

2026

ANNUAL REPORT

A Better Way



HOME FEDERAL BANCORP INC
of Louisiana

DIRECTORS & EXECUTIVE OFFICERS

James R. Barlow

Chairman of the Board, President and
Chief Executive Officer

Brad L. Ezernack

Executive Vice President and
Chief Financial Officer

Delayne C. Lewis

Executive Vice President, Chief Risk
Officer and BSA Officer

Dawn F. Williams

Executive Vice President, Chief
Administrative Officer and
Corporate Secretary

Mary Jones

Executive Vice President and
Chief Operations Officer

Junior Cantu

Executive Vice President and
Chief Banking Officer

OUTSIDE DIRECTORS

Mark M. Harrison

Director
Owner of House of Carpets and Lighting

Scott D. Lawrence

Director
President of Southwestern Wholesale

Thomas Steen Trawick, Jr., M.D.

Director
Private Practice Physician, Sure Access MD, LLC

Timothy W. Wilhite, Esq.

Director
Chief Financial Officer and General Counsel of
Wilhite Electric Co., Inc.



SENIOR OFFICERS

Leah Feldt

Senior Vice President
Senior Credit Officer

K. Matthew Sawrie

Senior Vice President
Commercial Lending

David S. Barber

Senior Vice President
Mortgage Lending

DeNell W. Mitchell

Senior Vice President
Loan Operations

(Top) Whenever an employee of the Home Federal of Shreveport earns a Savings Diploma, the association makes him or her a life member of the institute. There are six to date, and they are, reading clockwise: Secretary-Treasurer Catherine McPeters, Josephine Quinn, Executive Vice President O. A. Johnston, Jr., President Amos L. Wedgeworth, Vice President John E. Taliaferro, and Counselor Jack Lee and Robert B. Price. Each received a commemorative lifetime Institute President Oscar E. Loeb III, both as a life M. Group de Leon (L) presents Kathleen awards to these winners. A trophy accepted by Mrs. Odrena Clayton (R). (Bottom) Louise Platt, Robert Athey, Mrs. Johnny Mae Mason, Mrs. Athamas Folsom.



Executive Leadership

Directors, Executive & Senior Officers

BRANCH LOCATIONS

MAIN OFFICE

222 Florida Street
Shreveport, LA 71105

SOUTHERN HILLS

9449 Mansfield Road
Shreveport, LA 71118

VIKING DRIVE

2555 Viking Drive
Bossier City, LA 71111

YOUREE DRIVE

6363 Youree Drive
Shreveport, LA 71105

HUNTINGTON

6903 Pines Road
Shreveport, LA 71129

STOCKWELL

7964 East Texas Street
Bossier City, LA 71111

PIERREMONT

925 Pierremont Road
Shreveport, LA 71106

NORTHWOOD

5841 North Market
Shreveport, LA 71107

MINDEN

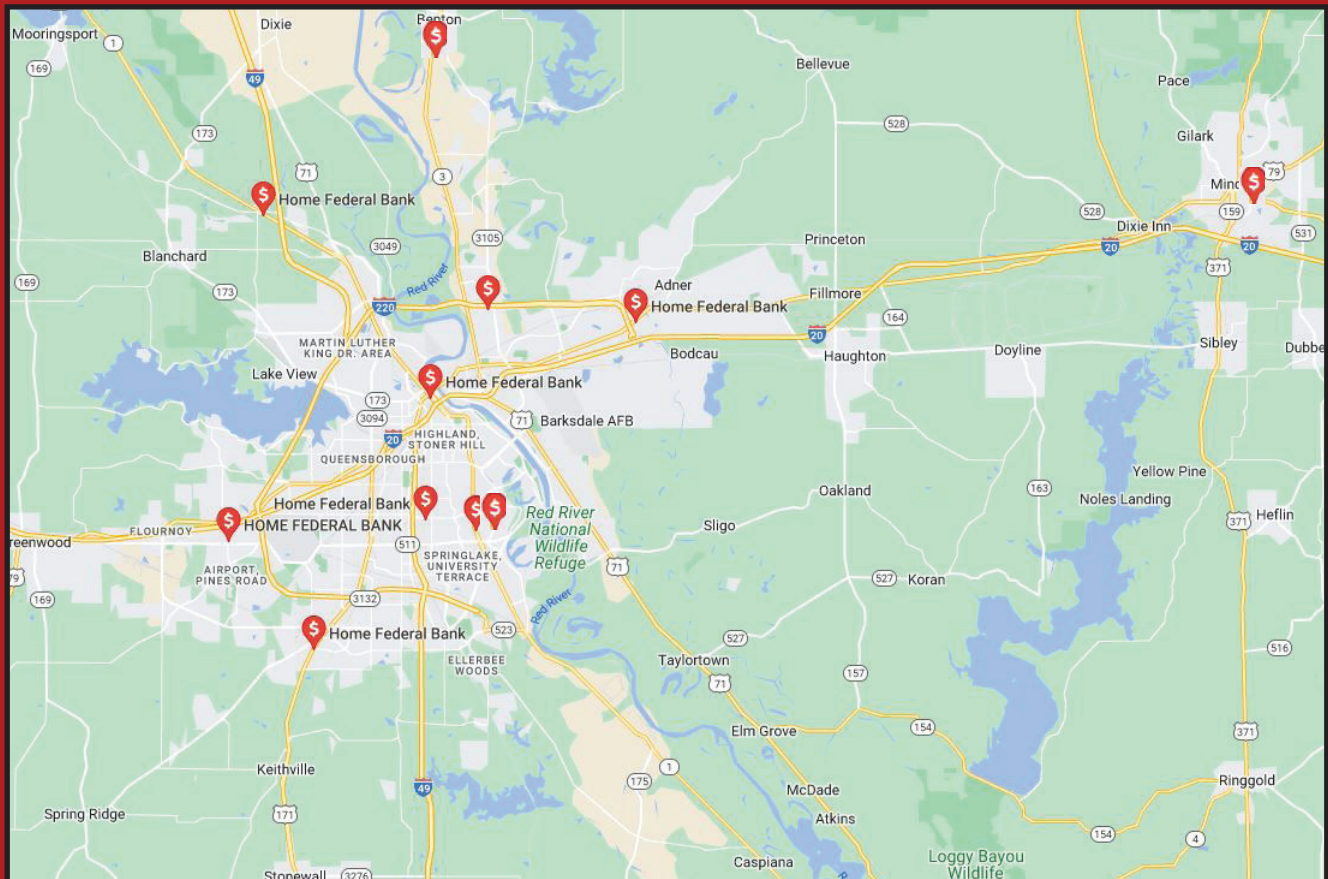
412 Homer Road
Minden, LA 71055

DOWNTOWN

624 Market Street
Shreveport, LA 71101

BENTON

104 Sibley Street
Benton, LA 71006



Dear valued shareholders,

I am pleased to present to you the Annual Report for Home Federal Bancorp, Inc. of Louisiana (Company), for the fiscal year ended June 30, 2026.

Fiscal 2026 was the most profitable year in the Company's history. Building upon the strategic initiatives implemented in recent years, we remained focused on strengthening our financial position, serving our customers and communities, and creating long-term value for our shareholders. These efforts produced results that were not only strong in absolute terms but represented a meaningful step forward from the prior year on nearly every key measure that matters to the long-term value of your investment.

Net income for the fiscal year totaled \$6.2 million, an increase of 58.8% from \$3.9 million in fiscal 2025. Diluted earnings per share increased 60.3% to \$2.02 compared to \$1.26 for the prior fiscal year. Return on average assets improved to 0.99% from 0.63% and return on average equity increased to 10.70% from 7.31%. Book value per share increased 7.9% to \$19.31 from \$17.90, despite returning \$3.6 million of capital to shareholders through \$2.0 million of share repurchases and \$1.6 million of cash dividends to shareholders. Our balance sheet also continued to grow. Total assets increased 5.6% to \$643.3 million, net loans receivable grew 3.1% to \$475.5 million, and total deposits grew 5.7% to \$577.3 million.

The most significant driver of our improved performance was the expansion of our net interest margin, which increased 49 basis points to 3.72% compared to 3.23% in fiscal 2025. This improvement resulted from positive developments on both sides of the balance sheet. The average yield on interest-earning assets rose to 5.54% from 5.28% as our loan portfolio continued to reprice upward, with the average yield on loans rising to 6.25% compared to 5.94% a year earlier. At the same time, the average cost of interest-bearing liabilities declined to 2.47% from 2.73%, led by a decline in the average cost of certificates of deposit to 3.40% from 3.92%. As a result, net interest income, the core earnings engine of Home Federal Bank, increased \$3.1 million, or 16.7%, to \$21.8 million. It's important to note that we finished the year stronger than our averages suggest. Net interest margin for the fourth quarter was 3.82%, compared with 3.72% for the full year.

Equally important, we achieved this revenue growth while holding expenses in check. Total revenue increased approximately 8% while non-interest expense of \$16.1 million was slightly below the prior year. As a result, our efficiency ratio improved to approximately 66% from approximately 78% in fiscal 2025.

Our funding strategy during the fiscal year was deliberate and proactive. Non-interest-bearing deposits grew 12.8% to \$138.1 million, reflecting the depth of our customer relationships in a highly competitive deposit market. We also chose to grow certificates of deposit meaningfully, at rates well below where they had been a year earlier, in order to lock in a stable, lower-cost source of funding ahead of an uncertain interest rate environment. That decision reduced our overall cost of funds during the fiscal year and provides greater certainty for our margin performance going forward. On the asset side of the balance sheet, we increased our allowance for credit losses to 1.03% of total loans from 0.96%, and non-performing assets remained modest at 0.57% of total assets, consistent with our conservative approach to credit risk management.

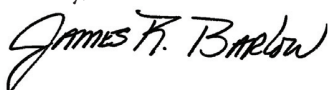
In fiscal 2026, we lifted our return on equity above 10% for the first time in several years. We repurchased shares at prices we believed were attractive relative to both our earnings and book value, reducing shares outstanding to 3,042,451 at June 30, 2026 from 3,084,764 at the prior year end despite the exercises of stock options, and we also increased our quarterly cash dividend for the thirteenth consecutive year.

While we are proud of our financial performance, the strength of Home Federal Bank extends well beyond our balance sheet. None of these accomplishments would be possible without our employees. Home Federal Bank is guided by a seasoned and loyal team of bankers, many of whom have served our customers for decades. Their experience, judgment, and commitment to doing things the right way are what produced these results, and they are the reason we are confident about the future.

As we look ahead, we will continue to pursue responsible growth, strengthen customer relationships, manage our funding costs with discipline, invest in our communities, and seek opportunities that create lasting value for both our customers and shareholders.

