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EUREKA HOMESTEAD BANCORP, INC. ANNOUNCES DECEMBER 31, 2022 YEARLY 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 \$88,000, or \$0.09 per basic share, for the year ended December 31, 2022, compared to \$146,000, or \$0.13 per basic share, for the year ended December 31, 2021. Net interest income increased \$405,000 due to increased interest income, offset, in part, by increased interest expense. Noninterest income decreased \$445,000 principally due to fewer loans being sold in the secondary market, and noninterest expense increased \$26,000 for the year ended December 31, 2022 compared to 2021.

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

Total Assets. Total assets decreased \$275,000, or 0.3%, to \$103.3 million at December 31, 2022 from \$103.6 million at December 31, 2021. The decrease was due to decreases in cash and cash equivalents of \$3.7 million, in interest-bearing deposits in banks of \$6.5 million, and in loans held-for-sale of \$401,000, offset, in part, by increases in net loans of \$9.9 million, in investment securities available-for-sale of \$88,000, and in cash surrender value of life insurance of \$87,000.

Net Loans. Net loans increased \$9.9 million, or 13.0%, to \$85.8 million at December 31, 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, with higher-yielding interest rates than similar conforming loans, which are generally sold.

One- to four-family residential real estate loans increased \$8.6 million, or 13.0%, to \$75.0 million at December 31, 2022 from \$66.4 million at December 31, 2021, multifamily loans increased \$245,000, or 8.8%, to \$3.0 million at December 31, 2022 from \$2.8 million at December 31, 2021 and construction and land loans increased \$1.1 million, or 22.9%, to \$5.6 million at December 31, 2022 from \$4.6 million at December 31, 2021. Offsetting these increases, in part, commercial real estate loans decreased \$49,000, or 3.3%, to \$1.4 million at December 31, 2022 from \$1.5 million at December 31, 2021 and consumer loans decreased \$40,000, or 16.7%, to \$199,000 at December 31, 2022 from \$239,000 at December 31, 2021.

Cash and Cash Equivalents. Cash and cash equivalents decreased \$3.7 million, or 50.1%, to \$3.7 million at December 31, 2022 from \$7.3 million at December 31, 2021.

Interest-Bearing Deposits in Banks. Interest-bearing deposits in banks decreased \$6.5 million, or 83.9%, to \$1.2 million at December 31, 2022 from \$7.7 million at December 31, 2021.

In the aggregate, cash and cash equivalents and interest-bearing deposits in banks decreased \$10.2 million, resulting primarily from the funding of 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 \$88,000, or 1.7%, to \$5.4 million at December 31, 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 and market value decreases due to increased market interest rates.

Deposits. Deposits increased \$1.2 million, or 2.1%, to \$62.2 million at December 31, 2022 from \$61.0 million at December 31, 2021, principally due to an increase of \$1.9 million in certificates of deposit, or 3.3%, to \$58.7 million at December 31, 2022 from \$56.8 million at December 31, 2021, offset, in part, by a decrease of \$593,000 in savings and money market accounts, or 14.3%, to \$3.5 million at December 31, 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 \$1.7 million and from brokers of \$2.1 million, offset, in part, by a decrease of \$1.2 million of local retail certificates of deposit and \$709,000 of certificates from municipalities. In recent years the Company utilized non-retail funding sources to fund its loan origination and growth and, at times, to replace Federal Home Loan Bank advances, as well as in order to get longer-term funding not always available in the retail market to help manage interest rate risk.

Borrowings. Borrowings, consisting entirely of Federal Home Loan Bank (FHLB) advances, increased \$1.5 million, or 8.4%, to \$19.7 million at December 31, 2022 from \$18.2 million at December 31, 2021.

Total Equity. Total equity decreased \$2.5 million, or 11.6%, to \$19.3 million at December 31, 2022 from \$21.8 million at December 31, 2021. The decrease resulted primarily from the repurchase of \$2.5 million of shares of common stock and an increase in accumulated other comprehensive loss of \$250,000, resulting from the effect of higher market interest rates on investment securities available for sale, offset, in part, by the net income of \$88,000 during the year ended December 31, 2022 and the allocation of ESOP shares of \$46,000.

