

REFINITIV

# DELTA REPORT

## 10-Q

HFBL - HOME FEDERAL BANCORP, INC

10-Q - DECEMBER 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2024

The following comparison report has been automatically generated

TOTAL DELTAS 888

■ CHANGES 199

■ DELETIONS 305

■ ADDITIONS 384

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: September 30, December 31, 2024

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-35019

HOME FEDERAL BANCORP, INC. OF LOUISIANA

(Exact name of registrant as specified in its charter)

Louisiana

(State or other jurisdiction of incorporation or organization)

02-0815311

(IRS Employer Identification No.)

624 Market Street, Shreveport, Louisiana

(Address of principal executive offices)

71101

(Zip Code)

(318) 222-1145

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class                       | Trading Symbol(s) | Name of each exchange on which registered |
|---|-------------------|---|
| Common Stock (par value \$0.01 per share) | HFBL              | Nasdaq Stock Market, LLC                  |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer  Accelerated filer   
Non-accelerated filer  Smaller reporting company   
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  Yes  No

Shares of common stock, par value \$0.01 per share, outstanding as of November February 12, 2024 2025: The registrant had 3,131,668 3,132,764 shares of common stock outstanding.

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**HOME FEDERAL BANCORP, INC. OF LOUISIANA**

**CONSOLIDATED BALANCE SHEET SHEETS**

(In thousands except share and per share data)

|  | September 30, 2024<br>(Unaudited) | June 30, 2024 | December 31, 2024<br>(Unaudited) | June 30, 2023 |
|--|-----------------------------------|---------------|----------------------------------|---------------|
| <b>ASSETS</b>  |                                   |               |                                  |               |
| Cash and Cash Equivalents (Includes Interest-Bearing Deposits with Other Banks of \$32,743 and \$25,505 at September 30, 2024 and June 30, 2024, Respectively) | \$ 41,044                         | \$ 34,948     |                                  |               |
| Securities Available-for-Sale (amortized cost September 30, 2024: \$31,977; June 30, 2024: \$30,347, Respectively)   | 29,934                            | 27,037        |                                  |               |
| Securities Held-to-Maturity (fair value September 30, 2024: \$56,584; June 30, 2024: \$54,450, Respectively)   | 65,800                            | 67,302        |                                  |               |

|  |                   |                   |           |                |           |            |
|--|-------------------|-------------------|-----------|----------------|-----------|------------|
| Cash and Cash Equivalents (Includes Interest-Bearing Deposits with Other Banks of \$16,389 and \$25,505 at December 31, 2024 and June 30, 2024, Respectively)              |                   |                   | \$        | 19,540         | \$        | 34         |
| Securities Available-for-Sale (amortized cost December 31, 2024: \$32,930; June 30, 2024: \$30,347, Respectively)  |                   |                   |           | 29,607         |           | 27         |
| Securities Held-to-Maturity (fair value December 31, 2024: \$52,507; June 30, 2024: \$54,450, Respectively)  |                   |                   |           | 64,431         |           | 67         |
| Other Securities   | 1,633             | 1,614             |           | 1,651          |           | 1          |
| Loans Held-for-Sale  | 2,268             | 1,733             |           | 216            |           | 1          |
| Loans Receivable, Net of Allowance for Credit Losses (September 30, 2024: \$4,703; June 30, 2024: \$4,574, Respectively)   | 454,039           | 470,852           |           |                |           |            |
| Loans Receivable, Net of Allowance for Credit Losses (December 31, 2024: \$4,749; June 30, 2024: \$4,574, Respectively)  |                   |                   |           | 458,693        |           | 470        |
| Accrued Interest Receivable  | 1,761             | 1,775             |           | 1,787          |           | 1          |
| Premises and Equipment, Net  | 18,065            | 18,303            |           | 17,844         |           | 18         |
| Bank Owned Life Insurance  | 6,839             | 6,810             |           | 6,868          |           | 6          |
| Goodwill   | 2,990             | 2,990             |           | 2,990          |           | 2          |
| Core Deposit Intangible  | 1,125             | 1,199             |           | 1,053          |           | 1          |
| Deferred Tax Asset   | 1,210             | 1,181             |           | 1,538          |           | 1          |
| Real Estate Owned  | 122               | 418               |           | -              |           |            |
| Other Assets   | 1,574             | 1,350             |           | 1,545          |           | 1          |
| <b>Total Assets</b>  | <b>\$ 628,404</b> | <b>\$ 637,512</b> | <b>\$</b> | <b>607,763</b> | <b>\$</b> | <b>637</b> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>  |                   |                   |           |                |           |            |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>  |                   |                   |           |                |           |            |
| <b>LIABILITIES</b>   |                   |                   |           |                |           |            |
| Deposits:  |                   |                   |           |                |           |            |
| Non-interest bearing   | \$ 133,293        | \$ 130,334        | \$        | 128,439        | \$        | 130        |
| Interest-bearing   | 431,267           | 443,673           |           | 418,105        |           | 443        |
| Total Deposits   | 564,560           | 574,007           |           | 546,544        |           | 574        |
| Advances from Borrowers for Taxes and Insurance  | 644               | 521               |           | 269            |           |            |
| Other Borrowings   | 5,500             | 7,000             |           | 4,000          |           | 7          |
| Other Accrued Expenses and Liabilities   | 3,433             | 3,181             |           | 3,017          |           | 3          |
| <b>Total Liabilities</b>   | <b>574,137</b>    | <b>584,709</b>    |           | <b>553,830</b> |           | <b>584</b> |
| <b>STOCKHOLDERS' EQUITY</b>  |                   |                   |           |                |           |            |
| <b>SHAREHOLDERS' EQUITY</b>  |                   |                   |           |                |           |            |
| Preferred Stock - \$0.01 Par Value; 10,000,000 Shares Authorized; None Issued and Outstanding  | -                 | -                 |           | -              |           |            |
| Common Stock - \$0.01 Par Value; 40,000,000 Shares Authorized: 3,129,668 and 3,142,168 Shares Issued and Outstanding at September 30, 2024 and June 30, 2024, Respectively | 32                | 32                |           |                |           |            |
| Preferred Stock - \$0.01 Par Value; 10,000,000 Shares Authorized: None Issued and Outstanding  |                   |                   |           | -              |           |            |
| Common Stock - \$0.01 Par Value; 40,000,000 Shares Authorized: 3,132,764 and 3,144,168 Shares Issued and Outstanding at December 31, 2024 and June 30, 2024, Respectively  |                   |                   |           | 32             |           |            |
| Additional Paid-in Capital   | 41,822            | 41,739            |           | 42,010         |           | 41         |
| Unearned ESOP Stock  | (379)             | (408)             |           | (350)          |           |            |
| Retained Earnings  | 14,405            | 14,055            |           | 14,866         |           | 14         |
| Accumulated Other Comprehensive Loss   | (1,613)           | (2,615)           |           | (2,625)        |           | (2)        |
| <b>Total Stockholders' Equity</b>  | <b>54,267</b>     | <b>52,803</b>     |           |                |           |            |
| <b>Total Shareholders' Equity</b>  |                   |                   |           | <b>53,933</b>  |           | <b>52</b>  |
| <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>  | <b>\$ 628,404</b> | <b>\$ 637,512</b> | <b>\$</b> | <b>607,763</b> | <b>\$</b> | <b>637</b> |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>  |                   |                   |           | <b>607,763</b> |           | <b>637</b> |

See accompanying notes to consolidated financial statements.

HOME FEDERAL BANCORP, INC. OF LOUISIANA

CONSOLIDATED STATEMENTS OF OPERATIONS  
INCOME

(In thousands except share and per share data)

|  | Three Months Ended<br>September 30, |              | Three Months<br>Ended<br>December 31, |              | Six Months Ended<br>December 31, |               |
|--|-------------------------------------|--------------|---------------------------------------|--------------|----------------------------------|---------------|
|  | 2024                                | 2023         | 2024                                  | 2023         | 2024                             | 2023          |
| <b>INTEREST INCOME</b>                                       | (Unaudited)                         |              | (Unaudited)                           |              | (Unaudited)                      |               |
| Loans, including fees  | \$ 6,895                            | \$ 7,274     | \$ 6,791                              | \$ 7,397     | \$ 13,686                        | \$ 14,671     |
| Investment securities  | 67                                  | 150          | 63                                    | 210          | 130                              | 449           |
| Mortgage-backed securities                                   | 443                                 | 473          | 470                                   | 460          | 913                              | 933           |
| Other interest-earning assets                                | 336                                 | 177          | 334                                   | 13           | 670                              | 101           |
| <b>Total Interest Income</b>                                 | <b>7,741</b>                        | <b>8,074</b> | <b>7,658</b>                          | <b>8,080</b> | <b>15,399</b>                    | <b>16,154</b> |
| <b>INTEREST EXPENSE</b>                                      |                                     |              |                                       |              |                                  |               |
| Deposits   | 3,197                               | 2,592        | 2,977                                 | 2,901        | 6,175                            | 5,494         |
| Federal Home Loan Bank borrowings                            | -                                   | 15           | -                                     | 78           | -                                | 93            |
| Other bank borrowings  | 117                                 | 183          | 81                                    | 198          | 198                              | 381           |
| <b>Total Interest Expense</b>                                | <b>3,314</b>                        | <b>2,790</b> | <b>3,058</b>                          | <b>3,177</b> | <b>6,373</b>                     | <b>5,968</b>  |
| <b>Net Interest Income</b>                                   | <b>4,427</b>                        | <b>5,284</b> | <b>4,600</b>                          | <b>4,903</b> | <b>9,026</b>                     | <b>10,186</b> |
| <b>RECOVERY OF CREDIT LOSSES</b>                             | (223)                               | -            |                                       |              |                                  |               |
| <b>Net Interest Income After Recovery of Credit Losses</b>   | <b>4,650</b>                        | <b>5,284</b> |                                       |              |                                  |               |
| <b>PROVISION FOR (RECOVERY OF) CREDIT LOSSES</b>             |                                     |              | 45                                    | (16)         | (178)                            | (16)          |
| <b>Net Interest Income After Provision for Credit Losses</b> |                                     |              | <b>4,555</b>                          | <b>4,919</b> | <b>9,204</b>                     | <b>10,202</b> |
| <b>NON-INTEREST INCOME</b>                                   |                                     |              |                                       |              |                                  |               |
| Loss on sale of real estate                                  |                                     |              | (12)                                  | (381)        | (266)                            | (415)         |
| Gain on sale of loans  | 96                                  | 38           | 5                                     | 76           | 101                              | 115           |
| Loss on sale of real estate                                  | (254)                               | (34)         |                                       |              |                                  |               |
| Income on bank owned life insurance                          | 28                                  | 26           |                                       |              |                                  |               |
| Loss on sale of securities                                   |                                     |              | (6)                                   | -            | (6)                              | -             |
| Income on Bank-Owned Life Insurance                          |                                     |              | 30                                    | 28           | 58                               | 54            |
| Service charges on deposit accounts                          | 391                                 | 391          | 392                                   | 397          | 783                              | 788           |
| Other income   | 39                                  | 13           | 79                                    | 17           | 118                              | 30            |
| <b>Total Non-Interest Income</b>                             | <b>300</b>                          | <b>434</b>   | <b>488</b>                            | <b>137</b>   | <b>788</b>                       | <b>572</b>    |
| <b>NON-INTEREST EXPENSE</b>                                  |                                     |              |                                       |              |                                  |               |
| Compensation and benefits                                    | 2,302                               | 2,356        | 2,229                                 | 2,328        | 4,531                            | 4,684         |
| Occupancy and equipment                                      | 564                                 | 549          | 537                                   | 544          | 1,101                            | 1,092         |
| Data processing  | 219                                 | 245          | 336                                   | 129          | 554                              | 374           |
| Audit and examination fees                                   | 132                                 | 102          | 191                                   | 271          | 323                              | 373           |
| Franchise and bank shares tax                                | 168                                 | 156          | 1                                     | 164          | 169                              | 320           |
| Advertising  | 57                                  | 143          | 44                                    | 82           | 101                              | 225           |
| Professional fees  | 117                                 | 160          |                                       |              |                                  |               |
| Legal fees   |                                     |              | 134                                   | 187          | 251                              | 347           |
| Loan and collection  | 28                                  | 60           | 30                                    | 32           | 58                               | 92            |
| Amortization core deposit intangible                         | 74                                  | 94           |                                       |              |                                  |               |
| Amortization Core Deposit Intangible                         |                                     |              | 72                                    | 85           | 146                              | 179           |
| Deposit insurance premium                                    | 90                                  | 91           | 75                                    | 108          | 165                              | 199           |
| Other expenses   | 260                                 | 232          | 187                                   | 319          | 447                              | 552           |
| <b>Total Non-Interest Expense</b>                            | <b>4,011</b>                        | <b>4,188</b> | <b>3,836</b>                          | <b>4,249</b> | <b>7,846</b>                     | <b>8,437</b>  |
| <b>Income Before Income Taxes</b>                            | <b>939</b>                          | <b>1,530</b> | <b>1,207</b>                          | <b>807</b>   | <b>2,146</b>                     | <b>2,337</b>  |

|  |         |          |          |          |          |          |
|--|---------|----------|----------|----------|----------|----------|
| PROVISION FOR INCOME TAX (BENEFIT) EXPENSE | (2)     | 310      |          |          |          |          |
| PROVISION FOR INCOME TAX EXPENSE (BENEFIT) |         |          | 187      | (196)    | 185      | 114      |
| NET INCOME                                 | \$ 941  | \$ 1,220 | \$ 1,020 | \$ 1,003 | \$ 1,961 | \$ 2,223 |
| EARNINGS PER SHARE                         |         |          |          |          |          |          |
| Basic                                      | \$ 0.31 | \$ 0.40  | \$ 0.33  | \$ 0.33  | \$ 0.64  | \$ 0.73  |
| Diluted                                    | \$ 0.31 | \$ 0.39  | \$ 0.33  | \$ 0.33  | \$ 0.64  | \$ 0.72  |

See accompanying notes to consolidated financial statements.