On behalf of the Board of Directors, management team, and employees of Home Federal Bancorp, Inc. of Louisiana, thank you for your continued investment, confidence, and support.

Sincerely,



James R. Barlow, Chairman of the Board, President & Chief Executive Officer
Home Federal Bancorp, Inc of Louisiana and Home Federal Bank





Bert Schmale serves on the Independence Bowl Board helping support one of Shreveport-Bossier's longest standing traditions and its continued impact on our community.



SVP & Commercial Banker, Matt Sawrie and Bobby Collins, Chief Executive Officer of the Housing Authority of the City of Shreveport and the Housing Authority of Bossier City breaking ground on Fairfield Estates II.





HFB volunteers at Martha's Market and Food Pantry, a branch of the Food Bank of Northwest Louisiana.



Tamra Wichelns, Minden Branch Manager and Mortgage Lender serving Minden real estate buyers.



We are proud to support Benton Ducks Unlimited and the important work they do for conservation in the community.



Matt Sawrie, SVP & Commercial Banker was honored for his service on the Advisory Board for the Institute for Nonprofit.

Local Impact

Serving the Community Since 1924



Sean Sumlin and Kenny Sellars attend Louisiana State University, Graduate School of Banking.



Susan Thompson, Viking Branch Manager leading with experience and a passion for customer service.



Celebrating Administrative Professionals Day with Alex Smith and Beverly Robillard.



A customer surprised our team with flowers as a special thank-you for their exceptional customer service.



Commercial Banker and SVP, John Batson and Benton High School ROTC retired the Benton Branch flag with honor.

Employee Spotlight

A Better Way of Banking Starts Here



Left to right: Commercial Bankers, Jeremy Johnson, Bert Schmale, Matt Oates, Matt Sawrie, and Greg Doyal attend Speaker of the House Mike Johnson's round table hosted by the Bossier Chamber of Commerce.



Speaker of the House Mike Johnson discusses the state of the economy and answers questions from local business leaders in the community.



Proud supporters of the Louisiana Rouxgaroux indoor football team through a community sponsorship.



HFB proudly supported the annual Pars for Peds tournament benefiting St. Mary's Hospital.



HFB proudly supports The Turkey Fry Guys in their ongoing mission to stop violence against local children.



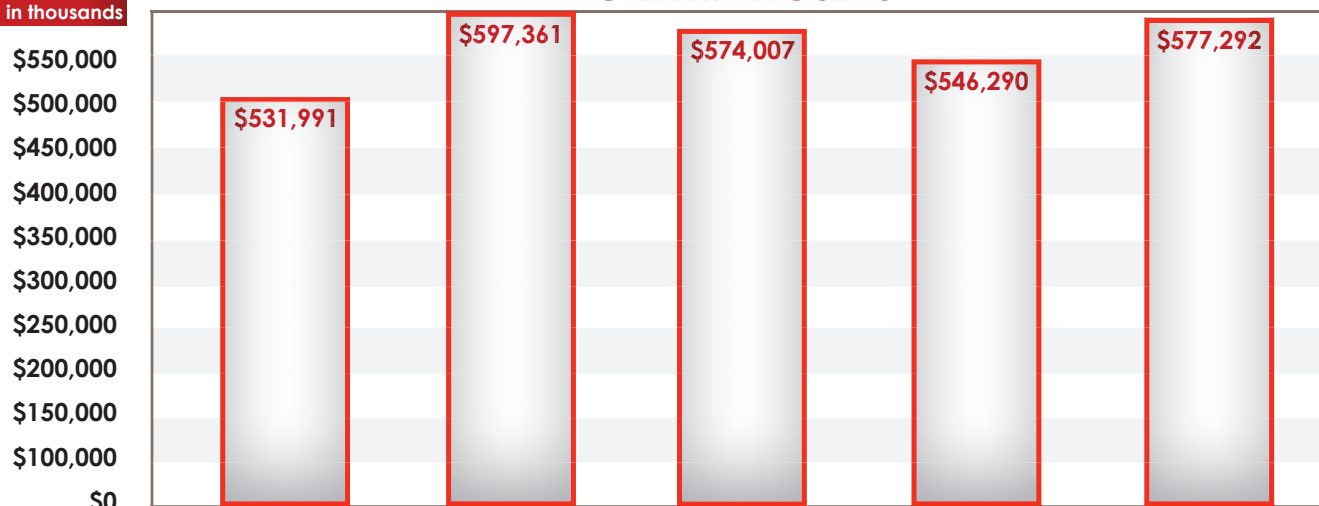
HFB is a proud supporter of the Huntington High School Band.

Invested Here

Supporting the Community Since 1924

TOTAL DEPOSITS

Dollars in thousands



Total Deposits

\$531,991

\$597,361

\$574,007

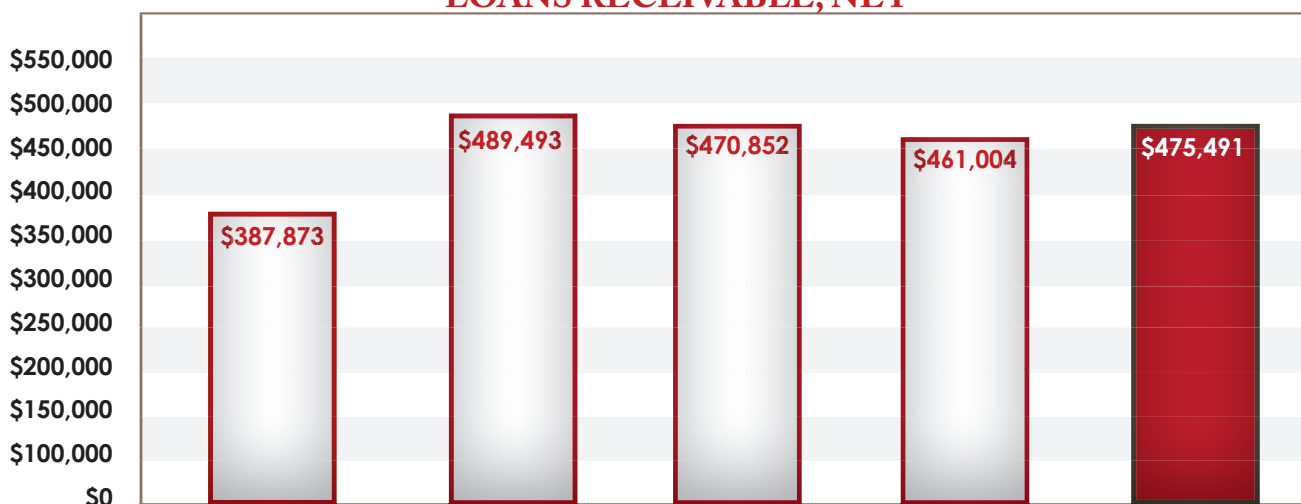
\$546,290

\$577,292

	6/30/2022	6/30/2023	6/30/2024	6/30/2025	6/30/2026
Average Assets	\$571,618	\$618,057	\$654,910	\$617,286	\$ 625,222
Loans Receivable, Net	\$387,873	\$489,493	\$470,852	\$461,004	\$475,491
Total Deposits	\$531,991	\$597,361	\$574,007	\$546,290	\$ 577,292
Average Yield on Earning Assets	3.62%	4.61%	5.19%	5.28%	5.54%
Average Cost of Interest Bearing Liabilities	0.51%	1.24%	2.81%	2.73%	2.47%
Net Income	\$4,873	\$5,704	\$3,593	\$3,888	\$6,174
ROAA	0.85%	0.92%	0.55%	0.63%	0.99%
Net Interest Margin	3.27%	3.73%	3.08%	3.23%	3.72%

