offers for its shares, purchasing a total of 4,746 shares at an average price of $1,100 per share.

(In Thousands, Except Common Share Data)

4. Income Taxes

The income tax expense (benefit) from the three months for the years ended March 31st are summarized as follows:

	2025	**2024**
Current tax provision (benefit):		
Federal	$ 22	$ 24
State	(3)	3
	19	27
Deferred tax expense (benefit):		
Federal	2	(37)
State	(7)	(5)
	(5)	(42)
	$ 14	($15)

The Company has state net operating loss carryforwards of $1.3 million that expire in varying amounts beginning in 2030.

5. Concentration of Risk

Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company's cash and cash equivalents may at times exceed federally insured amounts.

6. Related Party Transactions (Not Disclosed Elsewhere)

An affiliate of Brick Skirt provides back-office support services to BWTC and WS. During the three-month periods ended March 31, 2025, and March 31,2024, Brick Skirt received fees in aggregate of $34,000 each period from these entities.

At March 31, 2025, December 31, 2024, and March 31, 2024, cash and short-term investments of $0.5 million, $1.5 million and $0.4 million, respectively, were invested in United States Treasury money market funds for which affiliates of one of the Company's Directors serve as investment managers.