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EUREKA HOMESTEAD BANCORP, INC. ANNOUNCES JUNE 30, 2022 QUARTERLY EARNINGS

Metairie, Louisiana – Eureka Homestead Bancorp, Inc. (the “Company”) (OTC Pink Marketplace: “ERKH”), the holding company of Eureka Homestead (the “Bank”), announces net income of \$39,000, or \$0.04 per basic share, for the quarter ended June 30, 2022, compared to net income of \$83,000, or \$0.08 per basic share, for the quarter ended June 30, 2021. Net interest income increased \$93,000 due to increased interest income and decreased interest expense, however noninterest income decreased \$217,000 due to fewer loans being sold in the secondary market for the quarter ended June 30, 2022 compared to the same quarter in 2021.

Comparison of Financial Condition at June 30, 2022 and December 31, 2021

Total Assets. Total assets increased \$728,000, or 0.7%, to \$104.3 million at June 30, 2022 from \$103.6 million at December 31, 2021. The increase was due to increases in net loans of \$7.7 million and in investment securities available-for-sale of \$901,000, offset, in part, by decreases in cash and cash equivalents of \$302,000, in interest-bearing deposits in banks of \$7.2 million and in loans held-for-sale of \$401,000.

Net Loans. Net loans increased \$7.7 million, or 10.1%, to \$83.6 million at June 30, 2022 from \$75.9 million at December 31, 2021. The increase in net loans was due primarily to increases in one- to four-family residential real estate loans, principally in non-conforming and construction loans earning higher interest rates than similar conforming loans, which are generally sold.

One- to four-family residential real estate loans increased \$5.1 million, or 7.7%, to \$71.5 million at June 30, 2022 from \$66.4 million at December 31, 2021, multifamily loans increased \$668,000, or 24.0%, to \$3.4 million at June 30, 2022 from \$2.8 million at December 31, 2021 and construction and land loans increased \$1.9 million, or 40.8% to \$6.4 million at June 30, 2022 from \$4.6 million at December 31, 2021. Offsetting these increases, in part, commercial real estate loans decreased \$24,000, or 1.6%, to \$1.5 million at June 30, 2022 from \$1.5 million at December 31, 2021 and consumer loans decreased \$26,000, or 10.9%, to \$213,000 at June 30, 2022 from \$239,000 at December 31, 2021.

Cash and Cash Equivalents. Cash and cash equivalents decreased \$302,000, or 4.1%, to \$7.0 million at June 30, 2022 from \$7.3 million at December 31, 2021.

Interest-Bearing Deposits in Banks. Interest-bearing deposits in banks decreased \$7.2 million, or 93.6%, to \$499,000 at June 30, 2022 from \$7.7 million at December 31, 2021.

The total of these two balance sheet line items was a decrease of \$7.5 million principally due to fund the increase in loans.

Securities Available-for-Sale. Investment securities available-for-sale, consisting of government-sponsored mortgage-backed securities and SBA 7a pools backed by equipment and mortgage loans, increased \$901,000, or 16.9%, to \$6.2 million at June 30, 2022 from \$5.3 million at December 31, 2021 as a result of the purchase of \$1.0 million of an SBA floating rate pool, offset, in part, by normal repayments.

Deposits. Deposits increased \$2.8 million, or 4.6%, to \$63.8 million at June 30, 2022 from \$61.0 million at December 31, 2021, principally due to increases of \$2.7 million in certificates of deposit, or 4.8%, to \$59.5 million at June

30, 2022 from \$56.8 million at December 31, 2021 and \$85,000 in savings accounts, or 2.0%, to \$4.2 million at June 30, 2022 from \$4.1 million at December 31, 2021. The increase in certificates of deposit resulted primarily from an increase in certificates of deposit derived from an online service of \$2.0 million and brokers of \$2.1 million, offset in part by a decrease of \$636,000 of local retail certificates of deposit. We have sometimes utilized the non-retail funding sources to fund our loan origination and growth and to replace Federal Home Loan Bank advances, as well as in order to get longer-term funding not always available in the local market in to help manage interest rate risk.

Borrowings. Borrowings, consisting entirely of Federal Home Loan Bank (FHLB) advances, increased \$1.0 million, or 5.6% to \$19.2 million at June 30, 2022 from \$18.2 million at December 31, 2021.

Total Equity. Total equity decreased \$2.4 million, or 10.9%, to \$19.5 million at June 30, 2022 from \$21.8 million at December 31, 2021. The decrease resulted primarily from the repurchase of \$2.3 million of shares of common stock, offset in part by the net income of \$25,000 during the six months ended June 30, 2022, the allocation of ESOP shares of \$22,000 and an increase in accumulated other comprehensive loss of \$141,000, resulting from the effect of increased market interest rates on investment securities available for sale.