Dollars in thousands

LOANS RECEIVABLE, NET



Loans Rec., Net

\$387,873

\$489,493

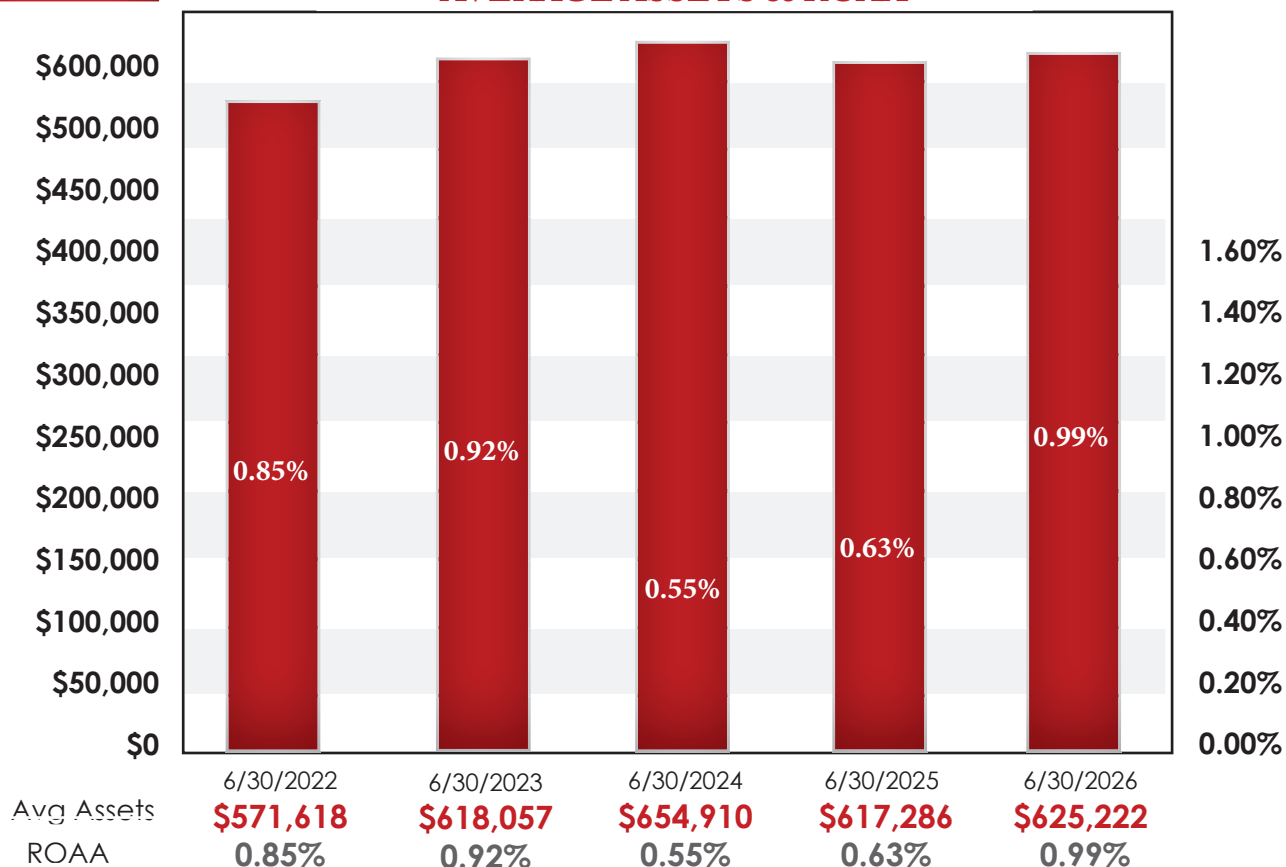
\$470,852

\$461,004

\$475,491

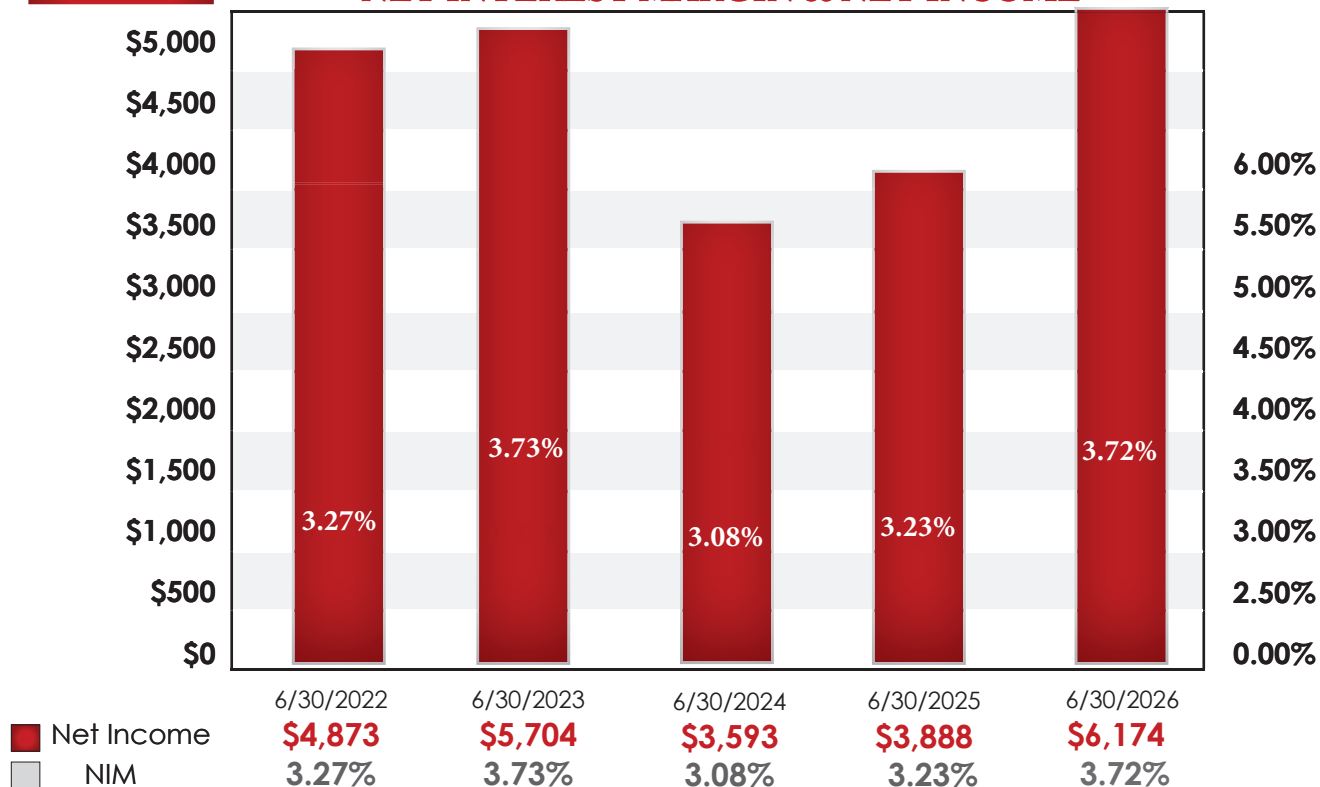
Dollars in thousands

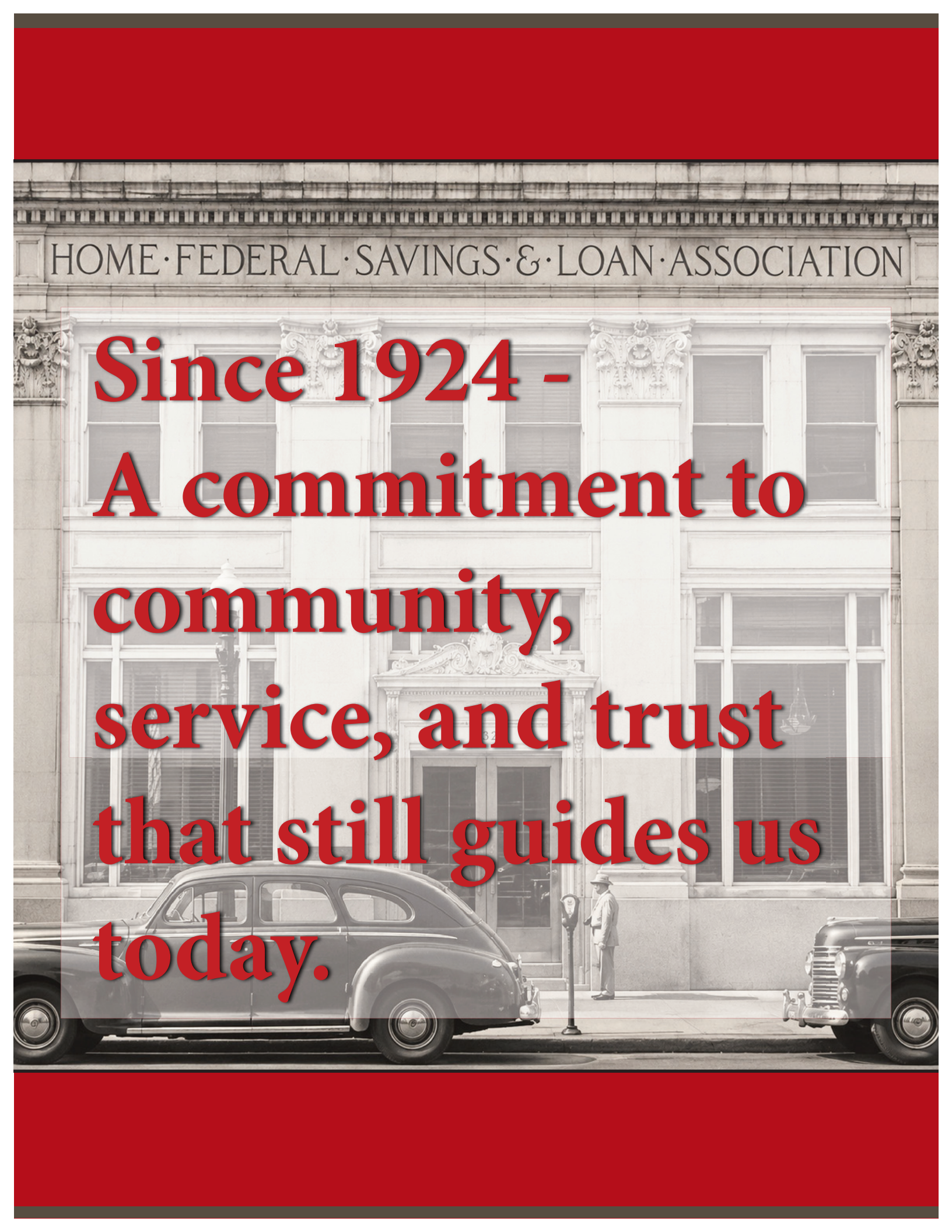
AVERAGE ASSETS & ROAA



Dollars in thousands

NET INTEREST MARGIN & NET INCOME





HOME · FEDERAL · SAVINGS · & · LOAN · ASSOCIATION

**Since 1924 -
A commitment to
community,
service, and trust
that still guides us
today.**

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

(Mark One)

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

For the fiscal year ended June 30, 2026

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)

<u>Louisiana</u>	<u>02-0815311</u>
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
<u>624 Market Street, Shreveport, Louisiana</u>	<u>71101</u>
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code:

(318) 222-1145

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 \$.01 per share)	HFBL	Nasdaq Stock Market, LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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, or 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.

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate value of the 2,098,626 shares of Common Stock of the Registrant issued and outstanding on December 31, 2025, which excludes an aggregate of 979,844 shares held by all directors and executive officers of the Registrant, the Registrant's Employee Stock Ownership Plan ("ESOP") and Employees' Savings and Profit Sharing Plan ("401(k) Plan") as a group was \$37.8 million. This figure is based on the closing sales price of \$18.00 per share of the Registrant's Common Stock on December 31, 2025, the last business day of the Registrant's second fiscal quarter. Although directors and executive officers, the ESOP and 401(k) Plan were assumed to be "affiliates" of the Registrant for purposes of this calculation, the classification is not to be interpreted as an admission of such status.

Number of shares of Common Stock outstanding as of September 21, 2026: 3,030,594

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Definitive Proxy Statement for the 2025 Annual Meeting of Stockholders are incorporated into Part III, Items 10 through 14.

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HOME FEDERAL BANCORP INC. OF LOUISIANA
Form 10-K
For the Year Ended June 30, 2026

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PART I

Item 1. Business

Home Federal Bancorp, Inc. of Louisiana, a Louisiana chartered corporation (“Home Federal Bancorp” or the “Company”), is the holding company for Home Federal Bank (“Home Federal Bank” or the “Bank”). Home Federal Bank is a federally chartered stock savings bank originally organized in 1924 as Home Building and Loan Association. The Bank reorganized into the mutual holding company structure in January 2005 and changed its name to “Home Federal Bank” in 2009 as part of its business strategy to be recognized as a community bank. Home Federal Bank’s home office and ten full service branch offices are located in Caddo, Bossier and Webster Parishes, Louisiana and serve the Shreveport-Bossier City-Minden combined statistical area. In February 2023, the Bank acquired First National Bank of Benton and its full service branch office in Benton, Louisiana. Home Federal Bank’s business primarily consists of attracting deposits from the general public and using those funds to originate loans.

As of June 30, 2026, Home Federal Bancorp’s only business activities are to hold all of the outstanding common stock of Home Federal Bank. Home Federal Bancorp is authorized to pursue other business activities permitted by applicable laws and regulations for savings and loan holding companies, which may include the issuance of additional shares of common stock to raise capital or to support mergers or acquisitions and borrowing funds for reinvestment in Home Federal Bank.