Comparison of Operating Results for the Years Ended December 31, 2022 and 2021

General. The Company had net income of \$88,000 for the year ended December 31, 2022, compared to \$146,000 for the year ended December 31, 2021, a decrease of \$58,000. The decrease in net income resulted from a decrease in noninterest income of \$445,000 and an increase in noninterest expense of \$26,000, offset, in part, by an increase in net interest income of \$405,000 and a decrease in the provision for loan losses of \$7,000.

Interest Income. Interest income increased \$409,000, or 14.5%, to \$3.2 million for the year ended December 31, 2022 from \$2.8 million for the year ended December 31, 2021. This increase was attributable to increases in interest on loans receivable of \$282,000, or 10.3%, interest on investment securities of \$42,000, or 76.4%, and interest on other interest-earning assets of \$85,000, or 500.0%. The average balance of loans increased \$5.7 million, or 7.4%, to \$82.3 million for the year ended December 31, 2022 from \$76.6 million for the year ended December 31, 2021, and the average yield on loans increased nine basis points to 3.67% for the year ended December 31, 2022 from 3.58% for the year ended December 31, 2021. The average balance of investment securities decreased \$443,000, or 7.7%, to \$5.3 million for the year ended December 31, 2022 from \$5.7 million for the year ended December 31, 2021, while the average yield on investment securities increased 87 basis points to 1.83% for the year ended December 31, 2022 from 0.96% for the year ended December 31, 2021. The average balance of other interest-earning assets decreased \$5.7 million, or 40.8%, to \$8.2 million for the year ended December 31, 2022 from \$13.9 million for the year ended December 31, 2021, and the average yield on other interest-earning assets increased 112 basis points to 1.24% for the year ended December 31, 2022 from 0.12% for the year ended December 31, 2021.

Interest Expense. Total interest expense increased \$4,000, or 0.3%, to \$1.2 million for the year ended December 31, 2022 from \$1.2 million for the year ended December 31, 2021. The average balance of interest-bearing deposits increased \$1.2 million, or 1.9%, to \$62.1 million for the year ended December 31, 2022 from \$60.9 million for the year ended December 31, 2021, and the average cost of interest-bearing deposits decreased two basis points to 1.21% for the year ended December 31, 2022 from 1.23% for the year ended December 31, 2021. The average balance of FHLB advances decreased \$122,000, or 0.6%, to \$18.9 million for the year ended December 31, 2022 from \$19.0 million for the year ended December 31, 2021. The average cost of these advances increased one basis point to 2.29% for the year ended December 31, 2022 from 2.28% for the year ended December 31, 2021.

Net Interest Income. Net interest income increased \$405,000, or 24.8%, to \$2.0 million for the year ended December 31, 2022 from \$1.6 million for the year ended December 31, 2021. Average net interest-earning assets decreased \$1.5 million period to period. This decrease was due primarily to the increase in interest-bearing deposits. The Company's interest rate spread increased 46 basis points to 1.90% for the year ended December 31, 2022 from 1.44% for the year ended December 31, 2021, and the Company's net interest margin increased 43 basis points to 2.13% for the year

ended December 31, 2022 from 1.70% for the year ended December 31, 2021. The increases in interest rate spread and net interest margin were primarily the result of interest rates on average interest-earning assets increasing faster than interest rates on average interest-bearing liabilities during the year ended December 31, 2022 compared to the year ended December 31, 2021.

Provision for Loan Losses. The Company recorded a credit for loan losses of \$7,000 for the year ended December 31, 2022 compared to no provision for loan losses for the year ended December 31, 2021. The allowance for loan losses was \$850,000, or 1.00% of total loans, at December 31, 2022, compared to \$858,000, or 1.14% of total loans, at December 31, 2021. There were no classified (substandard, doubtful and loss) or non-performing loans at December 31, 2022 or December 31, 2021. There were no charge-offs or recoveries for the years ended December 31, 2022 or December 31, 2021.

Noninterest Income. Noninterest income decreased \$445,000, or 42.7%, to \$598,000 for the year ended December 31, 2022 from \$1.0 million for the year ended December 31, 2021. The decrease was principally due to a decrease of \$438,000, or 50.9%, in fees on loans sold.