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HOME FEDERAL BANCORP, INC. OF LOUISIANA

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
(In Thousands)

|   | For the Three Months Ended<br>September 30, |          | For the Three<br>Months Ended<br>December 31, |          | For the Six<br>Months Ended<br>December 31, |          |
|---|---|----------|---|----------|---|----------|
|   | 2024  | 2023     | 2024  | 2023     | 2024  | 2023     |
|   | (Unaudited)                                 |          | (Unaudited)                                   |          | (Unaudited)                                 |          |
| Net Income  | \$ 941                                      | \$ 1,220 | \$ 1,020                                      | \$ 1,003 | \$ 1,961                                    | \$ 2,223 |
| Other Comprehensive Income (Loss), Net of Tax   |   |          |   |          |   |          |
| Unrealized gains (losses) on securities available for sale:                             |   |          |   |          |   |          |
| Unrealized gains (losses) on securities available-for-sale:                             |   |          |   |          |   |          |
| Realized holding gains (losses) arising during the period                               | 1,268                                       | (1,028)  | (1,287)                                       | 1,701    | (19)  | 673      |
| Less: reclassification adjustments for securities gains (losses) realized in net income |   |          | (6)   | -        | (6)   | -        |
| Income tax effect   | (266)                                       | 216      | 269   | (357)    | 3   | (141)    |
| Total Other Comprehensive Income (Loss), Net of Tax                                     | 1,002                                       | (812)    | (1,012)                                       | 1,344    | (10)  | 532      |
| Total Comprehensive Income  | \$ 1,943                                    | \$ 408   | \$ 8  | \$ 2,347 | \$ 1,951                                    | \$ 2,755 |

See accompanying notes to consolidated financial statements.

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HOME FEDERAL BANCORP, INC. OF LOUISIANA

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY  
THREE MONTHS ENDED SEPTEMBER 30, DECEMBER 31, 2024 AND 2023  
(In Thousands)

|  | Common      | Additional | Unearned | Accumulated |               | Total         | Common      | Additional | Unearned | Accumulated |               | Total    |
|--|-------------|------------|----------|-------------|---------------|---------------|-------------|------------|----------|-------------|---------------|----------|
|  | Stock       | Paid-in    | ESOP     | Retained    | Other         | Stockholders' | Stock       | Paid-in    | ESOP     | Retained    | Other         | Sharehol |
|  |             | Capital    | Stock    | Earnings    | Income (Loss) | Equity        |             | Capital    | Stock    | Earnings    | Income (Loss) | Equity   |
|  | (Unaudited) |            |          |             |               |               | (Unaudited) |            |          |             |               |          |
| BALANCE –<br>June 30,<br>2023  | \$ 31       | \$ 40,981  | \$ (523) | \$ 12,707   | \$ (2,654)    | \$ 50,542     |             |            |          |             |               |          |
| Cumulative<br>Effect of<br>Change in<br>Accounting<br>Principle-ASU<br>2016-13 | -           | -          | -        | (189)       | -             | (189)         |             |            |          |             |               |          |

|   |    |    |    |        |       |       |    |        |     |         |    |        |    |        |    |         |    |        |
|---|----|----|----|--------|-------|-------|----|--------|-----|---------|----|--------|----|--------|----|---------|----|--------|
| <b>BALANCE –<br/>September 30,<br/>2023</b>   |    |    |    |        |       |       | \$ | 31     | \$  | 41,057  | \$ | (495)  | \$ | 13,346 | \$ | (3,466) | \$ | 50,473 |
| Net Income  |    |    |    |        |       |       |    | -      |     | -       |    |        |    | 1,003  |    |         |    | -      |
| ESOP<br>Compensation<br>Earned  | -  | 53 | 28 | -      | -     | 81    |    | -      | 54  | 29      |    |        |    | -      |    |         |    | -      |
| Stock Options<br>Exercised  | -  | -  | -  | -      | -     | -     |    | -      | 113 | -       |    |        |    | -      |    |         |    | -      |
| Dividends<br>Paid   | -  | -  | -  | (392)  | -     | (392) |    | -      | -   | -       |    |        |    | (392)  |    |         |    | -      |
| Stock Options<br>Vested   | -  | 23 | -  | -      | -     | 23    |    |        |     |         |    |        |    |        |    |         |    |        |
| Company Stock<br>Purchased  | -  | -  | -  | -      | -     | -     |    | -      | -   | -       |    |        |    | (30)   |    |         |    | -      |
| Changes in<br>Unrealized Loss<br>on Securities<br>Available-for-<br>Sale, Net of Tax<br>Effects | -  | -  | -  | -      | (812) | (812) |    |        |     |         |    |        |    |        |    |         |    |        |
| Other<br>Comprehensive<br>Income,<br>Unrealized Gain<br>on Debt<br>Securities, Net<br>of Tax    |    |    |    |        |       |       |    | -      | -   | -       |    |        |    | -      |    |         |    | 1,344  |
| <b>BALANCE –<br/>December 31,<br/>2023</b>  |    |    |    |        |       |       | \$ | 31     | \$  | 41,224  | \$ | (466)  | \$ | 13,927 | \$ | (2,122) | \$ | 50,473 |
| <b>BALANCE –<br/>September 30,<br/>2024</b>   |    |    |    |        |       |       | \$ | 32     | \$  | 41,822  | \$ | (379)  | \$ | 14,405 | \$ | (1,613) | \$ | 52,803 |
| Net Income  | -  | -  | -  | 1,220  | -     | 1,220 |    | -      | -   | -       |    |        |    | 1,020  |    |         |    | -      |
| <b>BALANCE –<br/>September<br/>30, 2023</b>   | \$ | 31 | \$ | 41,057 | \$    | (495) | \$ | 13,346 | \$  | (3,466) | \$ | 50,473 |    |        |    |         |    |        |
| <b>BALANCE –<br/>June 30,<br/>2024</b>  | \$ | 32 | \$ | 41,739 | \$    | (408) | \$ | 14,055 | \$  | (2,615) | \$ | 52,803 |    |        |    |         |    |        |
| Cumulative Effect<br>of Change in<br>Accounting<br>Principle-ASU<br>2016-13                     | -  | -  | -  | -      | -     | -     |    |        |     |         |    |        |    |        |    |         |    |        |
| ESOP<br>Compensation<br>Earned  | -  | 40 | 29 | -      | -     | 69    |    | -      | 46  | 29      |    |        |    | -      |    |         |    | -      |

|   |           |           |           |               |           |              |           |               |           |                |           |               |           |               |           |                |           |          |
|---|-----------|-----------|-----------|---------------|-----------|--------------|-----------|---------------|-----------|----------------|-----------|---------------|-----------|---------------|-----------|----------------|-----------|----------|
| Stock Options Exercised   | -         | 19        | -         | -             | -         | 19           |           |               |           |                |           |               |           |               |           |                |           |          |
| Dividends Paid  | -         | -         | -         | (409)         | -         | (409)        | -         | -             | -         | (407)          | -         |               |           |               |           |                |           |          |
| Stock Options Vested  | -         | 24        | -         | -             | -         | 24           | -         | 142           | -         | -              | -         |               |           |               |           |                |           |          |
| Company Stock Purchased   | -         | -         | -         | (182)         | -         | (182)        | -         | -             | -         | (152)          | -         |               |           |               |           |                |           |          |
| Net Income  | -         | -         | -         | 941           | -         | 941          |           |               |           |                |           |               |           |               |           |                |           |          |
| Other Comprehensive Loss, Unrealized Loss on Debt Securities, Net of Tax Loss |           |           |           |               |           |              |           |               |           |                | (1,012)   |               |           |               |           |                |           |          |
| Other Comprehensive Income, Unrealized Gain on Debt Securities, Net of Tax    | -         | -         | -         | -             | 1,002     | (1,002)      |           |               |           |                |           |               |           |               |           |                |           |          |
| <b>BALANCE – September 30, 2024</b>   | <u>\$</u> | <u>32</u> | <u>\$</u> | <u>41,822</u> | <u>\$</u> | <u>(379)</u> | <u>\$</u> | <u>14,405</u> | <u>\$</u> | <u>(1,613)</u> | <u>\$</u> | <u>54,267</u> |           |               |           |                |           |          |
| <b>BALANCE – December 31, 2024</b>  |           |           |           |               |           |              | <u>\$</u> | <u>32</u>     | <u>\$</u> | <u>42,010</u>  | <u>\$</u> | <u>(350)</u>  | <u>\$</u> | <u>14,866</u> | <u>\$</u> | <u>(2,625)</u> | <u>\$</u> | <u>5</u> |

See accompanying notes to consolidated financial statements.

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**HOME FEDERAL BANCORP, INC. OF LOUISIANA**

**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
**SIX MONTHS ENDED DECEMBER 31, 2024 AND 2023**  
(In Thousands)

|   | Common Stock | Additional Paid-in Capital | Unearned ESOP Stock | Retained Earnings | Accumulated Other Comprehensive Income (Loss) | Total Shareholders' Equity |
|---|--------------|----------------------------|---------------------|-------------------|---|----------------------------|
|   | (Unaudited)  |                            |                     |                   |   |                            |
| <b>BALANCE – June 30, 2023</b>                                    | \$ 31        | \$ 40,981                  | \$ (523)            | \$ 12,707         | \$ (2,654)                                    | \$ 50,542                  |
| Cumulative Effect of Change in Accounting Principle – ASU 2016-13 | -            | -                          | -                   | (189)             | -   | (189)                      |
| Net Income  | -            | -                          | -                   | 2,223             | -   | 2,223                      |
| ESOP Compensation Earned  | -            | 107                        | 57                  | -                 | -   | 164                        |
| Stock Options Exercised   | -            | 113                        | -                   | -                 | -   | 113                        |
| Dividends Paid  | -            | -                          | -                   | (784)             | -   | (784)                      |
| Stock Options Vested  | -            | 23                         | -                   | -                 | -   | 23                         |

|   |              |                  |                 |                  |                   |                  |
|---|--------------|------------------|-----------------|------------------|-------------------|------------------|
| Company Stock Purchased   | -            | -                | -               | (30)             | -                 | (30)             |
| Other Comprehensive Income, Unrealized Gain on Debt Securities, Net of Tax    | -            | -                | -               | -                | 532               | 532              |
| <b>BALANCE – December 31, 2023</b>  | <u>\$ 31</u> | <u>\$ 41,224</u> | <u>\$ (466)</u> | <u>\$ 13,927</u> | <u>\$ (2,122)</u> | <u>\$ 52,594</u> |
| <b>BALANCE – June 30, 2024</b>  | \$ 32        | \$ 41,739        | \$ (408)        | \$ 14,055        | \$ (2,615)        | \$ 52,803        |
| Net Income  | -            | -                | -               | 1,961            | -                 | 1,961            |
| ESOP Compensation Earned  | -            | 86               | 58              | -                | -                 | 144              |
| Stock Options Exercised   | -            | 19               | -               | -                | -                 | 19               |
| Dividends Paid  | -            | -                | -               | (816)            | -                 | (816)            |
| Stock Options Vested  | -            | 166              | -               | -                | -                 | 166              |
| Company Stock Purchased   | -            | -                | -               | (334)            | -                 | (334)            |
| Other Comprehensive Loss, Unrealized Loss on Debt Securities, Net of Tax Loss | -            | -                | -               | -                | (10)              | (10)             |
| <b>BALANCE – December 31, 2024</b>  | <u>\$ 32</u> | <u>\$ 42,010</u> | <u>\$ (350)</u> | <u>\$ 14,866</u> | <u>\$ (2,625)</u> | <u>\$ 53,933</u> |

See accompanying notes to consolidated financial statements.