Home Federal Bancorp does not own or lease any property but instead uses the premises, equipment, and furniture of Home Federal Bank. At the present time, Home Federal Bancorp employs only persons who are officers of Home Federal Bank to serve as officers of Home Federal Bancorp and may also use the support staff of Home Federal Bank from time to time. These other persons are not separately compensated by Home Federal Bancorp.

Pursuant to the regulations under Sections 23A and 23B of the Federal Reserve Act, Home Federal Bank and Home Federal Bancorp have entered into an expense sharing agreement. Under this agreement, Home Federal Bancorp will reimburse Home Federal Bank for the time that employees of Home Federal Bank devote to activities of Home Federal Bancorp, the portion of the expense of the annual independent audit attributable to Home Federal Bancorp, and all expenses attributable to Home Federal Bancorp’s public filing obligations under the Securities Exchange Act of 1934.

Market Area

Our primary market area for loans and deposits is in northwest Louisiana, particularly Caddo Parish and neighboring communities in Bossier and Webster Parishes, which are located in the Shreveport-Bossier City-Minden combined statistical area.

Our primary market area in northern Louisiana has a diversified economy with employment in services, government, and wholesale/retail trade constituting the basis of the local economy, with service jobs being the largest component. The majority of the services are health care related as Shreveport has become a regional hub for health care. The casino gaming industry also supports a significant number of the service jobs. The energy sector has a prominent role in the regional economy, resulting from oil and gas exploration and drilling.

Competition. We face significant competition both in attracting deposits and in making loans. Our most direct competition for deposits has come historically from commercial banks, credit unions, and other savings institutions located in our primary market area, including many large financial institutions which have greater financial and marketing resources available to them. In addition, we face significant competition for investors’ funds from short-term money market securities, mutual funds, and other corporate and government securities. We do not rely upon any individual group or entity for a material portion of our deposits. Our ability to attract and retain deposits depends on our ability to generally provide a rate of return, liquidity, and risk comparable to that offered by competing investment opportunities.

Our competition for real estate loans comes principally from mortgage banking companies, commercial banks, other savings institutions, and credit unions. We compete for loan originations primarily through the interest rates and loan fees we charge and the efficiency and quality of services we provide borrowers. Factors which affect competition include general and local economic conditions, current interest rate levels, and volatility in the mortgage markets. Competition may increase as a result of the continuing reduction of restrictions on the interstate operations of financial institutions.

Lending Activities

General. At June 30, 2026, our net loan portfolio amounted to \$475.491 million, representing approximately 73.91% of total assets at that date. Historically, our principal lending activity was the origination of one-to-four family residential loans. At June 30, 2026, one-to-four family residential loans amounted to \$164.214 million, or 34.18% of the total loan portfolio. We have sold a substantial amount of our fixed-rate conforming one-to-four family residential loans to correspondent banks. Commercial real estate loans amounted to \$141.002 million, or 29.34% of the total loan portfolio, at June 30, 2026.

The types of loans that we may originate are subject to federal and state laws and regulations. Interest rates charged on loans are affected principally by the demand for such loans, the supply of money available for lending purposes, and the rates offered by our competitors. These factors are, in turn, affected by general and economic conditions, the monetary policy of the federal government, including the Federal Reserve Board, legislative and tax policies, and governmental budgetary matters.

A savings institution generally may not make loans to one borrower and related entities in an amount which exceeds 15% of its unimpaired capital and surplus, although loans in an amount equal to an additional 10% of unimpaired capital and surplus may be made to a borrower, if the loans are fully secured by readily marketable securities. In addition, upon application, the Office of the Comptroller of the Currency permits a savings institution to lend up to an additional 15% of unimpaired capital and surplus to one borrower to develop domestic residential housing units. At June 30, 2026, our regulatory limit on loans to one borrower was \$10.195 million, and the five largest loans or groups of loans to one borrower, including related entities, aggregated \$6.751 million, \$5.678 million, \$5.411 million, \$5.222 million, and \$5.051 million. Each of our five largest loans or groups of loans was originated with strong guarantor support to known borrowers in our market area and was performing in accordance with its terms at June 30, 2026.

Loans to or guaranteed by general obligations of a state or political subdivision are not subject to the foregoing lending limits.

Loan Portfolio Composition. The following table shows the composition of our loan portfolio by type of loan at the dates indicated.

	June 30,			
	2026		2025	
	Amount	Percent of Total Loans	Amount	Percent of Total Loans
	(Dollars in thousands)			
Real estate loans:				
One-to-four family residential ⁽¹⁾	\$164,214	34.18%	\$174,978	37.59%
Commercial – real estate secured:				
Owner occupied	91,240	18.99	85,761	18.82
Non-owner occupied	49,762	10.35	53,159	11.42
Total commercial-real estate secured	141,002	29.34	138,920	29.84
Multi-family residential	30,641	6.38	32,283	6.93
Land	34,825	7.25	30,054	6.45
Construction	25,435	5.29	11,226	2.41
Home equity loans and second mortgage loans	3,177	0.66	2,520	0.54
Equity lines of credit	21,657	4.51	20,354	4.37
Total real estate loans	420,951	87.61	410,335	88.13
Commercial business	58,866	12.25	54,138	11.63
Consumer non-real estate loans:				
Savings accounts	436	0.09	381	0.08
Consumer loans	247	0.05	739	0.16
Total non-real estate loans	59,549	12.39	55,258	11.87
Total loans	480,500	100.00%	465,593	100.00%
Less:				
Allowance for credit losses	(4,926)		(4,484)	
Deferred loan fees	(83)		(105)	
Net loans receivable ⁽¹⁾	\$475,491		\$461,004	

(1) Does not include loans held-for-sale amounting to \$1.654 million and \$1.540 million at June 30, 2026 and 2025, respectively.

Origination of Loans. Our lending activities are subject to written underwriting standards and loan origination procedures established by the board of directors and management. When applicable, loans originated are also subject to the underwriting standards of Fannie Mae, Freddie Mac, HUD, VA, USDA, and correspondent banks that purchase loans we originate. Loan originations are obtained through a variety of sources, primarily from existing customers, local realtors, and builders. Written loan applications are taken by one of our loan officers. The loan officer also supervises the procurement of credit reports, income and asset documentation, and other documentation involved with a loan. All appraisals are ordered through an approved appraisal management company in compliance with the Dodd-Frank Consumer Protection Act. Under our lending policy, a title insurance policy is required on most mortgage loans, with the exception of certain smaller loan amounts where our policy requires a title opinion only. We also require fire and extended coverage casualty insurance in order to protect the properties securing the real estate loans. Borrowers must also obtain flood insurance policies when the property is in a flood hazard area.

Our loan approval process is intended to assess the borrower's ability to repay the loan, the viability of the loan, and the value of the property that will secure the loan. All residential loans originated for sale to FNMA or other investor banks that receive an Approve-Eligible recommendation on the automated underwriting feedback certificate that is applicable for each loan type must be approved by a Bank mortgage underwriter. Loans that do not receive an Approve-Eligible recommendation must be approved by a Bank mortgage underwriter and the Senior Vice President of Mortgage Lending. In addition, all loans originated to be held on the Bank's portfolio must be approved by a Bank mortgage underwriter and the Senior Vice President of Mortgage Lending for loans up to \$500,000, and for loans up to \$1.5 million by the Senior Credit Officer. Commercial real estate secured loans and lines of credit and commercial business loans up to \$2.0 million must be approved by the Chief Banking Officer or Chief Executive Officer, up to \$3.0 million by the Chief Banking Officer and Chief Executive Officer, and in excess of \$3.0 million by the Executive Committee. In accordance with past practice, all loans are ratified by our board of directors.

In recent periods, we have originated and sold a substantial amount of our fixed-rate conforming mortgages to correspondent banks. For the year ended June 30, 2026, we originated \$50.915 million of one-to-four family residential loans and sold \$30.046 million of such loans. Our residential loan originations primarily consist of conventional, rural development, FHA, and VA loans.

The following table shows total loans originated, sold, and repaid during the periods indicated.

	Year Ended June 30,	
	2026	2025
	(In thousands)	
Loan originations:		
One-to-four family residential	\$ 50,915	\$ 43,174
Commercial — real estate secured:		
Owner occupied	19,585	18,505
Non-owner occupied	6,548	5,897
Multi-family residential	2,541	23
Commercial business	58,827	61,830
Land	17,401	7,748
Construction	14,964	5,796
Home equity loans and lines of credit and other consumer	22,605	13,457
Total loan originations	193,386	156,430
Loans purchased	18,064	16,047
Total loan originations and loans purchased	211,450	172,477
Loans sold	(30,046)	(18,312)
Loan principal repayments	(165,677)	(163,590)
Total loan originations and purchases, net of loans sold and principal repayments	15,727	(9,425)
(Decrease) increase due to other items, net ⁽¹⁾	(1,126)	(616)
Net increase (decrease) in loan portfolio ⁽²⁾	\$ 14,601	\$ (10,041)

(1) Other items consist of deferred loan fees, the allowance for credit losses, loans transferred to other real estate owned, and mark to market amortization for purchased loans.

(2) Includes net change of loans held for sale.

Although federal laws and regulations permit savings institutions to originate and purchase loans secured by real estate located throughout the United States, we concentrate our lending activity in our primary market area in Caddo, Bossier and Webster Parishes, Louisiana and the surrounding area. Subject to our loans-to-one borrower limitation, we are permitted to invest without limitation in residential mortgage loans and up to 400% of our capital in loans secured by non-residential or commercial real estate. We also may invest in secured and unsecured consumer loans in an amount not exceeding 35% of total assets. This 35% limitation may be exceeded for certain types of consumer loans, such as home equity and property improvement loans secured by residential real property. In addition, we may invest up to 10% of our total assets in secured and unsecured loans for commercial, corporate, business, or agricultural purposes. At June 30, 2026, we were within each of the above lending limits.

During fiscal 2026 and 2025, we sold \$30.046 million and \$18.312 million of loans, respectively. We recognized gain on sale of loans of \$642,000 and \$384,000 during fiscal 2026 and 2025, respectively. Loans were sold during these periods primarily to other financial institutions. Such loans were sold against forward sales commitments with servicing released and without recourse after a certain period of time, typically 90 days. The loans sold primarily consisted of long-term, fixed rate residential real estate loans. We will continue to sell loans in the future to the extent we believe the interest rate environment is unfavorable and interest rate risk is unacceptable.

Contractual Terms to Final Maturities. The following table shows the scheduled contractual maturities of our loans as of June 30, 2026, before giving effect to net items. Demand loans, loans having no stated schedule of repayments and no stated maturity, and overdrafts are reported as due in one year or less. The amounts shown below do not take into account loan prepayments.

