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EUREKA HOMESTEAD BANCORP, INC. ANNOUNCES DECEMBER 31, 2023 YEARLY EARNINGS

Metairie, Louisiana – Eureka Homestead Bancorp, Inc. (the “Company”) (OTC Pink Marketplace: “ERKH”), the holding company of Eureka Homestead (the “Bank”), announces a net loss of (\$206,000), or (\$0.22) per basic share, for the year ended December 31, 2023, compared to a net income of \$88,000, or \$0.09 per basic share, for the year ended December 31, 2022. Net interest income increased \$163,000 due to increased interest income, offset, in part, by increased interest expense. Noninterest income decreased \$168,000 principally due to fewer loans being sold in the secondary market, and noninterest expense increased \$282,000 for the year ended December 31, 2023 compared to 2022 principally due to increased professional fees related to the Company’s proposed merger which was announced on August 4, 2023.

Comparison of Financial Condition at December 31, 2023 and December 31, 2022

Total Assets. Total assets increased \$2.0 million, or 2.0%, to \$105.4 million at December 31, 2023 from \$103.3 million at December 31, 2022. The increase was principally due to increases in net loans of \$159,000 and in interest-bearing deposits in banks of \$4.2 million, offset, in part, by decreases in cash and cash equivalents of \$1.4 million and in investment securities available-for-sale of \$1.0 million.

Net Loans. Net loans increased \$159,000, or 0.2%, to \$86.0 million at December 31, 2023 from \$85.8 million at December 31, 2022. The increase in net loans was due primarily to a net increase of \$785,000 in one- to four-family residential real estate loans and residential construction loans, offset, in part, by a decrease of \$506,000 in multifamily real estate loans.

One- to four-family residential real estate loans increased \$5.2 million, or 7.0%, to \$80.3 million at December 31, 2023 from \$75.0 million at December 31, 2022. Offsetting this increase, in part, multifamily loans decreased \$506,000, or 16.7%, to \$2.5 million at December 31, 2023 from \$3.0 million at December 31, 2022, construction and land loans decreased \$4.5 million, or 79.7%, to \$1.1 million at December 31, 2023 from \$5.6 million at December 31, 2022, commercial real estate loans decreased \$51,000, or 3.6%, to \$1.4 million at December 31, 2023 from \$1.4 million at December 31, 2022 and consumer loans decreased \$8,000, or 4.0%, to \$191,000 at December 31, 2023 from \$199,000 at December 31, 2022.

Cash and Cash Equivalents. Cash and cash equivalents decreased \$1.4 million, or 38.3%, to \$2.3 million at December 31, 2023 from \$3.7 million at December 31, 2022.

Interest-Bearing Deposits in Banks. Interest-bearing deposits in banks increased \$4.2 million, or 339.8%, to \$5.5 million at December 31, 2023 from \$1.3 million at December 31, 2022.

In the aggregate, cash and cash equivalents and interest-bearing deposits in banks increased \$2.8 million, resulting primarily from the increase in deposits and lack of growth 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, decreased \$965,000, or 17.8%, to \$4.5 million at December 31, 2023 from \$5.4 million at December 31, 2022 as a result of normal repayments and market value decreases due to increased market interest rates.

Deposits. Deposits increased \$3.0 million, or 4.8%, to \$65.2 million at December 31, 2023 from \$62.2 million at December 31, 2022, principally due to an increase of \$4.5 million in certificates of deposit, or 7.7%, to \$63.2 million at December 31, 2023 from \$58.7 million at December 31, 2022, offset, in part, by a decrease of \$1.5 million in savings and money market accounts, or 44.0%, to \$2.0 million at December 31, 2023 from \$3.5 million at December 31, 2022. The increase in certificates of deposit resulted primarily from increases in local retail certificates of deposit of \$249,000, certificates of deposit derived from an online service of \$3.4 million and from brokers of \$993,000, offset, in part, by a decrease of \$150,000 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, decreased \$474,000, or 2.4%, to \$19.3 million at December 31, 2023 from \$19.7 million at December 31, 2022.

Total Equity. Total equity decreased \$109,000, or 0.6%, to \$19.2 million at December 31, 2023 from \$19.3 million at December 31, 2022. The decrease resulted primarily the net loss of \$206,000 during the year ended December 31, 2023, offset, in part, by the allocation of ESOP shares of \$77,000.