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HOME FEDERAL BANCORP, INC. OF LOUISIANA

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands)

|  | Three Months Ended<br>September 30, |          | Six Months Ended<br>December 31, |          |
|--|-------------------------------------|----------|----------------------------------|----------|
|  | 2024                                | 2023     | 2024                             | 2023     |
|  | (Unaudited)                         |          | (Unaudited)                      |          |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                      |                                     |          |                                  |          |
| Net Income   | \$ 941                              | \$ 1,220 | \$ 1,961                         | \$ 2,223 |
| Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities |                                     |          |                                  |          |
| Gain on Sale of Loans  | (96)                                | (38)     | (101)                            | (115)    |
| Loss on Sale of Investments  | -                                   | -        | 6                                | -        |
| Net Amortization and Accretion on Securities                                     | 417                                 | 107      | (53)                             | 207      |
| Amortization of Deferred Loan Fees   | (15)                                | (33)     | (25)                             | (68)     |
| Amortization of Purchased Loans  | (75)                                | (419)    | (154)                            | (573)    |
| Recovery of Loan Losses  | (223)                               | -        | (178)                            | (16)     |
| Depreciation of Premises and Equipment   | 206                                 | 224      | 449                              | 477      |
| Loss on Sales of Real Estate and Fixed Assets                                    | 254                                 | 34       | -                                | -        |
| Loss on Sales of Real Estate   | -                                   | -        | 266                              | 415      |
| ESOP Compensation Expense  | 69                                  | 81       | 144                              | 164      |
| Stock Option Expense   | 24                                  | 23       | 166                              | 23       |
| Deferred Income Tax Benefit  | (295)                               | (147)    | -                                | -        |
| Deferred Income Tax (Benefit) Expense  | -                                   | -        | (354)                            | 140      |
| Federal Home Loan Bank Stock Dividend  | -                                   | 17       | -                                | (35)     |
| Share Awards Expense   | -                                   | 28       | -                                | 59       |
| Increase in Cash Surrender Value on Bank Owned Life Insurance                    | (29)                                | (26)     | (58)                             | (54)     |
| Bad Debt Recovery  | -                                   | 362      | -                                | 6        |

|  |               |                 |               |                |
|--|---------------|-----------------|---------------|----------------|
| Amortization Core Deposit Intangible                       | 74            | -               |               |                |
| Amortization of Core Deposit Intangible                    |               |                 | 146           | 179            |
| Changes in Assets and Liabilities:                         |               |                 |               |                |
| Origination and Purchase of Loans Held-for-Sale            | (6,152)       | (1,807)         |               |                |
| Sale and Principal Repayments on Loans Held-for-Sale       | 5,713         | 1,222           |               |                |
| Loans Held-for-Sale – Originations and Purchases           |               |                 | (6,112)       | (6,292)        |
| Loans Held-for-Sale – Sale and Principal Repayments        |               |                 | 7,730         | 4,445          |
| Accrued Interest Receivable                                | 14            | (117)           | (12)          | (93)           |
| Other Operating Assets                                     | (224)         |                 | 163           |                |
| Other Operating Liabilities                                | 252           | 1,551           | (165)         | (1,398)        |
| <b>Net Cash Provided by Operating Activities</b>           | <b>871</b>    | <b>2,445</b>    |               |                |
| <b>Net Cash Provided by (Used in) Operating Activities</b> |               |                 | <b>3,461</b>  | <b>(190)</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                |               |                 |               |                |
| Loan Originations and Purchases, Net                       | 17,122        | (17,659)        | 12,494        | (12,862)       |
| Deferred Loan Fees Collected                               | 4             | 16              | 22            | 37             |
| Acquisition of Premises and Equipment                      | (12)          | (656)           | (18)          | (1,520)        |
| Disposal of Premises and Equipment                         | 28            | -               |               |                |
| Proceeds from Sale of Real Estate and Fixed Assets         | 70            | 276             |               |                |
| Proceeds from Sale of Premises and Equipment               |               |                 | 28            | -              |
| Proceeds from Sale of Real Estate                          |               |                 | 199           | 454            |
| Improvements to Real Estate Owned Prior to Disposition     | (28)          | (38)            | (47)          | (38)           |
| Changes in Federal Home Loan Bank Stock                    | (19)          | -               |               |                |
| Changes in FHLB Stock                                      |               |                 | (37)          | -              |
| Activity in Available-for-Sale Securities:                 |               |                 |               |                |
| Principal Payments on Securities                           | 1,977         | 952             | 3,536         | 5,857          |
| Purchase of Mortgage-Backed Securities                     | (4,016)       | (2,667)         | (6,708)       | (2,667)        |
| Proceeds from sales of Mortgage-Backed Securities          |               |                 | 157           | -              |
| Proceeds from sales of US Treasury Notes                   |               |                 | 494           | -              |
| Activity in Held-to-Maturity Securities:                   |               |                 |               |                |
| Principal Payments on Mortgage-Backed Securities           | 1,495         | 1,631           | 2,857         | 2,915          |
| <b>Net Cash Provided by (Used in) Investing Activities</b> | <b>16,621</b> | <b>(18,145)</b> | <b>12,977</b> | <b>(7,824)</b> |

See accompanying notes to consolidated financial statements.

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HOME FEDERAL BANCORP, INC. OF LOUISIANA

CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)  
(In Thousands)

CASH FLOWS FROM FINANCING ACTIVITIES

CASH FLOWS FROM FINANCING ACTIVITIES

Net Decrease in Deposits  
Proceeds from Advances from Federal Home Loan Bank

Repayments of Advances from Federal Home Loan Bank  
Dividends Paid  
Company Stock Purchased  
Net Increase Decrease in Advances from Borrowers for Taxes and Insurance  
Proceeds from Other Bank Borrowings  
Repayments of Other Bank Borrowings  
Proceeds from Stock Options Exercised  
Plan Share Distributions

**Net Cash Used in Financing Activities**

**NET INCREASE (DECREASE) DECREASE IN CASH AND CASH EQUIVALENTS**

**CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD**

**CASH AND CASH EQUIVALENTS - END OF PERIOD**

**SUPPLEMENTARY SUPPLEMENTAL CASH FLOW INFORMATION**

Interest Paid on Deposits and Borrowed Funds  
Market Value Adjustment for Loss (Loss) Gain on Securities Available-for-Sale  
Transfer from Loans to Other Real Estate Owned

See accompanying notes to consolidated financial statements.

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**1. Summary of Accounting Policies**

**Basis of Presentation**

The consolidated financial statements include the accounts of Home Federal Bancorp, Inc. of Louisiana (the "Company") and its subsidiary, Home Federal Bank ("Home Federal Bank"). The Company follows accounting standards set by the Financial Accounting Standards Board (the "FASB"). The FASB sets generally accepted accounting principles ("GAAP") that we follow. In accordance with the subsequent events topic of the ASC, the Company evaluates events and transactions that occur after the statement of financial condition date for potential recognition.

**Use of Estimates**

In preparing consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses.

**Nature of Operations**

Home Federal Bancorp, Inc. of Louisiana, a Louisiana corporation, is the fully public stock holding company for Home Federal Bank located in Shreveport, Louisiana. The Bank is a financial institution.

**Cash and Cash Equivalents**

For purposes of the Consolidated Statements of Cash Flows, cash and cash equivalents include cash on hand, balances due from banks, and federal funds sold, all of which mature within 90 days.

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**1. Summary of Accounting Policies (continued)**

**Securities**

Securities are being accounted for in accordance with FASB ASC 320's, *Investments*, which requires the classification of securities into one of three categories: Trading, Available-for-Investments in debt securities, in which the Company has the positive intent and ability to hold to maturity, are classified as held-to-maturity and carried at cost, adjusted for amortization. Securities that are acquired and held principally for the purpose of selling in the near term are classified as trading securities. Investments in securities not classified as trading or held-to-maturity securities are classified as available-for-sale securities. The Company held no trading securities as of **September 30, 2024**, **December 31, 2024** and June 30, 2024.

Purchase premiums and discounts are recognized in interest income using the interest method over the term of the securities. Securities are periodically reviewed for impairment. For securities classified as held-to-maturity, in evaluating securities in unrealized loss positions, for impairment and the criteria regarding intent or requirement to sell such securities, the Company considers the extent to which the decline in fair value has occurred. The Bank has invested in Federal Home Loan Bank ("FHLB") stock, and other similar correspondent banks, which is reflected at cost in these consolidated financial statements. As a result, the Bank's investment in FHLB stock is not subject to impairment.

#### **Loans Held-for-Sale**

Loans originated and intended for sale in the secondary market are carried at the lower of cost or estimated fair value in the aggregate. Net unrealized losses, if any, are recognized through the income statement.

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### **1. Summary of Accounting Policies (continued)**

#### **Loans Receivable**

Loans receivable are stated as unpaid principal balances less allowance for credit losses ("ACL") and unamortized deferred loan fees. Net nonrefundable fees (loan origination fees, etc.) are recognized as income over the term of the loans.

#### **Allowance for Credit Losses**

The discussion that follows describes the methodology for determining the ACL under the new current expected credit loss ("CECL") model that was implemented effective July 1, 2023. The Company has elected to exclude accrued interest receivable from the measurement of its ACL. When a loan is placed on non-accrual status, any outstanding accrued interest is not included in the ACL. The ACL for loans is an estimate of the expected losses to be realized over the life of the loans in the portfolio. The ACL is determined for two distinct categories of loans: 1) loans evaluated collectively and 2) loans evaluated individually. Homogeneous loans are evaluated collectively for expected credit losses. The loan pools/segments with similar risk characteristics were determined by management. Loans evaluated individually for expected credit losses could include loans on non-accrual status.

Management estimates the allowance balance using relevant available information from internal and external sources relating to past events, current conditions and reasonable and supportable forecasts. Loans evaluated individually may have specific allocations assigned if the measured value of the loan using one of the noted techniques is less than its current carrying value. For loans evaluated collectively, management regularly reviews loans in the portfolio to assess credit quality indicators and to determine appropriate loan classification. For all loans, an internal risk rating process is used to determine the appropriate loan classification.

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### **1. Summary of Accounting Policies (continued)**

#### **Allowance for Credit Losses (continued)**

The following is a summary of the Company's internal risk rating categories:

- Pass: Loans classified as pass are well protected by the current net worth or paying capacity of the obligor or by the fair value, less costs to acquire and sell the underlying collateral.

- Pass Watch - Loans are considered marginal, meaning some weakness has been identified which could cause future impairment of repayment. However, these relationships are c
  - Special Mention: Loans identified as special mention have a potential weakness that deserves management's close attention. If left uncorrected, these potential weaknesses may r
  - Substandard: Loans classified as substandard are inadequately protected by the current net worth and payment capacity of the obligor or of the collateral pledged, if any. Loans so
  - Doubtful: Loans classified as doubtful have all the weaknesses inherent in those classified as substandard, with the added characteristic that the weaknesses make collection or lic
  - Loss: This classification includes those loans which are considered uncollectible and of such little value that their continuance as loans is not warranted. Even though partial recove
- The allocation of the ACL is reviewed to evaluate its appropriateness in relation to the overall risk profile of the loan portfolio. The Company considers risk factors such as: local and n
- Qualitative and Other Adjustments to Allowance for Credit Losses: In addition to the quantitative credit loss estimates for loans evaluated collectively, qualitative factors that may not t
- Off Balance Sheet Credit Exposures.* The ACL for off balance sheet credit exposures is recorded in other liabilities on the Consolidated Balance Sheet. This ACL represents manager

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## 1. Summary of Accounting Policies (continued)

### Allowance for Credit Losses (continued)

within the standard loan documents prepared for each HFB commitment, all unfunded commitments are considered unconditionally cancellable and thus no CECL ACL is allocated fo

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## 1. Summary of Accounting Policies (continued)

### Off-Balance Sheet Credit Related Financial Instruments

In the ordinary course of business, the Bank has entered into commitments to extend credit. Such financial instruments are recorded when they are funded.

### Foreclosed Assets

Assets acquired through, or in lieu of, loan foreclosure are held-for-sale and are transferred to other real estate owned at the lower of cost or current fair value minus estimated costs i

### Premises and Equipment

Land is carried at cost. Buildings and equipment are carried at cost less accumulated depreciation computed on the straight-line method over the estimated useful lives of the assets.

Buildings and Improvements

Furniture and Equipment

### Bank-Owned Life Insurance

The Bank has purchased life insurance contracts on the lives of certain key employees. The Bank is the beneficiary of these policies. These contracts are reported at their cash surre

### Income Taxes

The Company and its wholly-owned subsidiary file a consolidated Federal income tax return on a fiscal year basis. Each entity pays its pro-rata share of income taxes in accordance v

The Company accounts for income taxes on the asset and liability method. Deferred tax assets and liabilities are recorded based on the difference between the tax basis of assets an

The Company follows the provisions of the *Income Taxes* Topic of the FASB ASC 740. ASC 740 prescribes a recognition threshold and measurement attribute for financial statement

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**1. Summary of Accounting Policies (continued)**

**Income Taxes (continued)**

While the Company is exempt from Louisiana income tax, it is subject to the Louisiana Ad Valorem Tax, commonly referred to as the Louisiana Shares Tax, which is based on [stockholdings](#).

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**1. Summary of Accounting Policies (continued)**

**Earnings per Share**

Earnings per share are computed based upon the weighted average number of common shares outstanding during the period. The Company's basic and diluted earnings per share are calculated as follows:

**Stock-Based Compensation**

GAAP requires all share-based payments to employees, including grants of employee stock options and recognition and retention share awards, to be recognized as expense in the current period.

**Reclassification**

Certain financial statement balances included in the prior year consolidated financial statements have been reclassified to conform to the current period presentation.