	One year or less	After one year through five years	After five years through 15 years	After 15 years
	(In thousands)			
One-to-four family residential	\$ 18,833	\$ 57,965	\$15,447	\$71,969
Commercial – real estate secured	22,267	94,979	22,283	1,473
Multi-family residential	10,276	6,075	13,297	993
Commercial business	14,183	36,279	8,404	—
Land	17,920	15,214	859	832
Construction	21,730	3,705	—	—
Home equity loans and lines of credit and other consumer	8,551	3,632	12,977	357
Total	<u>\$113,760</u>	<u>\$217,849</u>	<u>\$73,267</u>	<u>\$75,624</u>

The following table sets forth the dollar amount of all loans at June 30, 2026, before net items, due after June 30, 2027, which have fixed interest rates or which have floating or adjustable interest rates.

	Fixed-Rate	Floating or Adjustable- Rate	Total
	(In thousands)		
One-to-four family residential	\$ 90,749	\$54,632	\$145,381
Commercial — real estate secured	113,330	5,405	118,735
Multi-family residential	20,165	200	20,365
Commercial business	39,952	4,731	44,683
Land	9,906	6,999	16,905
Construction	1,812	1,893	3,705
Home equity loans and lines of credit and other consumer	3,817	13,149	16,966
Total	<u>\$279,731</u>	<u>\$87,009</u>	<u>\$366,740</u>

Scheduled contractual maturities of loans do not necessarily reflect the actual expected term of the loan portfolio. The average life of mortgage loans is substantially less than their average contractual terms because of prepayments. The average life of mortgage loans tends to increase when current mortgage loan rates are higher than rates on existing

mortgage loans and, conversely, decrease when rates on current mortgage loans are lower than existing mortgage loan rates (due to refinancing of adjustable-rate and fixed-rate loans at lower rates). Under the latter circumstance, the weighted average yield on loans decreases as higher yielding loans are repaid or refinanced at lower rates.

One-to-Four Family Residential Real Estate Loans. As of June 30, 2026, one-to-four family residential loans were \$164.214 million, or 34.18%, of the total loan portfolio, before net items.

The loan-to-value ratios, maturities, and other provisions of the loans made by us generally have reflected the policy of making less than the maximum loan permissible under applicable regulations, in accordance with sound lending practices, market conditions, and underwriting standards established by us. Our current lending policy on one-to-four family residential loans generally limits the maximum loan-to-value ratio to 90% or less of the appraised value of the property, although we will lend up to a 100% loan-to-value ratio with private mortgage insurance. These loans are amortized on a monthly basis with principal and interest due each month, terms not in excess of 30 years, and generally include “due-on-sale” clauses.

At June 30, 2026, \$108.894 million, or 66.31%, of our one-to-four family residential mortgage loans were fixed-rate loans. Fixed-rate loans generally have maturities ranging from 15 to 30 years and are fully amortizing with monthly loan payments sufficient to repay the total amount of the loan with interest by the end of the loan term. Our fixed-rate loans generally are originated under terms, conditions, and documentation which permit them to be sold to U.S. Government-sponsored agencies, such as the Federal Home Loan Mortgage Corporation and other investors in the secondary mortgage market. Consistent with our asset/liability management, we have sold a significant portion of our long-term, fixed rate loans. Servicing is released on all loans sold.

Although we offer adjustable rate loans, substantially all of the single-family loan originations over the last few years have consisted of fixed-rate loans due to the low interest rate environment. The adjustable-rate loans held in portfolio typically have interest rates which adjust on an annual basis. These loans generally have an annual cap of 1% on any increase or decrease and a cap of 6% above or below the initial rate over the life of the loan. Such loans are underwritten based on the initial rate plus 2%. At June 30, 2026, \$55.320 million, or 33.69%, of our one-to-four family residential mortgage loans were adjustable rate loans.

Commercial Real Estate Secured Loans. As of June 30, 2026, loans secured by commercial real estate were \$141.002 million, or 29.34% of the total loan portfolio, before net items. Of those loans, \$91.240 million, or 64.71%, were owner occupied. It is the current policy of Home Federal Bank to lend in a first lien position on real property occupied as a commercial business property. Home Federal Bank offers fixed and variable rate commercial real estate loans. Home Federal Bank’s commercial real estate loans are limited to a maximum of 85% of the appraised value and have terms up to 15 years, however, the terms are generally no more than five years with amortization periods of 20 years or less. It is our policy that commercial real estate secured lines of credit are limited to a maximum of 85% of the appraised value of the property and shall not exceed three to five year amortizations.

Multi-Family Residential Loans. As of June 30, 2026, multi-family residential loans were \$30.641 million, or 6.38%, of the total loan portfolio, before net items. Our multi-family residential loan portfolio includes income producing properties of five or more units and low income housing developments. We obtain personal guarantees on all properties other than those of the public housing authority for which they are not permitted.

Commercial Business Loans. As of June 30, 2026, non-real estate secured commercial loans were \$58.866 million, or 12.25%, of the total loan portfolio, before net items. The business lending products we offer include lines of credit, inventory financing, and equipment loans. Commercial business loans and lines of credit carry more credit risk than other types of commercial loans. We attempt to limit such risk by making loans predominantly to small- and mid-sized businesses located within our market area and having the loans personally guaranteed by the principals involved. We have established underwriting standards in regard to business loans which set forth the criteria for sources of repayment, borrower’s capacity to repay, specific financial and collateral margins, and financial enhancements such as guarantees. The primary source of repayment is cash flow from the business and the general financial strength of the borrower.

Land Loans. As of June 30, 2026, land loans were \$34.825 million, or 7.25%, of the total loan portfolio, before net items. Land loans include land which has been acquired for the purpose of development and unimproved land. Our loan policy provides for loan-to-value ratios of 50% for unimproved land loans. Land loans are originated with fixed rates and terms up to five years with longer amortizations. Although land loans generally are considered to have greater credit

risk than certain other types of loans, we expect to mitigate such risk by requiring personal guarantees and identifying other secondary sources of repayment for the land loan other than the sale of the collateral. It is our practice to only originate a limited amount of loans for speculative development to borrowers with whom our lenders have a prior relationship.

Construction Loans. As of June 30, 2026, construction loans were \$25.435 million, or 5.29%, of the total loan portfolio, before net items. These included loans for the construction of residential and commercial property. Our residential construction loans typically have terms of six to twelve months with a takeout letter from Home Federal for the permanent mortgage. Our commercial construction loans include owner occupied commercial properties, pre-sold property, and speculative office property. As of June 30, 2026, we held \$1.030 million of speculative construction loans.

Home Equity and Second Mortgage Loans. As of June 30, 2026, home equity and second mortgage loans were \$3.177 million, or 0.66%, of the total loan portfolio, before net items. These loans are secured by the underlying equity in the borrower's residence. We do not require that we hold the first mortgage on the properties that secure the second mortgage loans. The amount of our second mortgage loans generally cannot exceed a loan-to-value ratio of 90% after taking into consideration the first mortgage loan. These loans are typically three-to-five year balloon loans with fixed rates and terms that will not exceed 10 years and contain an on-demand clause that allows us to call the loan in at any time.

Equity Lines of Credit. As of June 30, 2026, lines of credit secured by a borrower's equity in real estate were \$21.657 million, or 4.51%, of the total loan portfolio, before net items. The unused portion of equity lines was \$14.911 million at June 30, 2026. The rates and terms of such lines of credit depend on the history and income of the borrower, purpose of the loan, and collateral. Lines of credit will not exceed 90% of the value of the equity in the collateral.

Consumer Non-Real Estate Loans. We are authorized to make loans for a wide variety of personal or consumer purposes. We originate consumer loans primarily in order to accommodate our customers. The consumer loans at June 30, 2026 consist of loans secured by deposit accounts with us, automobile loans, overdraft, and other unsecured loans.

Consumer non-real estate loans generally have shorter terms and higher interest rates than residential mortgage loans and generally entail greater credit risk than residential mortgage loans, particularly those loans secured by assets that depreciate rapidly, such as automobiles, boats, and recreational vehicles. In such cases, repossessed collateral for a defaulted consumer loan may not provide an adequate source of repayment for the outstanding loan, and the remaining deficiency often does not warrant further substantial collection efforts against the borrower. In particular, amounts realizable on the sale of repossessed automobiles may be significantly reduced based upon the condition of the automobiles and the fluctuating demand for used automobiles.

We offer loans secured by deposit accounts held with us. These loans amounted to \$436,000, or 0.09% of the total loan portfolio, before net items, at June 30, 2026. Such loans are originated for up to 100% of the account balance, with a hold placed on the account restricting the withdrawal of the account balance. The interest rate on the loan is equal to the interest rate paid on the account plus 2%. These loans typically are payable on demand with a maturity date of one year.

Loan Origination and Other Fees. In addition to interest earned on loans, we generally receive loan origination fees or "points" for originating loans. Loan points are a percentage of the principal amount of the mortgage loan and are charged to the borrower in connection with the origination of the loan. In accordance with accounting guidance, loan origination fees and points are deferred and amortized into income as an adjustment of yield over the life of the loan.

Asset Quality

General. During fiscal 2026 our annual review commenced in August 2025 and was completed in October 2025. Our next annual review is tentatively scheduled for March 2027. The scope of the services provided included testing of credit underwriting, adherence to our loan policies, as well as regulatory policies, and recommendations regarding reserve allocations. We expect these reviews will be done roughly every twelve to eighteen months.

Our collection procedures provide that when a loan is 10 days past due personal contact efforts are attempted, either in person or by telephone. At 15 days past due, a late charge notice is sent to the borrower requesting payment. If the loan is still past due at 30 days, a formal letter is sent to the borrower stating that the loan is past due and that legal action, including foreclosure proceedings, may be necessary. If a loan becomes 60 days past due and no progress has been made in resolving the delinquency, a collection letter from legal counsel is sent and personal contact is attempted. When a loan continues in a delinquent status for 90 days or more, and a repayment schedule has not been made or kept by the

borrower, generally a notice of intent to foreclose is sent to the borrower. If the delinquency is not cured, foreclosure proceedings are initiated. In most cases, deficiencies are cured promptly. While we generally prefer to work with borrowers to resolve such problems, we will institute foreclosure or other collection proceedings, when necessary, to minimize any potential loss.

Loans are placed on non-accrual status when management believes the probability of collection of interest is doubtful. When a loan is placed on non-accrual status, previously accrued but unpaid interest is deducted from interest income. We generally discontinue the accrual of interest income when the loan becomes 90 days past due, as to principal or interest, unless the credit is well secured and we believe we will fully collect.

