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## **HERITAGE NOLA BANCORP, INC. ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2025**

**Covington, Louisiana** – Heritage NOLA Bancorp, Inc. (the “Company”) (OTC Pink Marketplace: “HRGG”), the holding company of Heritage Bank of St. Tammany (the “Bank”), announces net income of \$131,000, or \$0.11 per basic share, for the quarter ended June 30, 2025, compared to a net (loss) of (\$105,000), or (\$0.09) per basic share, for the quarter ended June 30, 2024. The increase in income resulted from an increase in net interest income of \$397,000, offset by an increase in noninterest expense of \$139,000, quarter to quarter.

### **Comparison of Financial Condition at June 30, 2025, and December 31, 2024**

Total assets were \$187.5 million at June 30, 2025, compared to \$181.4 million at December 31, 2024, an increase of \$6.1 million, or 3.4%. This increase was due primarily to an increase in net loans of \$6.9 million, offset by a decrease in securities of \$766,000.

Total cash and cash equivalents increased \$240,000 to \$8.1 million at June 30, 2025, from \$7.9 million at December 31, 2024. This increase was offset by a decrease in time deposits at other financial institutions of \$249,000.

Securities decreased \$766,000 to \$12.2 million at June 30, 2025, from \$12.9 million at December 31, 2024. This decrease resulted from mortgage-backed securities paydowns.

Net loans increased \$6.9 million to \$152.9 million at June 30, 2025, from \$146.0 million at December 31, 2024. Mortgage loans held for sale increased to 2.1 million, to be sold to Freddie Mac in July. Within portfolio loans, commercial real estate loans increased \$3.1 million, and one-to four-family construction loans increased \$2.2 million, while one-to four-family construction funds held and netted against construction loans decreased \$5.5 million.

Total deposits increased \$11.8 million to \$155.1 million at June 30, 2025, from \$143.3 million at December 31, 2024. Within deposits, certificates of deposit increased \$9.0 million to \$105.8 million from \$96.8 million, interest-bearing and noninterest-bearing checking accounts increased \$2.2 million to \$31.9 million from \$29.7 million, and savings accounts increased \$567,000 to \$17.4 million from \$16.9 million at June 30, 2025, from December 31, 2024. The increase in time deposits was due primarily to a special rate offer for 4-month certificates of deposit, and an increase in brokered deposits of \$2.3 million. The increase in checking accounts was due partly to an increase in municipal funds of \$1.2 million.

Borrowed funds decreased \$6.8 million to \$9.8 million at June 30, 2025, from \$16.5 million at December 31, 2024. Borrowed funds were paid down with incoming deposits.

Stockholders’ equity increased \$484,000 to \$20.6 million at June 30, 2025, from \$20.1 million at December 31, 2024, primarily as a result of year-to-date net income of \$372,000. Accumulated other comprehensive income also increased \$82,000 based on a decrease in unrealized losses of investment securities. At June 30, 2025, the Bank remains well-capitalized with ratios in excess of regulatory minimums.

## **Comparison of Operating Results for the Three Months Ended June 30, 2025 and 2024**

Interest income increased \$408,000 for the quarter ended June 30, 2025, compared to the same quarter in 2024. The average balance of the loan portfolio increased \$12.1 million to \$149.3 million for the 2025 quarter, compared to \$137.2 million for the same quarter in 2024, while the average yield increased to 6.29% from 5.67%. The average balance and yield of investment securities for the quarter ended June 30, 2025, were \$12.4 million and 2.58%, respectively, as compared to an average balance of \$14.0 million and a yield of 2.68% for the quarter ended June 30, 2024. Other interest-earning assets, consisting primarily of deposits in correspondent banks and other banks, had an average balance of \$10.8 million and an average yield of 4.43% for the quarter ended June 30, 2025, compared to \$7.2 million and 5.49%, respectively, for the quarter ended June 30, 2024.

Interest expense increased just \$11,000, remaining at \$1.2 million for both the quarter ended June 30, 2025, and the quarter ended June 30, 2024. Average interest-bearing deposits increased \$17.3 million to \$136.4 million from \$119.1 million for the quarters ended June 30, 2025, and June 30, 2024, respectively. The average cost of these deposits decreased to 3.37% from 3.60%, quarter to quarter. The average balance of borrowings decreased \$4.1 million, to \$8.9 million for the quarter ended June 30, 2025, from \$13.0 million for the quarter ended June 30, 2024. The average cost for these borrowings decreased to 4.44% from 5.08% for the same periods.