**Comprehensive Income**

Accounting principles generally accepted in the United States of America require that recognized revenue, expenses, gains, and losses be included in net income. Although certain components of comprehensive income are not included in net income, they are included in the consolidated financial statements.

**Critical Accounting Policies**

During the six months ended December 31, 2024, the Company implemented CECL accounting policies, procedures, and controls as part of its adoption of ASU No. 2016-13 and subsequent amendments.

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**1. Summary of Accounting Policies (continued)**

**Recent Accounting Pronouncements**

ASU 2016-13, "Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments." In June 2016, the FASB issued ASU 2016-13 which requires the measurement of expected credit losses for financial assets held at the reporting date, including delinquent, on nonaccrual and/or otherwise adversely risk rated as of the acquisition date, those that have been downgraded since origination, and those for which, after origination, credit quality has deteriorated.

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**1. Summary of Accounting Policies (continued)**

**Recent Accounting Pronouncements (continued)**

beyond the threshold specified in policy. The Company bifurcates the fair value discount between the credit and noncredit components and records an allowance for credit losses for the credit component.

Accounting Standards Update 2022-02 ("ASU 2022-02"), "Financial Instruments – Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures." In March 2022, the FASB issued ASU 2022-02, which requires the measurement of expected credit losses for financial assets held at the reporting date, including delinquent, on nonaccrual and/or otherwise adversely risk rated as of the acquisition date, those that have been downgraded since origination, and those for which, after origination, credit quality has deteriorated.

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## 2. Securities

The amortized cost and fair value of securities with gross unrealized gains and losses follows:

### Securities Available-for-Sale

#### Mortgage-Backed Securities

FHLMC Mortgage-Backed Certificates

FNMA Mortgage-Backed Certificates

GNMA Mortgage-Backed Certificates

**Total Mortgage-Backed Securities**

#### US Treasury Securities

Municipals

**Total Securities Available-for-Sale**

### Securities Held-to-Maturity

#### Mortgage-Backed Securities

FHLMC Mortgage-Backed Certificates

FNMA Mortgage-Backed Certificates

GNMA Mortgage-Backed Certificates

**Total Mortgage-Backed Securities**

Municipals

**Total Securities Held-to-Maturity**

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|  | June 30, 2024     |                              |                               |                  |
|--|-------------------|------------------------------|-------------------------------|------------------|
|  | Amortized<br>Cost | Gross<br>Unrealized<br>Gains | Gross<br>Unrealized<br>Losses | Fair<br>Value    |
| <b>Securities Available-for-Sale</b>       |                   |                              |                               |                  |
| <b>Mortgage Backed Securities</b>          |                   |                              |                               |                  |
| FHLMC Mortgage-Backed Certificates         | \$ 6,681          | \$ 1                         | \$ 732                        | \$ 5,950         |
| FNMA Mortgage-Backed Certificates          | 17,227            | -                            | 1,753                         | 15,474           |
| GNMA Mortgage-Backed Certificates          | 4,074             | -                            | 827                           | 3,247            |
| <b>Total Mortgage-Backed Securities</b>    | <b>27,982</b>     | <b>1</b>                     | <b>3,312</b>                  | <b>24,671</b>    |
| <b>US Treasury Securities</b>              | 2,000             | -                            | -                             | 2,000            |
| <b>Municipal Bonds</b>                     | 365               | 1                            | -                             | 366              |
| <b>Total Securities Available-for-Sale</b> | <b>\$ 30,347</b>  | <b>\$ 2</b>                  | <b>\$ 3,312</b>               | <b>\$ 27,037</b> |

## Securities Held-to-Maturity

### Mortgage-Backed Securities

|                                    |           |      |          |           |
|------------------------------------|-----------|------|----------|-----------|
| FHLMC Mortgage-Backed Certificates | \$ 27,604 | \$ - | \$ 5,572 | \$ 22,032 |
| FNMA Mortgage-Backed Certificates  | 37,807    | -    | 7,146    | 30,661    |
| GNMA Mortgage-Backed Certificates  | 606       | -    | 69       | 537       |

### Total Mortgage-Backed Securities

66,017 - 12,787 53,230

### Municipals

1,285 - 65 1,220

### Total Securities Held-to-Maturity

\$ 67,302 \$ - \$ 12,852 \$ 54,450

## NOTES TO (UNAUDITED) CONSOLIDATED FINANCIAL STATEMENTS

### 2. Securities (continued)

|  | June 30, 2024    |                        |                         |                  |
|--|------------------|------------------------|-------------------------|------------------|
|  | Amortized Cost   | Gross Unrealized Gains | Gross Unrealized Losses | Fair Value       |
| <b>Securities Available-for-Sale</b>       |                  |                        |                         |                  |
|  | (In Thousands)   |                        |                         |                  |
| <b>Mortgage-Backed Securities</b>          |                  |                        |                         |                  |
| FHLMC Mortgage-Backed Certificates         | \$ 6,681         | \$ 1                   | \$ 732                  | \$ 5,950         |
| FNMA Mortgage-Backed Certificates          | 17,227           | -                      | 1,753                   | 15,474           |
| GNMA Mortgage-Backed Certificates          | 4,074            | -                      | 827                     | 3,247            |
| <b>Total Mortgage-Backed Securities</b>    | <u>27,982</u>    | <u>1</u>               | <u>3,312</u>            | <u>24,671</u>    |
| <b>US Treasury Securities</b>              | 2,000            | -                      | -                       | 2,000            |
| <b>Municipal Bonds</b>                     | 365              | 1                      | -                       | 366              |
| <b>Total Securities Available-for-Sale</b> | <u>\$ 30,347</u> | <u>\$ 2</u>            | <u>\$ 3,312</u>         | <u>\$ 27,037</u> |
| <b>Securities Held-to-Maturity</b>         |                  |                        |                         |                  |
| <b>Mortgage-Backed Securities</b>          |                  |                        |                         |                  |
| GNMA Mortgage-Backed Certificates          | \$ 27,604        | \$ -                   | \$ 5,572                | \$ 22,032        |
| FHLMC Mortgage-Backed Certificates         | 37,807           | -                      | 7,146                   | 30,661           |
| FNMA Mortgage-Backed Certificates          | 606              | -                      | 69                      | 537              |
| <b>Total Mortgage-Backed Securities</b>    | <u>66,017</u>    | <u>-</u>               | <u>12,787</u>           | <u>53,230</u>    |
| <b>Municipals</b>                          | <u>1,285</u>     | <u>-</u>               | <u>65</u>               | <u>1,220</u>     |
| <b>Total Securities Held-to-Maturity</b>   | <u>\$ 67,302</u> | <u>\$ -</u>            | <u>\$ 12,852</u>        | <u>\$ 54,450</u> |

The amortized cost and fair value of securities by contractual maturity at September 30, 2024 follows:

|                                   | Available-for-Sale |            | Held-to-Maturity |            |
|-----------------------------------|--------------------|------------|------------------|------------|
|                                   | Amortized Cost     | Fair Value | Amortized Cost   | Fair Value |
| <b>Mortgage-Backed Securities</b> |                    |            |                  |            |
| Within One Year or Less           | \$ -               | \$ -       | \$ -             | \$ -       |

(In Thousands)

|                               |                  |                  |                  |                  |
|-------------------------------|------------------|------------------|------------------|------------------|
| One through Five Years        | 4                | 4                | -                | -                |
| After Five through Ten Years  | 3,900            | 3,889            | 507              | 497              |
| Over Ten Years                | 26,708           | 24,683           | 64,014           | 54,860           |
|                               | <u>30,612</u>    | <u>28,576</u>    | <u>64,521</u>    | <u>55,357</u>    |
| <b>US Treasury Securities</b> |                  |                  |                  |                  |
| Within One Year or Less       | \$ 1,000         | \$ 990           | \$ -             | \$ -             |
| One through Five Years        | -                | -                | -                | -                |
| After Five through Ten Years  | -                | -                | -                | -                |
| Over Ten Years                | -                | -                | -                | -                |
|                               | <u>1,000</u>     | <u>990</u>       | <u>-</u>         | <u>-</u>         |
| <b>Municipals</b>             |                  |                  |                  |                  |
| Within One Year or Less       | \$ 365           | \$ 368           | \$ -             | \$ -             |
| One through Five Years        | -                | -                | 211              | 207              |
| After Five through Ten Years  | -                | -                | -                | -                |
| Over Ten Years                | -                | -                | 1,068            | 1,020            |
|                               | <u>365</u>       | <u>368</u>       | <u>1,279</u>     | <u>1,227</u>     |
| <b>Total</b>                  | <u>\$ 31,977</u> | <u>\$ 29,934</u> | <u>\$ 65,800</u> | <u>\$ 56,584</u> |

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## 2. Securities (continued)

The amortized cost and fair value of securities by contractual maturity at December 31, 2024 follows:

|                                   | Available-for-Sale    |                  | Held-to-Maturity |                  |
|-----------------------------------|-----------------------|------------------|------------------|------------------|
|                                   | Amortized Cost        | Fair Value       | Amortized Cost   | Fair Value       |
|                                   | <i>(In Thousands)</i> |                  |                  |                  |
| <b>Mortgage-Backed Securities</b> |                       |                  |                  |                  |
| One through Five Years            | \$ 4                  | \$ 4             | \$ -             | \$ -             |
| After Five through Ten Years      | 8,740                 | 8,038            | 472              | 447              |
| Over Ten Years                    | 23,821                | 21,198           | 62,687           | 50,850           |
|                                   | <u>32,565</u>         | <u>29,240</u>    | <u>63,159</u>    | <u>51,297</u>    |
| <b>Municipals</b>                 |                       |                  |                  |                  |
| Within One Year or Less           | \$ 365                | \$ 367           | \$ -             | \$ -             |
| One through Five Years            | -                     | -                | 209              | 205              |
| Over Ten Years                    | -                     | -                | 1,063            | 1,005            |
|                                   | <u>365</u>            | <u>367</u>       | <u>1,272</u>     | <u>1,210</u>     |
| <b>Total</b>                      | <u>\$ 32,930</u>      | <u>\$ 29,607</u> | <u>\$ 64,431</u> | <u>\$ 52,507</u> |

The amortized cost and fair value of securities by contractual maturity at June 30, 2024, follows:

### Mortgage-Backed Securities

Within One Year or Less

One through Five Years  
 After Five through Ten Years  
 Over Ten Years

**US Treasury Securities**  
 Within One Year or Less

**Municipals**  
 One through Five Years  
 Over Ten Years

**Total**

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**2. Securities (continued)**

The following tables show information pertaining to gross unrealized losses on securities available-for-sale and held-to-maturity at **September 30, 2024**, **December 31, 2024** and June

**Securities Available-for-Sale**

**Mortgage-Backed Securities**

**US Treasury Securities**

**Total Securities Available-for-Sale**

|  | December 31, 2024       |             |                         |                  |
|--|-------------------------|-------------|-------------------------|------------------|
|  | Less Than Twelve Months |             | Over Twelve Months      |                  |
|  | Gross Unrealized Losses | Fair Value  | Gross Unrealized Losses | Fair Value       |
|  | <i>(In Thousands)</i>   |             |                         |                  |
| <b>Securities Held-to-Maturity</b>       |                         |             |                         |                  |
| Mortgage-Backed Securities               | \$ -                    | \$ -        | \$ 11,862               | \$ 51,297        |
| Municipals                               | -                       | -           | 62                      | 1,210            |
| <b>Total Securities Held-to-Maturity</b> | <b>\$ -</b>             | <b>\$ -</b> | <b>\$ 11,924</b>        | <b>\$ 52,507</b> |

The number of debt securities in an unrealized loss position was 61 at December 31, 2024.

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2. Securities (continued)

|  | September 30, 2024      |             |                         |                  |
|--|-------------------------|-------------|-------------------------|------------------|
|  | Less Than Twelve Months |             | Over Twelve Months      |                  |
|  | Gross Unrealized Losses | Fair Value  | Gross Unrealized Losses | Fair Value       |
|  | <i>(In Thousands)</i>   |             |                         |                  |
| <b>Securities Held-to-Maturity</b>       |                         |             |                         |                  |
| Mortgage-Backed Securities               | \$ -                    | \$ -        | \$ 9,164                | \$ 55,357        |
| Municipals                               | -                       | -           | 52                      | 1,227            |
| <b>Total Securities Held-to-Maturity</b> | <b>\$ -</b>             | <b>\$ -</b> | <b>\$ 9,216</b>         | <b>\$ 56,584</b> |

The number of debt securities in an unrealized loss position was 51 at September 30, 2024.

|  | June 30, 2024           |             |                         |                  |
|--|-------------------------|-------------|-------------------------|------------------|
|  | Less Than Twelve Months |             | Over Twelve Months      |                  |
|  | Gross Unrealized Losses | Fair Value  | Gross Unrealized Losses | Fair Value       |
|  | <i>(In Thousands)</i>   |             |                         |                  |
| <b>Securities Available-for-Sale</b>       |                         |             |                         |                  |
| Mortgage-Backed Securities                 | \$ -                    | \$ -        | \$ 3,312                | \$ 24,332        |
| <b>Total Securities Available-for-Sale</b> | <b>\$ -</b>             | <b>\$ -</b> | <b>\$ 3,312</b>         | <b>\$ 24,332</b> |

|  | June 30, 2024           |             |                         |                  |
|--|-------------------------|-------------|-------------------------|------------------|
|  | Less Than Twelve Months |             | Over Twelve Months      |                  |
|  | Gross Unrealized Losses | Fair Value  | Gross Unrealized Losses | Fair Value       |
|  | <i>(In Thousands)</i>   |             |                         |                  |
| <b>Securities Held-to-Maturity</b>       |                         |             |                         |                  |
| Mortgage-Backed Securities               | \$ -                    | \$ -        | \$ 12,787               | \$ 53,230        |
| Municipals                               | -                       | -           | 65                      | 1,220            |
| <b>Total Securities Held-to-Maturity</b> | <b>\$ -</b>             | <b>\$ -</b> | <b>\$ 12,852</b>        | <b>\$ 54,450</b> |

The unrealized losses on the Company's investment in mortgage-backed securities at September 30, 2024, December 31, 2024 and June 30, 2024 were caused by interest rate changes.