Real estate and other assets we acquire as a result of foreclosure or by deed-in-lieu of foreclosure are classified as real estate owned until sold. At June 30, 2026, we had \$613,000 in other real estate owned consisting of one commercial real estate property and two residential lots compared to \$970,000 of other real estate owned at June 30, 2025 consisting of one single family residence.

Delinquent Loans. The following table shows the delinquencies in our loan portfolio as of the dates indicated.

	June 30,							
	2026				2025			
	30 – 89 Days Overdue		90 or More Days Overdue		30 – 89 Days Overdue		90 or More Days Overdue	
	Number of Loans	Principal Balance	Number of Loans	Principal Balance	Number of Loans	Principal Balance	Number of Loans	Principal Balance
	(Dollars in thousands)							
One-to-four family residential	7	\$1,169	14	\$2,607	9	\$1,027	6	\$ 963
Commercial – real estate secured . . .	1	14	—	—	1	99	2	967
Commercial business	3	205	—	—	1	8	3	38
Land	—	—	—	—	1	17	—	—
Home equity loans and lines of credit and other consumer	<u>1</u>	<u>15</u>	<u>2</u>	<u>367</u>	<u>2</u>	<u>77</u>	<u>2</u>	<u>367</u>
Total delinquent loans	<u>12</u>	<u>\$1,403</u>	<u>16</u>	<u>\$2,974</u>	<u>14</u>	<u>\$1,228</u>	<u>13</u>	<u>\$2,335</u>
Delinquent loans to total net loans . .		0.30%		0.63%		0.27%		0.51%
Delinquent loans to total loans		0.29%		0.62%		0.26%		0.50%

Non-Performing Assets. The following table shows the amounts of our non-performing assets (defined as non-accruing loans, accruing loans 90 days or more past due, and real estate owned) at the dates indicated.

	June 30,	
	2026	2025
	(Dollars in thousands)	
Non-accruing loans:		
One-to-four family residential	\$2,197	\$ 711
Commercial — real estate secured	14	967
Commercial business	5	38
Home equity loans and lines of credit and other consumer	<u>367</u>	<u>367</u>
Total non-accruing loans	2,583	2,803
Accruing loans 90 days or more past due:		
One-to-four family residential	453	252
Total non-performing loans ⁽¹⁾	3,036	2,335
Real estate owned, net	<u>613</u>	<u>970</u>
Total non-performing assets	<u>\$3,649</u>	<u>\$3,305</u>
Troubled debt restructurings and modified loans to borrowers experiencing financial difficulty ⁽²⁾	<u>10</u>	<u>10</u>
Total non-performing assets and troubled debt restructurings and modified loans to borrowers experiencing financial difficulty	<u>\$3,659</u>	<u>\$3,315</u>

	June 30,	
	2026	2025
	(Dollars in thousands)	
Total non-performing loans as a percent of loans, net.	0.64%	0.51%
Total non-performing assets as a percent of total assets	0.57%	0.54%
Total non-performing assets and troubled debt restructurings and modified loans to borrowers experiencing financial difficulty as a percentage of total assets	0.57%	0.54%

(1) Non-performing loans consist of non-accruing loans plus accruing loans 90 days or more past due.

(2) Troubled debt restructurings and modified loans to borrowers experiencing financial difficulty are not included in non-accruing loans and accruing loans 90 days or more past due.

At June 30, 2026, the Company had \$3.649 million of non-performing assets (defined as non-accruing loans, accruing loans 90 days or more past due, and other real estate owned) compared to \$3.305 million of non-performing assets at June 30, 2025, consisting of sixteen one-to-four family residential loans, two home equity loans, one commercial non-real estate loan, one commercial real-estate loan, one commercial real estate property in other real estate owned, and two residential lots in other real estate owned at June 30, 2026, compared to six one-to-four family residential loans, two home equity loans, three commercial non-real estate loans, two commercial real estate loans and one single-family residence in other real estate owned at June 30, 2025.

Classified Assets. Federal regulations require that each insured savings institution classify its assets on a regular basis and the amount of its valuation allowance is subject to review by Federal bank regulators. There are three classifications for problem assets: “substandard”, “doubtful”, and “loss”. Substandard assets have one or more defined weaknesses and are characterized by the distinct possibility that the insured institution will sustain some loss, if the deficiencies are not corrected. Doubtful assets have the weaknesses of substandard assets with the additional characteristic that the weaknesses make collection or liquidation in full on the basis of currently existing facts, conditions, and values questionable, and there is a higher possibility of loss. An asset classified as loss is considered uncollectible and of such little value that continuance as an asset of the institution is not warranted. Another category designated “special mention” also must be established and maintained for assets which do not currently expose an insured institution to a sufficient degree of risk to warrant classification as substandard, doubtful, or loss. Assets classified as substandard or doubtful require the institution to establish general allowances for loan losses. If an asset, or portion thereof, is classified as loss, the insured institution must either establish specific allowances for loan losses in the amount of 100% of the portion of the asset classified loss, or charge-off such amount. General loss allowances established to cover possible losses related to assets classified substandard or doubtful may be included in determining an institution’s regulatory capital, while specific valuation allowances for loan losses do not qualify as regulatory capital. Federal examiners may disagree with an insured institution’s classifications and amounts reserved. At June 30, 2026, we had \$6.013 million in classified assets. At June 30, 2026 the Company had sixteen one-to-four family residential loans, two home equity loans, one commercial real estate loan, one commercial non-real estate loan, and one consumer loan classified as substandard. There were no loans classified as doubtful or loss at June 30, 2026. There were four one-to-four family residential mortgage loans, three commercial non-real estate loans, two commercial real estate loans, and two home equity loans designated as special mention at June 30, 2026.

Allowance for Credit Losses. At June 30, 2026, our allowance for credit losses amounted to \$4.926 million. The Company has elected to exclude accrued interest receivable from the measurement of its allowance for credit losses. When a loan is placed on non-accrual status, any outstanding accrued interest is reversed against interest income. The allowance for credit losses for loans is an estimate of the expected losses to be realized over the life of the loans in the portfolio. 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. Adjustments to historical loss information are made to incorporate our reasonable and supportable forecast of future losses at the portfolio segment level, as well as any necessary qualitative adjustments, including, but not limited to, changes in current and expected future economic conditions, changes in industry experience and industry loan concentrations, changes in the volume and severity of nonperforming assets, changes in lending policies and personnel and changes in the competitive and regulatory environment of the banking industry. Loans that do not share similar risk characteristics are individually evaluated and are excluded from the pooled loan analysis.

While management believes that it determines the size of the allowance based on the best information available at the time, the allowance will need to be adjusted as circumstances change and assumptions are updated. Future adjustments to the allowance could significantly affect net income.

The following table shows changes in our allowance for credit losses during the periods presented. We had \$256,000 and \$323,000 of loan charge-offs during fiscal 2026 and 2025, respectively. Bad debt recoveries amounted to \$104,000 and \$359,000 during fiscal 2026 and 2025, respectively.

	June 30,	
	2026	2025
	(Dollars in thousands)	
Total loans outstanding at end of period ⁽¹⁾	\$480,500	\$465,593
Average loans outstanding ⁽²⁾	472,273	460,356
Allowance for credit losses, beginning of period	4,484	4,574
Provision for (recovery of) credit losses	594	(126)
Recoveries	104	359
Charge-offs	(256)	(323)
Allowance for credit losses, end of period	<u>\$ 4,926</u>	<u>\$ 4,484</u>
Allowance for credit losses as a percent of non-performing loans	162.25%	191.99%
Allowance for credit losses as a percent of loans receivable	1.03%	0.96%

(1) Does not include loans held for sale.

(2) Includes loans held for sale.

The following table shows how our allowance for credit losses is allocated by type of loan at each of the dates indicated.

	June 30,			
	2026		2025	
	Amount of Allowance	Loan Category as a % of Total Loans	Amount of Allowance	Loan Category as a % of Total Loans
	(Dollars in thousands)			
One-to-four family residential	\$2,349	34.18%	\$2,202	37.59%
Commercial – real estate secured	1,277	29.34	1,202	29.84
Multi-family residential	108	6.38	113	6.93
Land	248	7.25	165	6.45
Construction	195	5.29	74	2.41
Home Equity Loans and Lines of Credit	190	5.17	182	4.91
Commercial business	541	12.25	538	11.63
Consumer	18	0.14	8	0.24
Total	<u>\$4,926</u>	<u>100.00%</u>	<u>\$4,484</u>	<u>100.00%</u>

Investment Securities

We have authority to invest in various types of securities, including mortgage-backed securities, U.S. Treasury obligations, securities of various federal agencies and of state and municipal governments, certificates of deposit at federally insured banks and savings institutions, certain bankers' acceptances, and federal funds. Our investment strategy is established by the board of directors.

The following tables set forth the amortized cost of debt securities which contractually mature during each of the periods indicated and the weighted average yields for each range of maturities at June 30, 2026. Weighted average yields are calculated using the book yield of each debt security, weighted by the security's amortized cost within the applicable security category and maturity range. Book yield reflects the amortization of premiums and accretion of discounts. Yields on tax-exempt debt securities have not been adjusted to a tax-equivalent basis.

Amounts at June 30, 2026 which Mature in							
		Over One		Over Five			
		Year		Through			
One	Weighted	Through	Weighted	Through	Weighted	Over	Weighted
Year	Average	Five	Average	Ten	Average	Ten	Average
or Less	Yield	Years	Yield	Years	Yield	Years	Yield
(Dollars in thousands)							
Available-for-sale							
Mortgage-backed securities:							
residential	\$ —	—%	\$2,426	4.08%	\$11,643	3.08%	\$31,436 3.67%
State and political subdivision	—	—	—	—	475	3.84	—
Total available-for-sale	<u>\$ —</u>	<u>—%</u>	<u>\$2,426</u>	<u>4.08%</u>	<u>\$12,118</u>	<u>3.11%</u>	<u>\$31,436 3.67%</u>

Amounts at June 30, 2026 which Mature in							
		Over One		Over Five			
		Year		Through			
One	Weighted	Through	Weighted	Through	Weighted	Over	Weighted
Year	Average	Five	Average	Ten	Average	Ten	Average
or Less	Yield	Years	Yield	Years	Yield	Years	Yield
(Dollars in thousands)							
Held-to-maturity							
Mortgage-backed securities:							
residential	\$ —	—%	\$ —	—%	\$5,979	1.15%	\$48,426 1.56%
State and political subdivision	—	—	—	—	1,034	2.97	—
Total held-to-maturity	<u>\$ —</u>	<u>—%</u>	<u>\$ —</u>	<u>—%</u>	<u>\$7,013</u>	<u>1.42%</u>	<u>\$48,426 1.56%</u>

Mortgage-backed securities represent a participation interest in a pool of one-to-four family or multi-family mortgages. The mortgage originators use intermediaries (generally U.S. Government agencies and government-sponsored enterprises) to pool and repackage the participation interests in the form of securities, with investors receiving the principal and interest payments on the mortgages. Such U.S. Government agencies and government-sponsored enterprises guarantee the payment of principal and interest to investors.