Net interest income increased \$397,000 to \$1.3 million for the quarter ended June 30, 2025, from \$901,000 for the quarter ended June 30, 2024. Our interest rate spread increased to 2.48% from 1.66%, and our net interest margin increased to 3.01% from 2.27%, for the quarters ended June 30, 2025, and 2024, respectively. The expansion in the interest rate spread and our net interest margin resulted from our increased volume in both loans and deposits, and a slight reduction in time deposit rates.

We recorded no provision for credit losses for the quarters ended June 30, 2025 and 2024 in accordance with the Bank's allowance for credit loss methodology. The allowance for credit loss was \$1.3 million, or 0.89% of loans receivable at June 30, 2025.

Non-interest income increased \$47,000 to \$191,000 for the quarter ended June 30, 2025, from \$144,000 for the quarter ended June 30, 2024, the result of improved activity in our mortgage banking operations, reflected in increased gains on sale of loans and the origination of mortgage servicing rights.

Non-interest expense increased \$139,000 to \$1.3 million for the quarter ended June 30, 2025, from \$1.2 million for the quarter ended June 30, 2024.

Income tax expense of \$69,000 was recorded in the quarter ended June 30, 2025 for deferred taxes, compared to no provision being made in the quarter ended June 30, 2024.

## **About Heritage NOLA Bancorp, Inc.**

Heritage NOLA Bancorp, Inc. is the holding company for Heritage Bank of St. Tammany, a federally chartered savings bank. The Bank, founded in 1924, is a community bank providing a variety of financial services to residents and businesses in and around St. Tammany Parish, Louisiana.

On July 24, 2025, Heritage NOLA Bancorp announced that it had entered into a definitive purchase and assumption agreement with OnPath Federal Credit Union pursuant to which OnPath will acquire substantially all of the assets and assume substantially all of the liabilities (including all of the deposit account liabilities) of Heritage Bank in an all-cash transaction (the “P&A Transaction”). The P&A Transaction is subject to regulatory approvals and the approval of the shareholders of Heritage NOLA Bancorp, and is expected to close in the second quarter of 2026.

Following the completion of the P&A Transaction and after all of the respective obligations of Heritage NOLA Bancorp and Heritage Bank (including settlement of the liquidation account maintained by Heritage Bank) are settled, Heritage Bank will liquidate and distribute its remaining assets to Heritage NOLA Bancorp and then Heritage NOLA Bancorp will dissolve and distribute its remaining assets to its shareholders. The distribution of cash representing the per share consideration to Heritage NOLA Bancorp’s shareholders is expected to occur in the fourth quarter of 2026, although delays in the liquidation and dissolution could delay the distribution to shareholders.

To learn more about us, visit [www.heritagebank.org](http://www.heritagebank.org).

## **Forward-Looking Statement**

This press release contains certain forward-looking statements that are based on assumptions and may describe future plans, strategies and expectations of the Company and the Bank. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words like “believe,” “expect,” “anticipate,” “estimate” and “intend” or future or conditional verbs such as “will,” “would,” “should,” “could” or “may.” Certain factors that could cause actual results to differ materially from expected results include changes in the interest rate environment, changes in general economic conditions, legislative and regulatory changes that adversely affect the business of the Company and the Bank, and changes in the securities markets. Except as required by law, the Company does not undertake any obligation to update any forward-looking statements to reflect changes in belief, expectations or events.

Heritage NOLA Bancorp, Inc.  
Consolidated Statements of Financial Condition  
June 30, 2025 (unaudited) and December 31, 2024  
(In Thousands, except share data)