The Company's investment in equity

At December 31, 2024, securities consists primarily with a carrying value of \$394,000 were pledged to secure public deposits and securities and mortgage loans with a carrying value advances.

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**2. Securities (continued)**

At September 30, 2024, securities with a carrying value of \$404,000 were pledged to secure public deposits and securities and mortgage loans with a carrying value of \$255.0 million

(Unaudited)

**3. Loans Receivable**

Loans receivable are summarized as follows:

- Loans Secured by Mortgages on Real Estate
  - One-to-Four Family Residential
  - Commercial
  - Multi-Family Residential
  - Land
  - Construction
  - Equity and Second Mortgage
  - Equity Lines of Credit

**Total Mortgage Loans**

- Commercial Loans
- Consumer Loans
- Loans on Savings Accounts
- Other Consumer Loans

**Total Consumer Other Loans**

**Total Loans**

- Provision for Credit Losses
- Unamortized Loan Fees

**Net Loans Receivable**

**Credit Quality Indicators**

The Company segregates loans into risk categories based on the pertinent information about the ability of borrowers to service their debt such as: current financial information, historical

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**3.Loans Receivable (continued)**

**Credit Quality Indicators (continued)**

Loans excluded from the scope of the quarterly review process above are generally identified as pass credits until: (a) they become past due; (b) management becomes aware of delinquency

Pass - Loans classified as pass are well protected by the current net worth or paying capacity of the obligor or by the fair value, less costs to acquire and sell the underlying collateral

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**3.Loans Receivable (continued)**

**Credit Quality Indicators (continued)**

Pass Watch - Loans are considered marginal, meaning some weakness has been identified which could cause future impairment of repayment. However, these relationships

Special Mention - Loans identified as special mention have a potential weakness that deserves management's close attention. If left uncorrected, these potential weaknesses

Substandard - Loans classified as substandard are inadequately protected by the current net worth and payment capacity of the obligor or of the collateral pledged, if any. Lo

Doubtful - Loans classified as doubtful have all the weaknesses inherent in those classified as substandard, with the added characteristic that the weaknesses make collection

Loss - This classification includes those loans which are considered uncollectible and of such little value that their continuance as loans is not warranted. Even though partial

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**3.Loans Receivable (continued)**

**Credit Quality Indicators (continued)**

The following table summarizes designated internal risk categories by portfolio segment and loan class, by origination year, as of **September 30, 2024** **December 31, 2024**:

**As of September 30, 2024**

**As of December 31, 2024**

One-to-four family residential  
 Risk rating  
     Pass  
     Pass watch  
     Special mention  
     Substandard  
 Total one-to-four family residential  
 Current period gross charge-offs

Commercial  
 Risk rating  
     Pass  
     Pass watch  
     Special mention  
     Substandard  
 Total commercial  
 Current period gross charge-offs

Multi-family residential  
 Risk rating  
     Pass  
     Pass watch  
     Special mention  
     Substandard  
 Total multi-family residential  
 Current period gross charge-offs

Land  
 Risk rating  
     Pass  
     Pass watch  
     Special mention  
     Substandard  
 Total land  
 Current period gross charge-offs

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HOME FEDERAL BANCORP, INC. OF LOUISIANA

(Unaudited)

3.Loans Receivable (continued)

Credit Quality Indicators (continued)

As of September 30, 2024

As of December 31, 2024

Construction

Multi-family residential

Risk rating

Pass

Pass watch

Special mention

Substandard

Total construction

Total multi-family residential

Current period gross charge-offs

Equity loans and lines of credit

Land

Risk rating

Pass

Pass watch

Special mention

Substandard

Total home equity and lines of credit

Total land

Current period gross charge-offs

Commercial loans

Risk rating

Pass

Pass watch

Special mention

Substandard

Total commercial loans

Current period gross charge-offs

Consumer loans

Risk rating

Pass

Pass watch

Special mention

Substandard

Total consumer loans

Current period gross charge-offs

|                                       |                  |                  |                  |                  |                  |                  |                  |                   |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Total                                 |                  |                  |                  |                  |                  |                  |                  |                   |
| Risk rating                           |                  |                  |                  |                  |                  |                  |                  |                   |
| Pass                                  |                  |                  |                  |                  |                  |                  |                  |                   |
| Pass watch                            |                  |                  |                  |                  |                  |                  |                  |                   |
| Special mention                       |                  |                  |                  |                  |                  |                  |                  |                   |
| Substandard                           |                  |                  |                  |                  |                  |                  |                  |                   |
| Total                                 |                  |                  |                  |                  |                  |                  |                  |                   |
| Current period gross charge-offs      |                  |                  |                  |                  |                  |                  |                  |                   |
| Construction                          |                  |                  |                  |                  |                  |                  |                  |                   |
| Risk rating                           |                  |                  |                  |                  |                  |                  |                  |                   |
| Pass                                  | \$ 5,325         | \$ 3,293         | \$ 1,750         | \$ -             | \$ -             | \$ -             | \$ -             | \$ 10,368         |
| Pass watch                            | 149              | -                | -                | -                | -                | -                | -                | -                 |
| Special mention                       | -                | -                | -                | -                | -                | -                | -                | -                 |
| Substandard                           | -                | -                | -                | -                | -                | -                | -                | -                 |
| Total construction                    | <u>\$ 5,474</u>  | <u>\$ 3,293</u>  | <u>\$ 1,750</u>  | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ 10,368</u>  |
| Current period gross charge-offs      | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -              |
| Equity loans and lines of credit      |                  |                  |                  |                  |                  |                  |                  |                   |
| Risk rating                           |                  |                  |                  |                  |                  |                  |                  |                   |
| Pass                                  | \$ 601           | \$ 794           | \$ 657           | \$ 100           | \$ 359           | \$ 64            | \$ 19,262        | \$ 21,137         |
| Pass watch                            | -                | 11               | -                | -                | -                | -                | -                | -                 |
| Special mention                       | -                | -                | -                | -                | -                | -                | 73               | -                 |
| Substandard                           | -                | -                | -                | 7                | 52               | -                | 243              | -                 |
| Total home equity and lines of credit | <u>\$ 601</u>    | <u>\$ 805</u>    | <u>\$ 657</u>    | <u>\$ 107</u>    | <u>\$ 411</u>    | <u>\$ 64</u>     | <u>\$ 19,578</u> | <u>\$ 21,137</u>  |
| Current period gross charge-offs      | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -              |
| Commercial loans                      |                  |                  |                  |                  |                  |                  |                  |                   |
| Risk rating                           |                  |                  |                  |                  |                  |                  |                  |                   |
| Pass                                  | \$ 26,348        | \$ 12,883        | \$ 6,663         | \$ 4,445         | \$ 3,774         | \$ 1,542         | \$ -             | \$ 55,655         |
| Pass watch                            | 749              | -                | 32               | -                | -                | -                | -                | -                 |
| Special mention                       | -                | 29               | -                | -                | -                | -                | -                | -                 |
| Substandard                           | -                | 76               | 29               | 28               | -                | -                | -                | -                 |
| Total commercial loans                | <u>\$ 27,097</u> | <u>\$ 12,988</u> | <u>\$ 6,724</u>  | <u>\$ 4,473</u>  | <u>\$ 3,774</u>  | <u>\$ 1,542</u>  | <u>\$ -</u>      | <u>\$ 56,655</u>  |
| Current period gross charge-offs      | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -              |
| Consumer loans                        |                  |                  |                  |                  |                  |                  |                  |                   |
| Risk rating                           |                  |                  |                  |                  |                  |                  |                  |                   |
| Pass                                  | \$ 621           | \$ 404           | \$ 139           | \$ 9             | \$ 175           | \$ 22            | \$ -             | \$ 1,361          |
| Pass watch                            | -                | -                | 31               | -                | -                | -                | -                | -                 |
| Special mention                       | 32               | -                | -                | -                | -                | -                | -                | -                 |
| Substandard                           | -                | 13               | -                | -                | -                | -                | -                | -                 |
| Total consumer loans                  | <u>\$ 653</u>    | <u>\$ 417</u>    | <u>\$ 170</u>    | <u>\$ 9</u>      | <u>\$ 175</u>    | <u>\$ 22</u>     | <u>\$ -</u>      | <u>\$ 1,361</u>   |
| Current period gross charge-offs      | \$ 1             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -              |
| Total                                 |                  |                  |                  |                  |                  |                  |                  |                   |
| Risk rating                           |                  |                  |                  |                  |                  |                  |                  |                   |
| Pass                                  | \$ 94,471        | \$ 87,798        | \$ 92,643        | \$ 81,299        | \$ 48,238        | \$ 26,498        | \$ 19,262        | \$ 450,737        |
| Pass watch                            | 4,807            | 1,008            | 400              | 1,477            | 337              | 552              | -                | 8,581             |
| Special mention                       | 32               | 29               | 250              | 545              | -                | 544              | 73               | 1,973             |
| Substandard                           | 42               | 1,453            | 49               | 1,374            | 113              | -                | 243              | 3,604             |
| Total                                 | <u>\$ 99,352</u> | <u>\$ 90,288</u> | <u>\$ 93,342</u> | <u>\$ 84,695</u> | <u>\$ 48,688</u> | <u>\$ 27,594</u> | <u>\$ 19,578</u> | <u>\$ 463,295</u> |
| Current period gross charge-offs      | \$ 1             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -              |

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HOME FEDERAL BANCORP, INC. OF LOUISIANA

(Unaudited)

3. Loans Receivable (continued)

Credit Quality Indicators (continued)

The following table summarizes designated internal risk categories by portfolio segment and loan class, by origination year, as of June 30, 2024:

| As of June 30, 2024                   | Term Loans Amortized Cost by Origination Year |                  |                  |                  |                  |                  | Prior            | Re |
|---------------------------------------|---|------------------|------------------|------------------|------------------|------------------|------------------|----|
|                                       | 2024  | 2023             | 2022             | 2021             | 2020             |                  |                  |    |
|                                       | (In Thousands)                                |                  |                  |                  |                  |                  |                  |    |
| One-to-four family residential        |   |                  |                  |                  |                  |                  |                  |    |
| Risk rating                           |   |                  |                  |                  |                  |                  |                  |    |
| Pass                                  | \$ 9,120                                      | \$ 48,035        | \$ 43,055        | \$ 36,495        | \$ 21,911        | \$ 17,047        | \$               |    |
| Special mention                       | -   | 385              | -                | 363              | -                | 450              | -                |    |
| Substandard                           | -   | 1,224            | 123              | -                | -                | 139              | -                |    |
| Total one-to-four family residential  | <u>\$ 9,120</u>                               | <u>\$ 49,644</u> | <u>\$ 43,178</u> | <u>\$ 36,858</u> | <u>\$ 21,911</u> | <u>\$ 17,636</u> | <u>\$</u>        |    |
| Current period gross charge-offs      | \$ -  | \$ -             | \$ 483           | \$ -             | \$ 463           | \$ -             | \$ -             |    |
| Commercial                            |   |                  |                  |                  |                  |                  |                  |    |
| Risk rating                           |   |                  |                  |                  |                  |                  |                  |    |
| Pass                                  | \$ 10,011                                     | \$ 28,924        | \$ 38,897        | \$ 43,251        | \$ 20,118        | \$ 1,825         | \$               |    |
| Special mention                       | -   | 324              | 110              | -                | -                | -                | -                |    |
| Substandard                           | -   | -                | -                | -                | -                | -                | -                |    |
| Total commercial                      | <u>\$ 10,011</u>                              | <u>\$ 29,248</u> | <u>\$ 39,007</u> | <u>\$ 43,251</u> | <u>\$ 20,118</u> | <u>\$ 1,825</u>  | <u>\$</u>        |    |
| Current period gross charge-offs      | \$ -  | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             |    |
| Multi-family residential              |   |                  |                  |                  |                  |                  |                  |    |
| Risk rating                           |   |                  |                  |                  |                  |                  |                  |    |
| Pass                                  | \$ 3,300                                      | \$ 3,265         | \$ 10,232        | \$ 2,216         | \$ 6,972         | \$ 11,107        | \$ 37,092        |    |
| Special mention                       | -   | -                | -                | -                | -                | -                | -                |    |
| Substandard                           | -   | -                | -                | -                | -                | -                | -                |    |
| Total multi-family residential        | <u>\$ 3,300</u>                               | <u>\$ 3,265</u>  | <u>\$ 10,232</u> | <u>\$ 2,216</u>  | <u>\$ 6,972</u>  | <u>\$ 11,107</u> | <u>\$ 37,092</u> |    |
| Current period gross charge-offs      | \$ -  | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             |    |
| Land                                  |   |                  |                  |                  |                  |                  |                  |    |
| Risk rating                           |   |                  |                  |                  |                  |                  |                  |    |
| Pass                                  | \$ 8,615                                      | \$ 7,493         | \$ 7,054         | \$ 6,175         | \$ 1,010         | \$ 317           | \$ 30,664        |    |
| Special mention                       | -   | 73               | -                | -                | -                | -                | 73               |    |
| Substandard                           | -   | -                | -                | -                | -                | -                | -                |    |
| Total land                            | <u>\$ 8,615</u>                               | <u>\$ 7,566</u>  | <u>\$ 7,054</u>  | <u>\$ 6,175</u>  | <u>\$ 1,010</u>  | <u>\$ 317</u>    | <u>\$ 30,737</u> |    |
| Current period gross charge-offs      | \$ -  | \$ -             | \$ 7             | \$ -             | \$ -             | \$ -             | \$ 7             |    |
| Construction                          |   |                  |                  |                  |                  |                  |                  |    |
| Risk rating                           |   |                  |                  |                  |                  |                  |                  |    |
| Pass                                  | \$ 3,758                                      | \$ 9,801         | \$ 2,145         | \$ -             | \$ -             | \$ -             | \$ 15,704        |    |
| Special mention                       | -   | -                | -                | -                | -                | -                | -                |    |
| Substandard                           | -   | -                | -                | -                | -                | -                | -                |    |
| Total construction                    | <u>\$ 3,758</u>                               | <u>\$ 9,801</u>  | <u>\$ 2,145</u>  | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ 15,704</u> |    |
| Current period gross charge-offs      | \$ -  | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             |    |
| Equity loans and lines of credit      |   |                  |                  |                  |                  |                  |                  |    |
| Risk rating                           |   |                  |                  |                  |                  |                  |                  |    |
| Pass                                  | \$ 436  | \$ 1,017         | \$ 550           | \$ 106           | \$ 379           | \$ 89            | \$ 16,821        |    |
| Special mention                       | -   | -                | -                | -                | -                | -                | -                |    |
| Substandard                           | -   | -                | -                | 7                | 50               | -                | 225              |    |
| Total home equity and lines of credit | <u>\$ 436</u>                                 | <u>\$ 1,017</u>  | <u>\$ 550</u>    | <u>\$ 113</u>    | <u>\$ 429</u>    | <u>\$ 89</u>     | <u>\$ 17,046</u> |    |
| Current period gross charge-offs      | \$ -  | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             | \$ -             |    |

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HOME FEDERAL BANCORP, INC. OF LOUISIANA

(Unaudited)

Note 3. Loans Receivable (Continued) (continued)

Credit Quality Indicators (Continued) (continued)

| As of June 30, 2024              | Term Loans Amortized Cost by Origination Year |                   |                   |                  |                  |                  | Re |
|----------------------------------|---|-------------------|-------------------|------------------|------------------|------------------|----|
|                                  | 2024  | 2023              | 2022              | 2021             | 2020             | Prior            |    |
|                                  | (In Thousands)                                |                   |                   |                  |                  |                  |    |
| Commercial loans                 |   |                   |                   |                  |                  |                  |    |
| Risk rating                      |   |                   |                   |                  |                  |                  |    |
| Pass                             | \$ 8,840                                      | \$ 19,521         | \$ 8,507          | \$ 5,864         | \$ 4,345         | \$ 1,891         |    |
| Special mention                  | -   | 109               | 33                | -                | -                | -                |    |
| Substandard                      | -   | 78                | 32                | 36               | -                | -                |    |
| Total commercial loans           | <u>\$ 8,840</u>                               | <u>\$ 19,708</u>  | <u>\$ 8,572</u>   | <u>\$ 5,900</u>  | <u>\$ 4,345</u>  | <u>\$ 1,891</u>  |    |
| Current period gross charge-offs | \$ -  | \$ 1              | \$ 40             | \$ -             | \$ -             | \$ -             |    |
| Consumer loans                   |   |                   |                   |                  |                  |                  |    |
| Risk rating                      |   |                   |                   |                  |                  |                  |    |
| Pass                             | \$ 237  | \$ 518            | \$ 222            | \$ 17            | \$ 216           | \$ 22            |    |
| Special mention                  | -   | -                 | -                 | -                | -                | -                |    |
| Substandard                      | -   | 16                | -                 | -                | -                | -                |    |
| Total consumer loans             | <u>\$ 237</u>                                 | <u>\$ 534</u>     | <u>\$ 222</u>     | <u>\$ 17</u>     | <u>\$ 216</u>    | <u>\$ 22</u>     |    |
| Current period gross charge-offs | \$ -  | \$ 6              | \$ 3              | \$ 3             | \$ -             | \$ 5             |    |
| Total                            |   |                   |                   |                  |                  |                  |    |
| Pass                             | \$ 44,317                                     | \$ 118,574        | \$ 110,662        | \$ 94,124        | \$ 54,951        | \$ 32,298        |    |
| Special mention                  | -   | 891               | 143               | 363              | -                | 450              |    |
| Substandard                      | -   | 1,318             | 155               | 43               | 50               | 139              |    |
| Total                            | <u>\$ 44,317</u>                              | <u>\$ 120,783</u> | <u>\$ 110,960</u> | <u>\$ 94,530</u> | <u>\$ 55,001</u> | <u>\$ 32,887</u> |    |
| Current period gross charge-offs | \$ -  | \$ 7              | \$ 533            | \$ 3             | \$ 463           | \$ 5             |    |

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HOME FEDERAL BANCORP, INC. OF LOUISIANA

(Unaudited)

3. Loans Receivable (continued)

Credit Quality Indicators (continued)

The following tables present an aging analysis of past due loans, segregated by class of loans, as of September 30, December 31, 2024 and June 30, 2024:

September 30, 2024

December 31, 2024

Real Estate Loans:

One-to-Four Family Residential

Commercial

Multi-Family Residential

Land

Construction

Equity and Second Mortgage

Equity Lines of Credit

Commercial Loans

Consumer Loans

Total

|                                | 30-59 Days<br>Past Due | 60-89 Days<br>Past Due | 90 Days or<br>More | Total<br>Past Due | Current           | Total<br>Loans<br>Receivable | Recorded<br>Investment<br>> 90 Days<br>and<br>Accruing |
|--------------------------------|------------------------|------------------------|--------------------|-------------------|-------------------|------------------------------|--|
| <b>June 30, 2024</b>           |                        |                        |                    |                   |                   |                              |  |
|                                | <i>(In Thousands)</i>  |                        |                    |                   |                   |                              |  |
| Real Estate Loans:             |                        |                        |                    |                   |                   |                              |  |
| One-to-Four Family Residential | \$ 599                 | \$ 720                 | \$ 1,189           | \$ 2,508          | \$ 175,839        | \$ 178,347                   | \$   |
| Commercial                     | -                      | -                      | -                  | -                 | 143,460           | 143,460                      |  |
| Multi-Family Residential       | -                      | -                      | -                  | -                 | 37,092            | 37,092                       |  |
| Land                           | -                      | -                      | -                  | -                 | 30,737            | 30,737                       |  |
| Construction                   | -                      | -                      | -                  | -                 | 15,704            | 15,704                       |  |
| Equity and Second Mortgage     | -                      | -                      | 15                 | 15                | 2,619             | 2,634                        |  |
| Equity Lines of Credit         | 57                     | -                      | 225                | 282               | 16,764            | 17,046                       |  |
| Commercial Loans               | -                      | -                      | 90                 | 90                | 49,166            | 49,256                       |  |
| Consumer Loans                 | 5                      | -                      | -                  | 5                 | 1,243             | 1,248                        |  |
| <b>Total</b>                   | <b>\$ 661</b>          | <b>\$ 720</b>          | <b>\$ 1,519</b>    | <b>\$ 2,900</b>   | <b>\$ 472,624</b> | <b>\$ 475,524</b>            | <b>\$</b>  |

There was no interest income recognized on non-accrual loans during the three six months ended September 30, 2024, December 31, 2024 or the year ended June 30, 2024. If the no

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HOME FEDERAL BANCORP, INC. OF LOUISIANA

(Unaudited)

3. Loans Receivable (continued)

Credit Quality Indicators (continued)

The change in the allowance for credit losses by loan portfolio class and recorded investment in loans for the three six months ended September 30, December 31, 2024 and year end

September 30, 2024

**December 31, 2024**

**Allowance for credit losses:**

Beginning Balances

Charge-Offs

Recoveries

Current Provision

Current Recovery

Ending Balances

| June 30, 2024                       | Real Estate Loans      |                 |               |               |               | Construction<br>(In Thousands) |  |
|-------------------------------------|------------------------|-----------------|---------------|---------------|---------------|--------------------------------|--|
|                                     | 1-4 Family Residential | Commercial      | Multi-Family  | Land          |               |                                |  |
| <b>Allowance for credit losses:</b> |                        |                 |               |               |               |                                |  |
| Beginning Balances                  | \$ 1,900               | \$ 1,673        | \$ 228        | \$ 274        | \$ 254        | \$                             |  |
| Impact of ASU 2016-13               | 688                    | (119)           | (139)         | (85)          | (44)          |                                |  |
| Charge-Offs                         | (946)                  | -               | -             | (7)           | -             |                                |  |
| Recoveries                          | 4                      | -               | -             | 1             | -             |                                |  |
| Current Provision                   | 700                    | (466)           | 41            | (8)           | (107)         |                                |  |
| Ending Balances                     | <u>\$ 2,346</u>        | <u>\$ 1,088</u> | <u>\$ 130</u> | <u>\$ 175</u> | <u>\$ 103</u> | <u>\$</u>                      |  |

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**HOME FEDERAL BANCORP, INC. OF LOUISIANA**

(Unaudited)

**3. Loans Receivable (continued)**

**Credit Quality Indicators (continued)**

The Company held loans that were individually evaluated for credit losses at September 30, 2024, December 31, 2024 and June 30, 2024 for which the repayment, on the basis of our

- One-to four-family first mortgages are primarily secured by first liens on residential real estate.
- Commercial real estate loans are primarily secured by office and industrial buildings, warehouses, retail shopping facilities and various special purpose properties, including
- Multi-family loans are primarily secured by residential property that include five or more housing units.
- Construction and land loans are primarily secured by residential and commercial properties, which are under construction and/or redevelopment, and by raw land.
- Home equity loans and lines are primarily secured by first and junior liens on residential real estate.
- Commercial and industrial loans considered collateral dependent are primarily secured by accounts receivable, inventory and equipment.
- Consumer loans considered collateral dependent are primarily secured by titled vehicles.

The following tables present loans individually evaluated for impairment, segregated by class of loans, as of September 30, December 31, 2024 and June 30, 2024:

**September 30, 2024**

**December 31, 2024**

Real Estate Loans:  
 One-to-Four Family Residential  
 Commercial  
 Land  
 Equity and Second Mortgage  
 Equity Lines of Credit  
 Commercial Loans  
 Consumer Loans

**Total**

**June 30, 2024**

|                                       | <u>Loan Balance</u>   | <u>Spec</u> |
|---------------------------------------|-----------------------|-------------|
|                                       | <i>(In Thousands)</i> |             |
| Real Estate Loans:                    |                       |             |
| One-to-Four Family Residential        | \$ 2,693              | \$          |
| Commercial                            | 122                   |             |
| Land                                  | 145                   |             |
| Home Equity Loans and Lines of Credit | 283                   |             |
| Commercial Loans                      | 74                    |             |
| Consumer Loans                        | 72                    |             |
|                                       | <u>3,389</u>          | <u>\$</u>   |
| <b>Total</b>                          | <u>\$ 3,389</u>       | <u>\$</u>   |

The Bank has no commitments to loan additional funds to borrowers whose loans were previously in non-accrual status. As of September 30, **December 31, 2024**, there were no resid

As of September 30, **December 31, 2024**, there were no loans whose terms were modified for borrowers who may be experiencing financial difficulties.