Mortgage-backed securities are typically issued with stated principal amounts, and the securities are backed by pools of mortgages that have loans with interest rates that are within a range and have varying maturities. The underlying pool of mortgages, *i.e.*, fixed-rate or adjustable-rate, as well as prepayment risk, are passed on to the certificate holder. The life of a mortgage-backed pass-through security approximates the life of the underlying mortgages.

Our mortgage-backed securities consist of Ginnie Mae securities (“GNMA”), Freddie Mac securities (“FHLMC”), and Fannie Mae securities (“FNMA”). Ginnie Mae is a government agency within the Department of Housing and Urban Development, which is intended to help finance government-assisted housing programs. Ginnie Mae securities are backed by loans insured by the Federal Housing Administration or guaranteed by the Veterans Administration. The timely payment of principal and interest on Ginnie Mae securities is guaranteed by Ginnie Mae and backed by the full faith and credit of the U.S. Government. Freddie Mac is a private corporation chartered by the U.S. Government. Freddie Mac issues participation certificates backed principally by conventional mortgage loans. Freddie Mac guarantees the timely payment of interest and the ultimate return of principal on participation certificates. Fannie Mae is a private corporation chartered by the U.S. Congress with a mandate to establish a secondary market for mortgage loans. Fannie Mae guarantees the timely payment of principal and interest on Fannie Mae securities. Freddie Mac and Fannie Mae securities are not backed by the full faith and credit of the U.S. Government. In September 2008, the Federal Housing Finance Agency was appointed as conservator of Fannie Mae and Freddie Mac. The U.S. Department of the Treasury agreed to provide capital, as needed, to ensure that Fannie Mae and Freddie Mac continue to provide liquidity to the housing and mortgage markets.

Mortgage-backed securities generally yield less than the loans which underlie such securities because of their payment guarantees or credit enhancements, which offer nominal credit risk. In addition, mortgage-backed securities are more liquid than individual mortgage loans and may be used to collateralize our borrowings or other obligations.

Our investment in equity securities consists primarily of FHLB stock and shares of First National Bankers Bankshares, Inc. (“FNBB”). Management monitors its investment portfolio to determine whether any investment securities which have unrealized losses should be considered other than temporarily impaired.

Sources of Funds

General. Deposits are our primary source of funds for lending and other investment purposes. In addition to deposits, principal and interest payments on loans and investment securities are a source of funds. Loan repayments are a relatively stable source of funds, while deposit inflows and outflows are significantly influenced by general interest rates and money market conditions. Borrowings may also be used on a short-term basis to compensate for reductions in the availability of funds from other sources and on a longer-term basis for general business purposes.

Deposits. We attract deposits principally from residents of Louisiana and particularly from Caddo, Webster, and Bossier Parishes. Deposit account terms vary, with the principal differences being the minimum balance required, the time periods the funds must remain on deposit, and the interest rate. At June 30, 2026 and 2025, we had no balances in brokered deposits.

We establish interest rates paid, maturity terms, service fees, and withdrawal penalties on a periodic basis. Management determines the rates and terms based on rates paid by competitors, the need for funds or liquidity, growth goals, and federal regulations. We attempt to control the flow of deposits by pricing our accounts to remain generally competitive with other financial institutions in the market area.

The total amount of our uninsured deposits (deposits in excess of \$250,000, as calculated in accordance with FDIC regulations) were \$129.253 million and \$114.722 million at June 30, 2026 and 2025, respectively.

The following table shows the portion of our certificates of deposit in excess of the FDIC insurance limit (generally, \$250,000) at June 30, 2026 by time remaining to maturity.

	<u>Amount</u>
	(In thousands)
3 months or less	\$ 2,927
Over 3 through 6 months	6,671
Over 6 through 12 months	9,027
Over 12 months	<u>9,850</u>
Total portion of certificates of deposit in excess of \$250,000	<u>\$28,475</u>

Borrowings. We may obtain advances from the Federal Home Loan Bank of Dallas upon the security of the common stock we own in that bank and certain of our residential mortgage loans and mortgage-backed and other investment securities, provided certain standards related to creditworthiness have been met. These advances are made pursuant to several credit programs, each of which has its own interest rate and range of maturities. Federal Home Loan Bank advances are generally available to meet seasonal and other withdrawals of deposit accounts and to permit increased lending.

As of June 30, 2026, we were permitted to borrow up to an aggregate total of \$136.376 million from the Federal Home Loan Bank of Dallas. We had no Federal Home Loan Bank advances outstanding at June 30, 2026 or June 30, 2025. Additionally, at June 30, 2026, Home Federal Bank was a party to a Master Purchase Agreement with First National Bankers Bank whereby Home Federal Bank may purchase Federal Funds from First National Bankers Bank in an amount not to exceed \$19.9 million. There were no amounts purchased under this agreement as of June 30, 2026. At June 30, 2026, Home Federal Bancorp had a \$3.556 million outstanding loan with First National Bankers Bank, which matures on February 5, 2034. The loan is secured by Home Federal Bank’s common stock and bears interest at the Prime Rate, which is subject to change when adjustments are made to Wall Street Journal Prime.

The following table shows certain information regarding our borrowings at or for the dates indicated:

	At or For the Year Ended June 30,	
	2026	2025
	(Dollars in thousands)	
FHLB advances:		
Average balance outstanding	\$ 350	\$ 14
Maximum amount outstanding at any month-end during the period.	2,000	—
Balance outstanding at end of period.	—	—
Average interest rate during the period	3.71%	4.65%
Weighted average interest rate at end of period.	—%	—%

At June 30, 2026, we had no outstanding advances from the Federal Home Loan Bank of Dallas.

Subsidiaries

At June 30, 2026, the Company had one subsidiary, Home Federal Bank. The Bank's only subsidiary at such date was Metro Financial Services, Inc., which previously engaged in the sale of annuity contracts and does not currently engage in a meaningful amount of business.

Employees

Home Federal Bank had 72 full-time employees and 4 part-time employees at June 30, 2026. None of these employees are covered by a collective bargaining agreement, and we believe that we enjoy good relations with our personnel.

REGULATION

Regulation of Home Federal Bancorp

Home Federal Bancorp, a Louisiana corporation, is a registered savings and loan holding company within the meaning of Section 10 of the Home Owners' Loan Act and is subject to regulation, examination and supervision by the Federal Reserve Board, as well as certain reporting requirements. In addition, the Federal Reserve Board has enforcement authority over Home Federal Bancorp and its non-savings institution subsidiaries which also permits the Federal Reserve Board to restrict or prohibit activities that are determined to present a serious risk to Home Federal Bank.

Holding Company Activities. Home Federal Bancorp is a unitary savings and loan holding company under the Home Owners' Loan Act, as amended. Federal law generally prohibits a savings and loan holding company, without prior approval of the Federal Reserve Board, from acquiring the ownership or control of any other savings institution or savings and loan holding company, or all, or substantially all, of the assets, or more than 5% of the voting shares of the savings institution or savings and loan holding company. These provisions also prohibit, among other things, any director or officer of a savings and loan holding company, or any individual who owns or controls more than 25% of the voting shares of such holding company, from acquiring control of any savings institution not a subsidiary of such savings and loan holding company, unless the acquisition is approved by the Federal Reserve Board.

The Federal Reserve Board may not approve any acquisition that would result in a multiple savings and loan holding company controlling a savings institutions in more than one state, subject to two exceptions: (i) the approval of interstate supervisory acquisitions by savings and loan holding companies and (ii) the acquisition of a savings institution in another state, if the laws of the state of the target savings institution specifically permit such acquisitions. The states vary in the extent to which they permit interstate savings and loan holding company acquisitions.

In evaluating applications by savings and loan holding companies to acquire savings institutions, the Federal Reserve Board must consider the financial and managerial resources and future prospects of the company and institution involved, the effect of the acquisition on the risk to the insurance funds, the convenience and needs of the community, competitive factors, and other factors. The Federal Reserve Board has long set forth in its regulations its "source of strength" policy, which requires bank holding companies to act as a source of strength to their subsidiary depository institutions by providing capital, liquidity and other support in times of financial stress. This policy now also applies to savings and loan holding companies.

The Federal Reserve Board has promulgated consolidated capital requirements for depository institution holding companies that are no less stringent, both quantitatively and in terms of components of capital, than those applicable to their subsidiary depository institutions, including a community bank leverage ratio alternative. However, holding companies with less than \$3.0 billion of consolidated assets, such as Home Federal Bancorp, are generally not subject to consolidated capital requirements unless otherwise advised by the FRB.

The Federal Reserve Board has issued a policy statement regarding the payment of dividends and the repurchase of shares of common stock by bank holding companies that is applicable to savings and loan holding companies as well. In general, the policy provides that dividends should be paid only out of current earnings and only if the prospective rate of earnings retention by the holding company appears consistent with the organization's capital needs, asset quality and overall financial condition. Regulatory guidance provides for prior regulatory consultation with respect to capital distributions in certain circumstances such as where the company's net income for the past four quarters, net of dividends previously paid over that period, is insufficient to fully fund the dividend or the company's overall rate of earnings retention is inconsistent with the company's capital needs and overall financial condition. The ability of a holding company to pay dividends may be restricted if a subsidiary bank becomes undercapitalized. The policy statement also provides for regulatory consultation prior to a holding company redeeming or repurchasing regulatory capital instruments when the holding company is experiencing financial weaknesses or redeeming or repurchasing common stock or perpetual preferred stock that would result in a net reduction as of the end of a quarter in the amount of such equity instruments outstanding compared with the beginning of the quarter in which the redemption or repurchase occurred. These regulatory policies could affect the ability of Home Federal Bancorp to pay dividends, repurchase shares of common stock or otherwise engage in capital distributions.

All savings institution subsidiaries of savings and loan holding companies like Home Federal Bank are required to meet a qualified thrift lender, or QTL, test to avoid certain restrictions on their operations. If the subsidiary savings institution fails to meet the QTL, as discussed below, then the savings and loan holding company must register with the Federal Reserve Board as a bank holding company, unless the savings institution requalifies as a QTL within one year thereafter.

Federal Securities Laws. Home Federal Bancorp registered its common stock with the Securities and Exchange Commission under Section 12(b) of the Securities Exchange Act of 1934. Home Federal Bancorp is subject to the proxy and tender offer rules, insider trading reporting requirements and restrictions, and certain other requirements under the Securities Exchange Act of 1934.