Comparison of Operating Results for the Three Months Ended June 30, 2022 and 2021

General. We had net income of \$39,000 for the three months ended June 30, 2022, compared to net income of \$83,000 for the three months ended June 30, 2021, a decrease of \$44,000. The decrease in net income resulted from a decrease in noninterest income of \$217,000 and a decrease in the credit for loan losses of \$8,000, offset, in part, by an increase in net interest income of \$93,000 and a decrease in net interest expense of \$88,000.

Interest Income. Interest income increased \$66,000, or 9.5%, to \$763,000 for the three months ended June 30, 2022 from \$697,000 for the three months ended June 30, 2021. This increase was attributable to increases in interest on loans receivable of \$60,000, or 8.8%, and interest on other interest-earning assets of \$7,000, or 233.3%. The average balance of loans increased \$2.6 million, or 3.3%, to \$81.1 million for the three months ended June 30, 2022 from \$78.5 million for the three months ended June 30, 2021, and the average yield on loans increased 18 basis points to 3.65% for the three months ended June 30, 2022 from 3.47% for the three months ended June 30, 2021. The average balance of investment securities decreased \$1.2 million, or 21.5%, to \$4.5 million for the three months ended June 30, 2022 from \$5.7 million for the three months ended June 30, 2021, while the average yield on investment securities increased 18 basis points to 1.16% for the three months ended June 30, 2022 from 0.98% for the three months ended June 30, 2021. The average balance of other interest-earning assets decreased \$3.4 million, or 29.9%, to \$8.1 million for the three months ended June 30, 2022 from \$11.5 million for the three months ended June 30, 2021, and the average yield on other interest-earning assets increased 40 basis points to 0.50% for the three months ended June 30, 2022 from 0.10% for the three months ended June 30, 2021.

Interest Expense. Total interest expense decreased \$27,000, or 9.0%, to \$274,000 for the three months ended June 30, 2022 from \$301,000 for the three months ended June 30, 2021. The decrease was due to decreases of \$24,000, or 12.5%, in interest expense on deposits and \$3,000, or 2.8%, in interest expense on advances from the FHLB. The average balance of interest-bearing deposits decreased \$287,000, or 0.5%, to \$60.6 million for the three months ended June 30, 2022 from \$60.9 million for the three months ended June 30, 2021, and the average cost of interest-bearing deposits in banks decreased 15 basis points to 1.11% for the three months ended June 30, 2022 from 1.26% for the three months ended June 30, 2021. The average balance of FHLB advances decreased \$257,000, or 1.4%, to \$18.7 million for the three months ended June 30, 2022 from \$19.0 million for the three months ended June 30, 2021. The average cost of these advances decreased 4 basis points to 2.26% for the three months ended June 30, 2022 from 2.30% for the three months ended June 30, 2021.

Net Interest Income. Net interest income increased \$93,000, or 23.5%, to \$489,000 for the three months ended June 30, 2022 from \$396,000 for the three months ended June 30, 2021. Average net interest-earning assets decreased \$1.5 million period to period. This decrease was due primarily to decreases in the average balance of investment securities and other interest-earning assets, offset, in part, by an increase in loans receivable. Our interest rate spread increased 48 basis points to 1.88% for the three months ended June 30, 2022 from 1.40% for the three months ended June 30, 2021, and our net interest margin increased 43 basis points to 2.09% for the three months ended June 30, 2022 from 1.65% for

the three months ended June 30, 2021. The increases in interest rate spread and interest rate margin were primarily the result of interest rates on average interest-earning assets increasing and interest rates on average interest-bearing liabilities decreasing during the three months ended June 30, 2022 versus the three months ended June 30, 2021.

Provision for Loan Losses. We recorded no provisions for loan losses for the three months ended June 30, 2022 or for the three months ended June 30, 2021. The allowance for loan losses was \$858,000, or 1.03% of total loans, at June 30, 2022, compared to \$858,000, or 1.14% of total loans, at December 31, 2021, and \$858,000, or 1.16%, of total loans, at June 30, 2021. There were no classified (substandard, doubtful and loss) or non-performing loans at June 30, 2022, December 31, 2021 or June 30, 2021. There were no charge-offs or recoveries for the three months ended June 30, 2022. There were net recoveries of \$8,000 for the three months ended June 30, 2021.

Noninterest Income. Noninterest income decreased \$217,000, or 63.5%, to \$125,000 for the three months ended June 30, 2022 from \$342,000 for the three months ended June 30, 2021. The decrease was principally due to a decrease of \$210,000, or 70.7%, in fees on loans sold.

Noninterest Expense. Noninterest expense decreased \$88,000, or 13.3%, to \$575,000 for the three months ended June 30, 2022 from \$663,000 for the three months ended June 30, 2021. The decrease was primarily due to a decrease of \$89,000, or 19.6%, in salaries and employee benefits, resulting primarily from a decrease in commissions and related expenses on lower loan volume period to period.

Income Tax Expense. There was no income tax expense for the three months ended June 30, 2022 or for the three months ended June 30, 2021, principally due to net operating loss tax carryforwards from prior years. The effective tax rate was 0.00% for the three months ended June 30, 2022 compared to 0.00% for the same quarter in 2021.