At September 30, **December 31, 2024** and June 30, 2024, accrued interest receivable on loans was \$1.6 million and \$1.8 million, respectively, and included within accrued interest rec

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**HOME FEDERAL BANCORP, INC. OF LOUISIANA**

(Unaudited)

**4. Deposits**

Deposits at **September 30, 2024**, **December 31, 2024** and June 30, 2024 consist of the following classifications:

Non-Interest Bearing  
 NOW Accounts  
 Money Markets  
 Passbook Savings

Certificates of Deposit

**Total Deposits**

**5. Earnings Per Share**

Basic earnings per common share is computed based on the weighted average number of shares outstanding. Diluted earnings per share is computed based on the weighted averag

Net income

Weighted average shares outstanding – basic

Effect of dilutive common stock equivalents

Adjusted weighted average shares outstanding – diluted

Basic earnings per share

Diluted earnings per share

For the three months ended **September 30, 2024** **December 31, 2024** and 2023, there were **weighted average** outstanding options to purchase 317,852 **317,700** and **364,916** shares,

The following table presents the components of weighted average outstanding shares for purposes of calculating earnings per share:

Average common shares issued

Average unearned ESOP shares

Average Company stock purchased

Weighted average shares outstanding

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## HOME FEDERAL BANCORP, INC. OF LOUISIANA

(Unaudited)

### 6. Stock-Based Compensation

#### Stock Incentive Plans

On November 12, 2014, the **stockholders** **shareholders** of the Company approved the adoption of the Company's 2014 Stock Incentive Plan (the "2014 Stock Incentive Plan") for the b

On November 13, 2019, the **stockholders** **shareholders** of the Company approved the adoption of the Company's 2019 Stock Incentive Plan (the "2019 Stock Incentive Plan," together

For **both** the three months ended **September 30** **December 31**, 2024 and 2023, compensation expense charged to operations **for stock options granted** under the Stock Incentive Plan

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### 7. Related Party Transactions

Certain directors and executive officers were indebted to the Bank in the approximate aggregate **amount** **amounts** of **\$4.2 million** and **\$4.3 million** at **September 30, 2024** **December 31**

### 8. Fair Value Disclosures

The following disclosure is made in accordance with the requirements of ASC 825, *Financial Instruments*. Financial instruments are defined as cash and contractual rights and obligat

ASC 825 excludes certain financial instruments and all nonfinancial instruments from its disclosure requirements. These disclosures should not be interpreted as representing an agg

The following methods and assumptions were used by the Company in estimating fair values of financial instruments:

**Cash and Cash Equivalents**

The carrying amount approximates the fair value of cash and cash equivalents.

**Investment Securities**

Fair values for investment securities, including mortgage-backed securities, are based on quoted market prices, where available. If quoted market prices are not available, fair

**8. Fair Value Disclosures (continued)****Mortgage Loans Held-for-Sale**

Because these loans are normally disposed of within ninety days of origination, their carrying value closely approximates the fair value of such loans.

**Loans Receivable**

For variable-rate loans that re-price frequently and with no significant changes in credit risk, fair value approximates the carrying value. Fair values for other loans are estimated

**Deposit Liabilities**

The fair values for demand deposit accounts are, by definition, equal to the amount payable on demand at the reporting date, that is, their carrying amounts. Fair values for other

**Advances from Federal Home Loan Bank**

The carrying amount of short-term borrowings approximates their fair value. The fair value of long-term debt is estimated using discounted cash flow analyses based on current

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**8. Fair Value Disclosures (continued)****Off-Balance Sheet Credit-Related Instruments**

Fair values for outstanding mortgage loan commitments to lend are based on fees currently charged to enter into similar agreements, taking into account the remaining term of

The fair value of interest rate floors and caps contained in some loan servicing agreements and variable rate mortgage loan contracts are considered immaterial within the context of

At September 30, 2024, December 31, 2024 and June 30, 2024, the carrying amount and estimated fair values of the Company's financial instruments were as follows:

**Financial Assets**

- Cash and Cash Equivalents
- Securities Available-for-Sale
- Securities to be Held-to-Maturity
- Other Securities
- Loans Held-for-Sale
- Loans Receivable

**Financial Liabilities**

- Deposits
- Other Borrowings

**Off-Balance Sheet Items**

- Mortgage Loan Commitments

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HOME FEDERAL BANCORP, INC. OF LOUISIANA

Notes to Consolidated Financial Statements

## 8. Fair Value Disclosures (continued)

The Company follows the guidance of FASB ASC Topic 820, *Fair Value Measurements and Disclosures* ("ASC 820"). ASC 820 affirms a framework for measuring fair value and expands

- Defines fair value as the price that would be received to sell an asset or paid to transfer a liability, in either case, through an orderly transaction between market participants at a measurement date and
- Establishes a three-level hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date;
  - Nullifies the guidance in EITF 02-3, which required the deferral of profit at inception of a transaction involving a derivative financial instrument in the absence of a market for the instrument;
  - Eliminates large position discounts for financial instruments quoted in active markets and requires consideration of the company's creditworthiness when valuing instruments that are measured at fair value.
- Expands disclosures about instruments that are measured at fair value.

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## 8. Fair Value Disclosures (continued)

The standard establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy favors the transparency of inputs to the valuation of an asset or liability.

- Level 1 – Fair value is based upon quoted prices unadjusted for identical assets or liabilities in active markets in which the Company can participate.
- Level 2 – Fair value is based upon (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in markets that are not active; (c) inputs other than quoted prices that are observable for the asset or liability; or (d) inputs that are unobservable for the asset or liability.
- Level 3 – Fair value is based upon inputs that are unobservable for the asset or liability. These inputs reflect the Company's own assumptions about the assumptions that market participants would use to value the asset or liability.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The preceding methods described may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, although the

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## HOME FEDERAL BANCORP, INC. OF LOUISIANA

### Notes to Consolidated Financial Statements

#### 8. Fair Value Disclosures (continued)

Fair values of assets and liabilities measured on a recurring basis at **September 30, 2024**, **December 31, 2024** and June 30, 2024 are as follows:

|                           | Fair Value Measurements |                  |             |                  |
|---------------------------|-------------------------|------------------|-------------|------------------|
|                           | (Level 1)               | (Level 2)        | (Level 3)   | Total            |
| <b>September 30, 2024</b> |                         |                  |             |                  |
|                           | <i>(In Thousands)</i>   |                  |             |                  |
| Available-for-Sale        |                         |                  |             |                  |
| Debt Securities           |                         |                  |             |                  |
| FHLMC                     | \$ -                    | \$ 6,839         | \$ -        | \$ 6,839         |
| FNMA                      | -                       | 18,427           | -           | 18,427           |
| GNMA                      | -                       | 3,310            | -           | 3,310            |
| US Treasury Notes         | -                       | 990              | -           | 990              |
| Municipal Bonds           | -                       | 368              | -           | 368              |
| <b>Total</b>              | <b>\$ -</b>             | <b>\$ 29,934</b> | <b>\$ -</b> | <b>\$ 29,934</b> |
| <b>December 31, 2024</b>  |                         |                  |             |                  |
|                           | <i>(In Thousands)</i>   |                  |             |                  |
| Available-for-Sale        |                         |                  |             |                  |
| Debt Securities           |                         |                  |             |                  |
| FHLMC                     | \$ -                    | \$ 7,146         | \$ -        | \$ 7,146         |

|                 |             |                  |             |                  |
|-----------------|-------------|------------------|-------------|------------------|
| FNMA            | -           | 18,768           | -           | 18,768           |
| GNMA            | -           | 3,326            | -           | 3,326            |
| Municipal Bonds | -           | 367              | -           | 367              |
| <b>Total</b>    | <b>\$ -</b> | <b>\$ 29,607</b> | <b>\$ -</b> | <b>\$ 29,607</b> |

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## 8. Fair Value Disclosures (continued)

| June 30, 2024      | Fair Value Measurements |                  |             |                  |
|--------------------|-------------------------|------------------|-------------|------------------|
|                    | (Level 1)               | (Level 2)        | (Level 3)   | Total            |
|                    | <i>(In Thousands)</i>   |                  |             |                  |
| Available-for-Sale |                         |                  |             |                  |
| Debt Securities    |                         |                  |             |                  |
| FHLMC              | \$ -                    | \$ 5,950         | \$ -        | \$ 5,950         |
| FNMA               | -                       | 15,474           | -           | 15,474           |
| GNMA               | -                       | 3,247            | -           | 3,247            |
| US Treasury Notes  | -                       | 2,000            | -           | 2,000            |
| Municipal Bonds    | -                       | 366              | -           | 366              |
| <b>Total</b>       | <b>\$ -</b>             | <b>\$ 27,037</b> | <b>\$ -</b> | <b>\$ 27,037</b> |

Fair values of assets and liabilities measured on a non-recurring basis at **September 30, 2024**, **December 31, 2024** and June 30, 2024 are as follows:

### September 30, 2024

### December 31, 2024

Assets:

Impaired Loans,  
Net of Allowance

Other Real Estate Owned,  
Net of Allowance

**Total**

| June 30, 2024                                | Fair Value Measurements |             |                 |                 |
|--|-------------------------|-------------|-----------------|-----------------|
|  | (Level 1)               | (Level 2)   | (Level 3)       | Total           |
|  | <i>(In Thousands)</i>   |             |                 |                 |
| Assets:                                      |                         |             |                 |                 |
| Impaired Loans,<br>Net of Allowance          | \$ -                    | \$ -        | \$ 1,970        | \$ 1,970        |
| Other Real Estate Owned,<br>Net of Allowance | \$ -                    | \$ -        | \$ 418          | \$ 418          |
| <b>Total</b>                                 | <b>\$ -</b>             | <b>\$ -</b> | <b>\$ 2,388</b> | <b>\$ 2,388</b> |

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(Unaudited)

## 9. Leases

A lease is defined as a contract, or part of a contract, that conveys the right to control the use of identified property, plant or equipment for a period of time in exchange for consideration.

At **December 31**, **September 30, 2024** and June 30, 2024, the carrying amounts of the ROU assets and corresponding lease liabilities were as follows:

(In Thousands)

### Lease Right-of-Use Assets

Operating lease right-of-use assets

#### Total Lease Right-of-Use Assets

### Lease Liabilities

Operating lease liabilities

#### Total Lease Liabilities

The calculated amount of the ROU assets and lease liabilities in the table above are impacted by the length of the lease term and the discount rate used to present value the minimum lease payments.

### Weighted-average remaining lease term

Operating leases

### Weighted-average discount rate

Operating leases

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## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

### General

The Company's results of operations are primarily dependent on the results of Home Federal Bank (the "Bank"), its wholly owned subsidiary. The Bank's results of operations depend on the performance of its branches.

The Bank operates from its main office in Shreveport, Louisiana and ten full-service branch offices located in Shreveport, Bossier City, Benton and Minden, Louisiana. The Company's operations are primarily dependent on the Bank's performance.

### Critical Accounting Policies

The accounting and financial reporting policies of the Company conform to accounting principles generally accepted in the United States of America and to general practices within the industry.

There were no changes made to the Company's internal control over financial reporting that occurred during the quarter **six months ended September 30, 2024** **December 31, 2024** that have materially affected, or are reasonably likely to materially affect, the Company's financial statements.

**Allowance for Credit Losses.** The Company has identified the calculation of the allowance for credit losses as a critical accounting policy, due to the higher degree of judgment and complexity involved in its determination.

**Income Taxes.** Deferred income tax assets and liabilities are determined using the liability (or balance sheet) method. Under this method, the net deferred tax asset or liability is determined based on the expected future tax consequences of temporary differences and net operating loss carryforwards.

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### Discussion of Financial Condition Changes from June 30, 2024 to **September 30, 2024** **December 31, 2024**

#### General

At **September 30, 2024** **December 31, 2024**, the Company reported total assets of **\$628.4 million** **\$607.8 million**, a decrease of **\$9.1 million** **\$29.7 million**, or **1.4%** **4.7%**, compared to total assets of **\$637.5 million** **\$637.5 million** at June 30, 2024.

#### Cash and Cash Equivalents

Cash and cash equivalents of **\$6.1 million** **decreased \$15.4 million**, or **17.4%** **44.1%**, from **\$34.9 million** at June 30, 2024 to **\$41.0 million** **\$19.5 million** at September 30, 2024, investment securities of **\$15.0 million** **\$15.0 million** at September 30, 2024, and other assets of **\$15.3 million** **\$15.3 million** at September 30, 2024.