Noninterest Expense. Noninterest expense increased \$26,000, or 1.0%, to \$2.6 million for the year ended December 31, 2022 from \$2.5 million for the year ended December 31, 2021. The increase was principally due to increases of \$106,000, or 51.0%, in professional fees, in occupancy expense of \$33,000, or 16.6%, and in insurance expense of \$17,000, or 19.3%, offset, in part, by a decrease in salaries and employee benefits of \$130,000, or 7.8%, 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 year ended December 31, 2022 or for the year ended December 31, 2021, principally due to net operating loss tax carryforwards from prior years. The effective tax rate was 0.00% for the year ended December 31, 2022 compared to 0.00% for 2021.

About Eureka Homestead Bancorp, Inc.

Eureka Homestead Bancorp, Inc. is the holding company for Eureka Homestead, a federally chartered stock savings association. 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)
DECEMBER 31, 2022 AND DECEMBER 31, 2021
(in thousands, except share data)

	December 31, 2022	December 31, 2021
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 3,650	\$ 7,316
Interest-Bearing Deposits in Banks	1,249	7,742
Investment Securities	5,417	5,329
Loans Receivable, Net	85,844	75,943
Loans Held-for-Sale	—	401
Accrued Interest Receivable	453	421
Federal Home Loan Bank Stock	1,469	1,448
Premises and Equipment, Net	670	626
Cash Surrender Value of Life Insurance	4,312	4,225
Deferred Tax Asset	60	—
Prepaid Expenses and Other Assets	196	144
Total Assets	<u>\$ 103,320</u>	<u>\$ 103,595</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Liabilities:		
Deposits	\$ 62,220	\$ 60,963
Advances from Federal Home Loan Bank	19,744	18,218
Advance Payments by Borrowers for Taxes and Insurance	1,402	1,902
Deferred Tax Liability	—	7
Accrued Expenses and Other Liabilities	639	659
Total Liabilities	<u>84,005</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, 1,026,127 and 1,191,627 Shares Issued and Outstanding on December 31, 2022 and December 31, 2021, Respectively	10	12
Additional Paid-in Capital	8,085	10,498
Unallocated Common Stock Held by:		
Employee Stock Ownership Plan (ESOP)	(960)	(1,006)
Retained Earnings	12,405	12,317
Accumulated Other Comprehensive (Loss) Income	(225)	25
Total Stockholders' Equity	<u>19,315</u>	<u>21,846</u>
Total Liabilities and Stockholders' Equity	<u>\$ 103,320</u>	<u>\$ 103,595</u>

EUREKA HOMESTEAD BANCORP, INC.
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(in thousands, except Earnings Per Share)

	Year Ended December 31,	
	2022	2021
Interest Income:		
Loans Receivable	\$ 3,023	\$ 2,741
Investment Securities	97	55
Interest-Bearing Deposits in Banks	102	17
Total Interest Income	3,222	2,813
Interest Expense:		
Deposits	753	747
Advances from Federal Home Loan Bank	431	433
Total Interest Expense	1,184	1,180
Net Interest Income	2,038	1,633
(Credit) Provision for Loan Losses		
Net Interest Income After (Credit) Provision for Loan Losses	(7)	—
	2,045	1,633
Non-Interest Income:		
Service Charges and Other Income	88	94
Fees on Loans Sold	422	861
Income from Life Insurance	87	88
Total Non-Interest Income	597	1,043
Non-Interest Expenses:		
Salaries and Employee Benefits	1,527	1,657
Occupancy Expense	231	199
FDIC Deposit Insurance Premium and Examination Fees	67	67
Data Processing	73	75
Accounting and Consulting	157	154
Insurance	104	88
Legal fees	157	54
Other	238	236
Total Non-Interest Expenses	2,554	2,530
Income Before Income Tax Expense	88	146
Income Tax Expense	—	—
Net Income	<u>\$ 88</u>	<u>\$ 146</u>
Earnings Per Share: Basic	<u>\$ 0.09</u>	<u>\$ 0.13</u>

EUREKA HOMESTEAD BANCORP, INC.
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
OTHER FINANCIAL DATA (Unaudited)

	<u>Year Ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Return on Average Assets	0.09 %	0.14 %
Return on Average Equity	0.44 %	0.66 %
Net Interest Margin	2.13 %	1.70 %
Bank Tier 1 Leverage Ratio	18.44 %	18.72 %
Allowance for Loan Losses to Total Loans	1.00 %	1.14 %
Non-performing Loans to Total Loans	0.00 %	0.00 %
Earnings Per Share, Basic	\$ 0.09	\$ 0.13
Book Value Per Share	\$ 18.82	\$ 18.33