Comparison of Operating Results for the Years Ended December 31, 2023 and 2022

General. The Company had a net loss of \$206,000 for the year ended December 31, 2023, compared to net income of \$88,000 for the year ended December 31, 2022, a decrease of \$294,000. The decrease in net income resulted from a decrease in noninterest income of \$168,000 and an increase in noninterest expense of \$282,000, offset, in part, by an increase in net interest income of \$163,000.

Interest Income. Interest income increased \$629,000, or 19.5%, to \$3.8 million for the year ended December 31, 2023 from \$3.2 million for the year ended December 31, 2022. This increase was attributable to increases in interest on loans receivable of \$339,000, or 11.2%, interest on investment securities of \$118,000, or 121.6%, and interest on other interest-earning assets of \$172,000, or 168.6%. The average balance of loans increased \$3.3 million, or 4.1%, to \$85.6 million for the year ended December 31, 2023 from \$82.3 million for the year ended December 31, 2022, and the average yield on loans increased 26 basis points to 3.93% for the year ended December 31, 2023 from 3.67% for the year ended December 31, 2022. The average balance of investment securities decreased \$272,000, or 5.1%, to \$5.0 million for the year ended December 31, 2023 from \$5.3 million for the year ended December 31, 2022, while the average yield on investment securities increased 245 basis points to 4.28% for the year ended December 31, 2023 from 1.83% for the year ended December 31, 2022. The average balance of other interest-earning assets decreased \$2.8 million, or 34.4%, to \$5.4 million for the year ended December 31, 2023 from \$8.2 million for the year ended December 31, 2022, and the average yield on other interest-earning assets increased 384 basis points to 5.08% for the year ended December 31, 2023 from 1.24% for the year ended December 31, 2022.

Interest Expense. Total interest expense increased \$466,000, or 39.4%, to \$1.7 million for the year ended December 31, 2023 from \$1.2 million for the year ended December 31, 2022. The average balance of interest-bearing deposits increased \$1.0 million, or 1.6%, to \$63.1 million for the year ended December 31, 2023 from \$62.1 million for the year ended December 31, 2022, and the average cost of interest-bearing deposits increased 67 basis points to 1.88% for the year ended December 31, 2023 from 1.21% for the year ended December 31, 2022. The average balance of FHLB advances increased \$866,000, or 4.6%, to \$19.7 million for the year ended December 31, 2023 from \$18.9 million for the year ended December 31, 2022. The average cost of these advances increased six basis points to 2.35% for the year ended December 31, 2023 from 2.29% for the year ended December 31, 2022.

Net Interest Income. Net interest income increased \$163,000, or 8.0%, to \$2.2 million for the year ended December 31, 2023 from \$2.0 million for the year ended December 31, 2022. Average net interest-earning assets decreased \$1.6 million year to year. This decrease was due primarily to increases in interest-bearing deposits and FHLB advances. The Company's interest rate spread increased 12 basis points to 2.02% for the year ended December 31, 2023 from 1.90% for the year ended December 31, 2022, and the Company's net interest margin increased 16 basis points to 2.29% for the year ended December 31, 2023 from 2.13% for the year ended December 31, 2022. 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, 2023 compared to the year ended December 31, 2022.

Provision for Credit Losses. The Company recorded no provision for credit losses for the year ended December 31, 2023 and a credit for credit losses of \$7,000 for the year ended December 31, 2022. The allowance for credit losses was \$850,000, or 0.99% of total loans, at December 31, 2023, compared to \$850,000, or 1.00% of total loans, at December 31, 2022. There were no classified (substandard, doubtful and loss) or non-performing loans at December 31, 2023 or December 31, 2022. There were no charge-offs or recoveries for the years ended December 31, 2023 or December 31, 2022.

Noninterest Income. Noninterest income decreased \$168,000, or 28.1%, to \$429,000 for the year ended December 31, 2023 from \$597,000 for the year ended December 31, 2022. The decrease was principally due to a decrease of \$208,000, or 49.3%, in fees on loans sold.