#### Cash and Cash Equivalents

Cash and cash equivalents increased \$6.1 million, or 17.4%, from \$34.9 million at June 30, 2024 to \$41.0 million at September 30, 2024. The increase **decrease** in cash and cash equ

#### Loans Receivable, Net

Loans receivable, net, decreased by **\$16.8 million** **\$12.2 million**, or **3.6%** **2.6%**, to **\$454.0 million** **\$458.7 million** at **September 30, 2024** **December 31, 2024** compared to \$470.9 million

#### Loans Held-for-Sale

Loans held-for-sale increased \$535,000, **decreased \$1.5 million**, from \$1.7 million at June 30, 2024 to **\$2.3 million** **\$216,000** at **September 30, 2024** **December 31, 2024**. The increase

#### Investment Securities

Investment securities amounted to **\$97.4 million** **\$95.7 million** at September 30, 2024, **December 31, 2024** compared to \$96.0 million at June 30, 2024, an increase a **decrease** of \$1.4

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**Discussion securities, and a \$657,000 increase in securities sold, partially offset by security purchases of Financial Condition Changes from June 30, 2024 to September**

#### Premises and Equipment, Net

Premises and equipment, net decreased \$238,000, **\$459,000**, or **1.3%** **2.5%**, to **\$18.1 million** **\$17.8 million** at **September 30, 2024** **December 31, 2024** compared to \$18.3 million at Jun

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### **Discussion of Financial Condition Changes from June 30, 2024 to December 31, 2024 (continued)**

#### Asset Quality

At **September 30, 2024** **December 31, 2024**, the Company had **\$1.9 million** **\$1.8 million** of non-performing assets (defined as non-accruing loans, accruing loans 90 days or more past

#### Total Liabilities

Total liabilities decreased **\$10.6 million** **\$30.9 million**, or **1.8%** **5.3%**, from \$584.7 million at June 30, 2024 to **\$574.1 million** **\$553.8 million** at **September 30, 2024** **December 31, 2024**. T

#### Stockholders' Shareholders' Equity

Stockholders' **Shareholders'** equity increased **\$1.5 million** **\$1.1 million**, or **2.8%** **2.1%**, from \$52.8 million at June 30, 2024 to **\$54.3 million** **\$53.9 million** at **September 30, 2024** **Decemb**

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**Discussion of Financial Condition Changes from June 30, 2024 to September 30, 2024 (continued) \$335,000.**

#### Regulatory Capital

The Bank is required to meet minimum capital standards promulgated by the Office of the Comptroller of the Currency ("OCC"). At **September 30, 2024** **December 31, 2024**, Home F

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### **Comparison of Operating Results for the Three and Six Months Ended **September 30, 2024** **December 31, 2024** and 2023**

#### General

The decrease **increase** in net income for the three months ended **September 30, 2024** **December 31, 2024**, as compared to the same period in 2023 resulted **primarily** from a decrease

#### Net Interest Income

losses. The decrease in net interest income for the three months ended **September 30, 2024** **December 31, 2024**, as compared to the same period in 2023, was primarily due to a decrease in net interest income.

The decrease in net income for the six months ended **December 31, 2024**, as compared to the same period in 2023 resulted primarily from a decrease of \$1.2 million, or 11.4%, in net income.

#### Provision for Credit Losses

The \$223,000 **\$45,000** provision and **\$178,000** recovery in the provision for credit losses for the three and six months ended **September 30, 2024** over **December 31, 2024**, respectively.

#### Non-interest Income

The **\$351,000** increase in non-interest income for the three months ended **September 30, 2023** **December 31, 2024**, compared to the prior year quarterly period, was primarily due to an increase in net interest income.

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### Comparison of Operating Results for the Three and Six Months Ended **September 30, 2024** **December 31, 2024** and 2023 (continued)

#### Non-interest Income

The \$134,000 decrease in non-interest income for the three months ended **September 30, 2024**, compared to the same period in 2023, resulted from an increase in loss on sale of real estate.

#### Non-interest Expense

The **\$177,000** **\$413,000** decrease in non-interest expense for the three months ended **September 30, 2024** **December 31, 2024**, compared to the same period in 2023, resulted from a decrease in non-interest expense.

The decrease **\$124,000** in advertising expense, **\$105,000** in other non-operating non-interest expense, was primarily due to communication **\$96,000** in professional fees, **\$50,000** in advertising expense.

The Louisiana bank shares tax is assessed on the Bank's equity and earnings. For the three months ended **September 30, 2024**, the Company recognized franchise and bank shares tax expense of **\$187,000** and **\$185,000** for the three and six months ended **September 30, 2024** **December 31, 2024**, was due to an increase in non-interest expense.

#### Income Taxes

The \$2,000 recovery for **There was an** income taxes tax expense of **\$187,000** and **\$185,000** for the three and six months ended **September 30, 2024** **December 31, 2024**, was due to an increase in non-interest expense.

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### Comparison of Operating Results for the Three and Six Months Ended **September 30, 2024** **December 31, 2024** and 2023 (continued)

**Average Balances, Net Interest Income, Yields Earned, and Rates Paid.** The following tables show for the periods indicated the total dollar amount of interest from average interest-earning assets and interest-bearing liabilities.

#### Interest-earning assets:

Loans receivable

Investment securities

Interest-earning deposits

Total interest-earning assets

Non-interest-earning assets

Total assets

#### Interest-bearing liabilities:

Savings accounts

NOW accounts

Money market accounts

Certificate accounts

Total interest-bearing deposits

Other Borrowings

|   |
|---|
| FHLB advances   |
| Total interest-bearing liabilities                                      |
| Non-interest-bearing liabilities:                                       |
| Non-interest-bearing demand accounts                                    |
| Other liabilities   |
| Total liabilities   |
| Total Stockholders' Equity(1)   |
| <b>Total Shareholders' Equity(1)</b>                                    |
| Total liabilities and stockholders' equity                              |
| <b>Total liabilities and shareholders' equity</b>                       |
| Net interest-earning assets   |
| Net interest income; average interest rate spread(2)                    |
| Net interest margin(3)  |
| Average interest-earning assets to average interest-bearing liabilities |

- (1) Includes retained earnings and accumulated other comprehensive loss.  
(2) Interest rate spread represents the difference between the weighted-average yield on interest-earning assets and the weighted-average rate on interest-bearing liabilities.  
(3) Net interest margin is net interest income divided by net average interest-earning assets.

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**Comparison of Operating Results for the Three and Six Months Ended December 31, 2024 and 2023 (continued)**

|                                      | Six Months Ended December 31, |           |                           |                    |
|--------------------------------------|-------------------------------|-----------|---------------------------|--------------------|
|                                      | 2024                          |           |                           |                    |
|                                      | Average<br>Balance            | Interest  | Average<br>Yield/<br>Rate | Average<br>Balance |
|                                      | <i>(Dollars In Thousands)</i> |           |                           |                    |
| Interest-earning assets:             |                               |           |                           |                    |
| Loans receivable                     | \$ 461,531                    | \$ 13,686 | 5.88%                     | \$ 503,043         |
| Investment securities                | 96,732                        | 1,043     | 2.14                      | 111,535            |
| Interest-earning deposits            | 27,635                        | 670       | 4.81                      | 5,843              |
| Total interest-earning assets        | \$ 585,898                    | 15,399    | 5.21%                     | \$ 620,421         |
| Non-interest-earning assets          | 39,788                        |           |                           | 40,941             |
| Total assets                         | \$ 625,686                    |           |                           | \$ 661,362         |
| Interest-bearing liabilities:        |                               |           |                           |                    |
| Savings accounts                     | \$ 86,626                     | 726       | 1.66%                     | \$ 75,900          |
| NOW accounts                         | 71,736                        | 425       | 1.18                      | 66,639             |
| Money market accounts                | 77,290                        | 892       | 2.29                      | 102,327            |
| Certificate accounts                 | 196,443                       | 4,132     | 4.17                      | 203,779            |
| Total interest-bearing deposits      | 432,095                       | 6,175     | 2.83                      | 448,645            |
| Other bank borrowings                | 5,239                         | 198       | 7.50                      | 8,928              |
| FHLB advances                        | -                             | -         | -                         | 3,259              |
| Total interest-bearing liabilities   | \$ 437,334                    | 6,373     | 2.89%                     | 460,832            |
| Non-interest-bearing liabilities:    |                               |           |                           |                    |
| Non-interest bearing demand accounts | 131,541                       |           |                           | 144,950            |
| Other liabilities                    | 4,939                         |           |                           | 4,530              |
| Total liabilities                    | 573,814                       |           |                           | 610,312            |
| Total Shareholders' Equity(1)        | 51,872                        |           |                           | 51,052             |
| Total liabilities and equity         | \$ 625,686                    |           |                           | \$ 661,364         |

|   |            |            |
|---|------------|------------|
| Net interest-earning assets   | \$ 148,564 | \$ 159,590 |
| Net interest income; average interest rate spread(2)                    | \$ 9,026   | 2.32%      |
| Net interest margin(3)  |            | 3.06%      |
| Average interest-earning assets to average interest-bearing liabilities |            | 133.97%    |

- (1) Includes retained earnings and accumulated other comprehensive loss.
- (2) Interest rate spread represents the difference between the weighted-average yield on interest-earning assets and the weighted-average rate on interest-bearing liabilities.
- (3) Net interest margin is net interest income divided by net average interest-earning assets.

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### Liquidity and Capital Resources

The Bank maintains levels of liquid assets deemed adequate by management. The Bank adjusts its liquidity levels to fund deposit outflows, repay its borrowings, and to fund loan commitments. The Bank's primary sources of funds are deposits, amortization and prepayment of loans and mortgage-backed securities, maturities of investment securities and other short-term investments. A significant portion of the Bank's liquidity consists of securities classified as available-for-sale and cash and cash equivalents. The Bank's primary sources of cash are net income, principal payments on loans, and maturities of securities. At September 30, 2024 and December 31, 2024, the Bank had outstanding loan commitments of \$35.7 million and \$35.5 million to originate loans and commitments under unused lines of credit. At September 30, 2024 and December 31, 2024, Home Federal Bank exceeded each of its regulatory capital requirements with tangible common equity tier 1, tier 1 capital, total capital and tier 1 capital ratio.

### Off-Balance Sheet Arrangements

At September 30, 2024 and December 31, 2024, the Company did not have any off-balance sheet arrangements as defined by Securities and Exchange Commission rules.

### Impact of Inflation and Changing Prices

The financial statements and related financial data presented herein have been prepared in accordance with instructions to Form 10-Q which require the measurement of financial position and performance in terms of U.S. dollars. Unlike most industrial companies, virtually all of the Company's assets and liabilities are monetary in nature. As a result, interest rates generally have a more significant impact on a company's financial position and performance than on most industrial companies.

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### Forward-Looking Statements

This Form 10-Q contains certain forward-looking statements and information relating to the Company that are based on the beliefs of management, as well as assumptions made by management. In addition to factors previously disclosed in the reports filed by the Company with the Securities and Exchange Commission and those identified elsewhere in this Form 10-Q, the following factors could cause actual results to differ materially from those anticipated in these forward-looking statements:

#### ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

#### ITEM 4. CONTROLS AND PROCEDURES

**Evaluation of Disclosures Controls and Procedures.** Under the supervision and with the participation of our management including our President and Chief Executive Officer, we conducted an evaluation of our disclosure controls and procedures. **Changes in Internal Control over Financial Reporting.** There has been no change in the Company's internal control over financial reporting during the Company's most recent quarter.

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#### ITEM 1. LEGAL PROCEEDINGS

The Company is not involved in any pending legal proceedings other than routine legal proceedings occurring in the ordinary course of business which involve amounts in the

**ITEM 1A. RISK FACTORS**

Not applicable.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

- (a) Not applicable.
- (b) Not applicable.
- (c) Purchases of Equity Securities

The table below sets forth the Company's repurchases any of its common stock made during the quarter ended September 30, 2024, December 31, 2024 are set forth in the table

| Period                                 | Total Number of Shares Purchased | Average Price Paid per Share |
|--|----------------------------------|------------------------------|
| July 1, 2024 – July 31, 2024           | --                               | \$ --                        |
| August 1, 2024 – August 31, 2024       | --                               | --                           |
| September 1, 2024 – September 30, 2024 | 12,500                           | 12.75                        |
| <b>Total</b>                           | <b>12,500</b>                    | <b>\$ 12.75</b>              |

| Period                               | Total Number of Shares Purchased | Average Price Paid per Share |
|--------------------------------------|----------------------------------|------------------------------|
| October 1, 2024 – October 31, 2024   | -                                | \$ -                         |
| November 1, 2024 – November 30, 2024 | 2,204                            | 12.57                        |
| December 1, 2024 – December 31, 2024 | 10,000                           | 12.55                        |
| <b>Total</b>                         | <b>12,204</b>                    | <b>\$ 12.55</b>              |

*Notes to this table:*

- (a) On March 7, 2024, the Company announced that its Board of Directors approved the twelfth stock repurchase program for the repurchase of up to 60,000 shares. The twelfth
- (b) On November 1, 2024, the Company announced that its Board of Directors approved the thirteenth stock repurchase program for the repurchase of up to 100,000 shares.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES**

Not applicable.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not applicable.

**ITEM 5. OTHER INFORMATION**

Not applicable.

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**ITEM 6. EXHIBITS**

No.

(1) Incorporated by reference from the Company's Current Report on Form 8-K filed with the SEC on October 18, 2024 (File No. 001-35019).

(2) Incorporated by reference from the Company's Current Report on Form 8-K filed with the SEC on January 10, 2025 (File No. 001-35019).

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Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly a

Date: **November 13, 2024** February 12, 2025

#### Exhibit

I, James R. Barlow, Chairman of the Board, President and Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Home Federal Bancorp, Inc. of Louisiana;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results c
4. The registrant's **registrant's** other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Ru
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that mate
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide rea
  - (c) Evaluated the effectiveness of the registrant's **registrant's** disclosure controls and procedures and presented in this report our conclusions about the effectiveness i
  - (d) Disclosed in this report any change in the registrant's **registrant's** internal control over financial reporting that occurred during the registrant's **registrant's** most rece
5. The registrant's **registrant's** other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's **reg**
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely z
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's **registrant's** internal control over fin

Date: November 13, 2024

February 12, 2025





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