About Eureka Homestead Bancorp, Inc.

Eureka Homestead Bancorp, Inc. is the holding company for Eureka Homestead, a federally chartered savings bank. The Bank, founded in 1884, is a community bank providing a variety of financial services to residents and businesses in and around Jefferson and Orleans Parishes, Louisiana. To learn more about us, visit www.eurekahomestead.com.

EUREKA HOMESTEAD BANCORP, INC.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)
JUNE 30, 2022 AND DECEMBER 31, 2021
(in thousands, except share data)

	June 30, 2022	December 31, 2021
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 7,014	\$ 7,316
Interest-Bearing Deposits in Banks	499	7,742
Investment Securities	6,230	5,329
Loans Receivable, Net	83,610	75,943
Loans Held-for-Sale	—	401
Accrued Interest Receivable	409	421
Federal Home Loan Bank Stock	1,453	1,448
Premises and Equipment, Net	615	626
Cash Surrender Value of Life Insurance	4,268	4,225
Deferred Tax Asset	31	—
Prepaid Expenses and Other Assets	194	144
Total Assets	<u>\$ 104,323</u>	<u>\$ 103,595</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Liabilities:		
Deposits	\$ 63,760	\$ 60,963
Advances from Federal Home Loan Bank	19,232	18,218
Advance Payments by Borrowers for Taxes and Insurance	1,301	1,902
Deferred Tax Liability	—	7
Accrued Expenses and Other Liabilities	561	659
Total Liabilities	<u>84,854</u>	<u>81,749</u>
Commitments and Contingencies		
Stockholders' Equity:		
Preferred Stock, \$0.01 Par Value, 1,000,000 Shares Authorized, No Shares Issued	—	—
Common Stock, \$0.01 Par Value, 9,000,000 Shares Authorized, 1,036,127 and 1,191,627 Shares Issued and Outstanding on June 30, 2022 and December 31, 2021, Respectively	10	12
Additional Paid-in Capital	8,217	10,498
Unallocated Common Stock Held by:		
Employee Stock Ownership Plan (ESOP)	(984)	(1,006)
Retained Earnings	12,342	12,317
Accumulated Other Comprehensive (Loss) Income	(116)	25
Total Stockholders' Equity	<u>19,469</u>	<u>21,846</u>
Total Liabilities and Stockholders' Equity	<u>\$ 104,323</u>	<u>\$ 103,595</u>

EUREKA HOMESTEAD BANCORP, INC.
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2022 AND 2021
(in thousands, except Earnings Per Share)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Interest Income:				
Loans Receivable	\$ 740	\$ 680	\$ 1,412	\$ 1,385
Investment Securities	13	14	26	28
Interest-Bearing Deposits in Banks	10	3	16	9
Total Interest Income	763	697	1,454	1,422
Interest Expense:				
Deposits	168	192	328	393
Advances from Federal Home Loan Bank	106	109	209	225
Total Interest Expense	274	301	537	618
Net Interest Income	489	396	917	804
Provision (Credit) for Loan Losses				
Net Interest Income After Provision (Credit) for Loan Losses	—	(8)	—	—
	489	404	917	804
Non-Interest Income:				
Service Charges and Other Income	16	23	25	51
Fees on Loans Sold	87	297	266	519
Income from Life Insurance	22	22	43	44
Total Non-Interest Income	125	342	334	614
Non-Interest Expenses:				
Salaries and Employee Benefits	365	454	767	848
Occupancy Expense	53	49	106	99
FDIC Deposit Insurance Premium and Examination Fees	17	16	33	33
Data Processing	18	20	36	39
Accounting and Consulting	22	30	82	68
Insurance	26	21	50	42
Legal fees	19	16	34	29
Other	55	57	118	97
Total Non-Interest Expenses	575	663	1,226	1,255
Income Before Income Tax Expense	39	83	25	163
Income Tax Expense	—	—	—	—
Net Income	<u>\$ 39</u>	<u>\$ 83</u>	<u>\$ 25</u>	<u>\$ 163</u>
Earnings Per Share: Basic	<u>\$ 0.04</u>	<u>\$ 0.08</u>	<u>\$ 0.02</u>	<u>\$ 0.15</u>

EUREKA HOMESTEAD BANCORP, INC.
FOR THE THREE MONTHS ENDED JUNE 30, 2022 AND 2021

Other Financial Data (Unaudited) (Annualized)	Three Months Ended June 30,	
	2022	2021
Return on Average Assets	0.08 %	0.16 %
Return on Average Equity	0.39 %	0.76 %
Net Interest Margin	2.09 %	1.65 %
Bank Tier 1 Leverage Ratio	18.26 %	18.11 %
Allowance for Loan Losses to Total Loans	1.03 %	1.16 %
Non-performing Loans to Total Loans	0.00 %	0.00 %
Earnings Per Share, Basic	\$ 0.04	\$ 0.08
Book Value Per Share	\$ 18.79	\$ 18.41