	June 30, 2025	December 31, 2024
<b><u>ASSETS</u></b>		
Cash and Due from Banks	\$ 1,403	\$ 2,325
Interest Earning Deposits in Banks	6,740	5,553
Federal Funds Sold	—	25
Total Cash and Cash Equivalents	8,143	7,903
Interest Earning Time Deposits in Banks	1,096	1,345
Securities Available for Sale, at Fair Value	5,787	6,163
Securities Held to Maturity	6,385	6,775
Mortgage Loans Held for Sale	2,076	—
Loans Receivable, Net of Unearned Income	152,129	147,317
Allowance for Credit Losses	(1,300)	(1,309)
Total Loans, Net	152,905	146,008
Premises and Equipment	6,358	6,418
Federal Home Loan Bank Stock	1,591	1,553
Bank Owned Life Insurance	2,460	2,429
Foreclosed Real Estate	—	—
Prepaid Expenses and Other Assets	2,743	2,744
<b>Total Assets</b>	<b>\$ 187,468</b>	<b>\$ 181,338</b>
<b><u>LIABILITIES AND EQUITY</u></b>		
Interest Bearing Deposits	\$ 138,791	\$ 127,928
Noninterest Bearing Deposits	16,345	15,421
Total Deposits	155,136	143,349
Borrowed Funds	9,750	16,500
Advances from Borrowers for Taxes and Insurance	632	243
Accrued Expenses and Other Liabilities	1,343	1,123
<b>Total Liabilities</b>	<b>166,861</b>	<b>161,215</b>
<b>Shareholders' Equity</b>		
Preferred Stock, \$0.01 Par Value, 1,000,000 Shares Authorized, None Issued	—	—
Common Stock, \$0.01 Par Value, 9,000,000 Shares Authorized, 1,239,680 Shares Issued and Outstanding on June 30, 2025 and December 31, 2024	12	12
Additional Paid-in Capital	10,689	10,659
Unallocated common stock held by:		
Employee Stock Ownership Plan (ESOP)	(899)	(899)
Retained Earnings	11,547	11,175
Accumulated Other Comprehensive Income (Loss)	(742)	(824)
<b>Total Shareholders' Equity</b>	<b>20,607</b>	<b>20,123</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 187,468</b>	<b>\$ 181,338</b>

Heritage NOLA Bancorp, Inc.  
Consolidated Statements of Income  
For the Quarters Ended June 30, 2025 and 2024 (Unaudited)  
(In Thousands, except share data)

	<b>Three Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Interest Income</b>		
Loans, including Fees	\$ 2,347	\$ 1,945
Investment Securities	80	94
Other Interest Earning Assets	119	99
Total Interest Income	<u>2,546</u>	<u>2,138</u>
<b>Interest Expense</b>		
Deposits	1,149	1,072
Borrowed Funds	99	165
Total Interest Expense	<u>1,248</u>	<u>1,237</u>
Net Interest Income	1,298	901
<b>Provision for Loan Losses</b>	—	—
Net Interest Income after Provision for Loan Losses	<u>1,298</u>	<u>901</u>
<b>Noninterest Income</b>		
Gain on Sale of Loans Originated for Sale	28	6
Loan Servicing Income	92	63
Other Income	71	75
Total Noninterest Income	<u>191</u>	<u>144</u>
<b>Noninterest Expense</b>		
Salaries and Employee Benefits	713	628
Occupancy and Equipment	155	156
Data Processing	87	87
FDIC Insurance and Examination Fees	39	31
Director Compensation	22	24
Legal, Accounting and Professional Fees	99	88
Advertising	7	18
Telephone and Communications	24	23
Other	143	95
Total Noninterest Expense	<u>1,289</u>	<u>1,150</u>
<b>Income Before Income Tax Expense</b>	200	(105)
Income Tax Expense	69	—
<b>Net Income</b>	<u>\$ 131</u>	<u>\$ (105)</u>
<b>Earnings per share: Basic</b>	\$ 0.11	\$ (0.09)
<b>Diluted</b>	\$ 0.11	\$ (0.09)

**Other Financial Data**

(Annualized)

**Three Months Ended June 31,**

	<u>2025</u>	<u>2024</u>
Return on average assets	0.28%	-0.25%
Return on average equity	2.54%	-2.10%
Net interest margin	3.01%	2.27%
Bank Tier 1 Leverage ratio	10.65%	11.72%
Allowance for credit losses to total loans	0.85%	0.90%
Non-performing loans to loans receivable	0.21%	0.45%
Earnings (Loss) per share, basic	\$ 0.11	\$ (0.09)
Earnings (Loss) per share, diluted	\$ 0.11	\$ (0.09)
Book Value per share	\$ 16.62	\$ 16.16