Noninterest Expense. Noninterest expense increased \$282,000, or 11.0%, to \$2.8 million for the year ended December 31, 2023 from \$2.5 million for the year ended December 31, 2022. The increase was principally due to increases of \$261,000, or 82.9%, in professional fees related to the Company's proposed merger which was announced on August 4, 2023 and in occupancy expense of \$51,000, or 22.1%, offset, in part, by a decrease in salaries and employee benefits of \$41,000, or 2.7%, resulting primarily from a decrease in commissions and related expenses on lower loan volume period to period and the resignation of one employee mid-year.

Income Tax Expense. There was no income tax expense for the year ended December 31, 2023 or for the year ended December 31, 2022, principally due to net operating loss tax carryforwards from prior years. The effective tax rate was 0.00% for the year ended December 31, 2023 compared to 0.00% for 2022.

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, 2023 AND DECEMBER 31, 2022
(in thousands, except share data)

	December 31, 2023	December 31, 2022
<u>ASSETS</u>		
Cash and Cash Equivalents	\$ 2,253	\$ 3,650
Interest-Bearing Deposits in Banks	5,493	1,249
Investment Securities	4,452	5,417
Loans Receivable, Net	86,003	85,844
Accrued Interest Receivable	492	453
Federal Home Loan Bank Stock	1,545	1,469
Premises and Equipment, Net	618	670
Cash Surrender Value of Life Insurance	4,303	4,312
Deferred Tax Asset	55	60
Prepaid Expenses and Other Assets	151	196
Total Assets	<u>\$ 105,365</u>	<u>\$ 103,320</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Liabilities:		
Deposits	\$ 65,191	\$ 62,220
Advances from Federal Home Loan Bank	19,270	19,744
Advance Payments by Borrowers for Taxes and Insurance	1,091	1,402
Accrued Expenses and Other Liabilities	607	639
Total Liabilities	86,159	84,005
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 1,026,127 Shares Issued and Outstanding on December 31, 2023 and December 31, 2022, Respectively	10	10
Additional Paid-in Capital	8,117	8,085
Unallocated Common Stock Held by:		
Employee Stock Ownership Plan (ESOP)	(915)	(960)
Retained Earnings	12,199	12,405
Accumulated Other Comprehensive (Loss)	(205)	(225)
Total Stockholders' Equity	19,206	19,315
Total Liabilities and Stockholders' Equity	<u>\$ 105,365</u>	<u>\$ 103,320</u>

EUREKA HOMESTEAD BANCORP, INC.
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
(in thousands, except Earnings Per Share)

	Year Ended December 31,	
	2023	2022
Interest Income:		
Loans Receivable	\$ 3,362	\$ 3,023
Investment Securities	215	97
Interest-Bearing Deposits in Banks	274	102
Total Interest Income	3,851	3,222
Interest Expense:		
Deposits	1,187	753
Advances from Federal Home Loan Bank	463	431
Total Interest Expense	1,650	1,184
Net Interest Income	2,201	2,038
Provision (Credit) for Credit Losses		
Net Interest Income After Provision (Credit) for Credit Losses	2,201	2,045
Non-Interest Income:		
Service Charges and Other Income	126	88
Fees on Loans Sold	214	422
Income from Life Insurance	89	87
Total Non-Interest Income	429	597
Non-Interest Expenses:		
Salaries and Employee Benefits	1,486	1,527
Occupancy Expense	282	231
FDIC Deposit Insurance Premium and Examination Fees	67	67
Data Processing	69	73
Accounting and Consulting	270	157
Insurance	110	104
Legal fees	305	157
Other	247	238
Total Non-Interest Expenses	2,836	2,554
(Loss) Income Before Income Tax Expense	(206)	88
Income Tax Expense	—	—
Net (Loss) Income	\$ (206)	\$ 88
(Loss) Earnings Per Share: Basic	\$ (0.22)	\$ 0.09

EUREKA HOMESTEAD BANCORP, INC.
FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022
OTHER FINANCIAL DATA (Unaudited)

(Annualized)	<u>Year Ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Return on Average Assets	(0.26)%	0.11 %
Return on Average Equity	(1.42)%	0.58 %
Net Interest Margin	2.29 %	2.13 %
Bank Tier 1 Leverage Ratio	18.33 %	18.44 %
Allowance for Credit Losses to Total Loans	0.99 %	1.00 %
Non-performing Loans to Total Loans	0.00 %	0.00 %
(Loss) Earnings Per Share, Basic	\$ (0.22)	\$ 0.09
Book Value Per Share	\$ 18.72	\$ 18.82