Regulation of Home Federal Bank

General. Home Federal Bank is subject to the regulation of the Office of the Comptroller of the Currency, as its primary federal regulator, the Federal Deposit Insurance Corporation, as the insurer of its deposit accounts, and, to a limited extent, the Federal Reserve Board. Effective January 1, 2026, the OCC implemented a risk-based supervisory approach for community banks like Home Federal Bank that tailors examination scope and frequency to a bank's size, complexity and risk profile and is intended to reduce supervisory burden.

Insurance of Accounts. The deposits of Home Federal Bank are insured up to \$250,000 per separately insured deposit ownership right or category by the Deposit Insurance Fund of the Federal Deposit Insurance Corporation ("FDIC") and are backed by the full faith and credit of the U.S. Government. The FDIC has examination, reporting and enforcement authority over insured institutions and assesses deposit insurance premiums based on risk. For insured institutions with less than \$10 billion in total assets, assessments are generally based on financial measures and supervisory ratings, including measures derived from statistical modeling. The FDIC may increase assessment rates, and a significant increase in deposit insurance premiums could adversely affect the Bank's operating expenses and results of operations.

The Federal Deposit Insurance Corporation may terminate the deposit insurance of any insured depository institution, including Home Federal Bank, if it determines after a hearing that the institution has engaged or is engaging in unsafe or unsound practices, is in an unsafe or unsound condition to continue operations, or has violated any applicable law, regulation, order, or any condition imposed by an agreement with the Federal Deposit Insurance Corporation. It also may suspend deposit insurance temporarily during the hearing process for the permanent termination of insurance, if the institution has no tangible capital. If insurance of accounts is terminated, the accounts at the institution at the time of the termination, less subsequent withdrawals, shall continue to be insured for a period of six months to two years, as determined by the Federal Deposit Insurance Corporation. Management is aware of no existing circumstances which would result in termination of Home Federal Bank's deposit insurance.

Regulatory Capital Regulations. Federally insured savings institutions are subject to minimum regulatory capital requirements established by the OCC. Qualifying community banking organizations with less than \$10 billion in total consolidated assets such as Home Federal Bank may elect to use the Community Bank Leverage Ratio ("CBLR") framework in lieu of the generally applicable risk-based capital framework. Under the CBLR framework, a qualifying institution that elects the framework is required to maintain a Tier 1 leverage ratio greater than 8%, effective July 1, 2026. An institution that satisfies the applicable CBLR requirements is not required to calculate or report the generally applicable risk-based capital ratios and is considered to have met the capital requirements for the "well-capitalized" category under the prompt corrective action framework.

A qualifying community banking organization such as Home Federal Bank may elect to use or discontinue use of the CBLR framework through its quarterly Call Report. Home Federal Bank intends to opt in to the CBLR framework in its quarterly Call Report for the quarter ending September 30, 2026. An institution that elects the CBLR framework but subsequently fails to satisfy one or more of the qualifying criteria generally may continue to use the framework during a four-quarter grace period, subject to applicable requirements, including maintaining a leverage ratio greater than 7%. An institution that does not satisfy the applicable CBLR requirements following the grace period, or that otherwise ceases to qualify for the framework, must comply with the generally applicable regulatory capital requirements.

The CBLR framework provides a simplified alternative to the generally applicable risk-based capital framework. A qualifying community banking organization that elects to use the CBLR framework and satisfies its applicable requirements is not required to calculate or report the generally applicable risk-based capital ratios and is considered to have met the capital ratio requirements for the "well-capitalized" category under the prompt corrective action framework. Accordingly, the Bank's compliance with the CBLR framework, rather than the generally applicable risk-based capital ratios and capital conservation buffer, is the primary measure of the Bank's regulatory capital adequacy.

As of the date of this Form 10-K, Home Federal Bank's Board of Directors and management have determined to elect to use the CBLR framework in its quarterly Call Report for the quarter ending September 30, 2026. At June 30, 2026, Home Federal Bank exceeded each of its then applicable capital requirements with common equity tier 1, tier 1 capital,

total capital, leverage, and tangible capital ratios of 13.11%, 13.11%, 14.20%, 9.29%, and 9.29%, respectively. Accordingly, Home Federal Bank was considered well capitalized for purposes of the prompt corrective action regulations at such date.

Failure to maintain applicable capital requirements may result in regulatory actions by the OCC, including the issuance of a capital directive or cease and desist order, the imposition of civil money penalties, restrictions on the institution's operations, termination of federal deposit insurance, or the appointment of a conservator or receiver.

Prompt Corrective Action

Federal banking law establishes five capital categories for insured depository institutions under the prompt corrective action framework: well capitalized, adequately capitalized, undercapitalized, significantly undercapitalized and critically undercapitalized. An institution that elects to use the CBLR framework and satisfies the applicable CBLR requirements is considered to have met the capital ratio requirements for the "well-capitalized" category under the prompt corrective action framework.

At June 30, 2026, Home Federal Bank was deemed a well-capitalized institution for purposes of the prompt corrective action regulations applicable as of such date. As a result, the Bank was not subject to the restrictions applicable to institutions in the lower capital categories. See Note 16 to the Notes to Consolidated Financial Statements contained in Item 8 of this Form 10-K.

Capital Distributions. There are various restrictions on a bank's ability to make capital distributions, including cash dividends, payments to repurchase or otherwise acquire its shares and other distributions charged against capital. A savings institution that is the subsidiary of a savings and loan holding company, such as Home Federal Bank, must file a notice with the FRB at least 30 days before making a capital distribution and receive the FRB's nonobjection. Home Federal Bank must also file an application or notice for prior approval with the Office of the Comptroller of the Currency if the total amount of its capital distributions (including each proposed distribution), for the applicable calendar year would exceed Home Federal Bank's net income for that year plus its retained net income for the previous two years, if Home Federal Bank is not an "eligible savings association" as defined in Office of the Comptroller of the Currency regulations or the capital distributions would violate a prohibition contained in any statute, regulation or agreement.

Home Federal Bank may be prohibited from making capital distributions and its application or notice disapproved if (i) Home Federal Bank would be undercapitalized following the distribution; (ii) the proposed capital distribution raises safety and soundness concerns; or (iii) the capital distribution would violate a prohibition contained in any statute, regulation or agreement.

Qualified Thrift Lender Test. Like all savings institutions, federal regulations require that Home Federal Bank comply with a Qualified Thrift Lender test to avoid certain restrictions on its operations. Under this test, Home Federal Bank is required to maintain at least 65% of its "portfolio assets" in certain "qualified thrift investments" on a monthly basis in at least nine months of the most recent twelve-month period. "Portfolio assets" means, in general, an institution's total assets less the sum of (a) specified liquid assets up to 20% of total assets, (b) goodwill and other intangible assets and (c) the value of property used to conduct the institution's business. "Qualified thrift investments" include various types of loans made for residential and housing purposes, investments related to such purposes, including certain mortgage-backed and related securities and consumer loans. If Home Federal Bank fails the QTL test, it must operate under certain restrictions on its activities and may be required to convert to a national bank. At June 30, 2026, Home Federal Bank believes it meets the QTL test.

Community Reinvestment Act. Home Federal Bank is subject to the provisions of the Community Reinvestment Act of 1977 ("CRA"), which require the appropriate federal bank regulatory agency to assess a bank's performance under the CRA in meeting the credit needs of the community serviced by Home Federal Bank, including low and moderate income neighborhoods. The regulatory agency's assessment of Home Federal Bank's record is made available to the public. Further, a bank's CRA performance must be considered in connection with a bank's application to, among other things, establish a new branch office that will accept deposits, relocate an existing office or merge or consolidate with, or acquire the assets or assume the liabilities of, a federally regulated financial institution. An unsatisfactory rating may be the basis for denial of certain applications. Home Federal Bank received a "satisfactory" rating during its most recent CRA examination.

On October 24, 2023, the Office of the Comptroller of the Currency and the other federal banking agencies issued a final rule to strengthen and modernize the CRA regulations. The 2023 CRA final rule, however, did not take effect due to

pending litigation. On July 16, 2025, the banking regulators including the OCC issued a joint notice of proposed rulemaking to rescind the 2023 CRA final rule and replace it with the 1995/2021 regulation. The OCC continues to assess a bank's CRA performance under the OCC's 1995/2021 CRA regulation and is not applying any provisions of the 2023 Final Rule

Limitations on Transactions with Affiliates. Home Federal Bank's authority to engage in transactions with its "affiliates" is limited by federal regulations and by Sections 23A and 23B of the Federal Reserve Act. In general, these transactions must be on terms which are as favorable to Home Federal Bank as comparable transactions with non-affiliates. Additionally, certain types of these transactions are restricted to an aggregate percentage of Home Federal Bank's capital. Collateral in specified amounts must usually be provided by affiliates to receive loans from Home Federal Bank. In addition, Office of Comptroller of the Currency regulations prohibit a savings bank from lending to any affiliate that is engaged in activities that are not permissible for bank holding companies and from purchasing the securities of any affiliate other than a subsidiary.

Home Federal Bank's authority to extend credit to its directors, executive officers, and 10% shareholders ("insiders"), as well as to entities controlled by such persons, is currently governed by the requirements of Sections 22(g) and 22(h) of the Federal Reserve Act and Regulation O of the Federal Reserve Board. Among other things, these provisions require that all loans or extensions of credit to insiders (a) be made on terms that are substantially the same as and follow credit underwriting procedures that are not less stringent than those prevailing for comparable transactions with unaffiliated persons and that do not involve more than the normal risk of repayment or present other unfavorable features and (b) not exceed certain limitations, individually and in the aggregate, which limits are based, in part, on the amount of the Home Federal Bank's capital. In addition, extensions of credit in excess of certain limits must be approved by the Home Federal Bank's Board. At June 30, 2026, Home Federal was in compliance with the above restrictions.

Incentive Compensation. Federal banking agencies have issued guidance addressing incentive compensation arrangements to promote safety and soundness and discourage excessive risk-taking. The guidance emphasizes that incentive compensation should be appropriately balanced with risk management, internal controls and effective corporate governance. Banking organizations may be subject to supervisory or enforcement actions if their compensation practices create undue risks to safety and soundness.

On May 6, 2024, the Office of the Comptroller of the Currency approved a notice of proposed rule-making to implement section 956 of the Dodd-Frank Act. The proposal would establish new requirements for incentive-based compensation at certain covered institutions. Office of the Comptroller of the Currency-supervised institutions that would be subject to the proposed rule include national banks, federal savings associations, and federal branches and agencies, as well as these institutions' subsidiaries (other than brokers, dealers, insurance providers, investment companies, and investment advisers), that offer incentive-based compensation and have average total consolidated assets of at least \$1 billion.

The proposed rule would prohibit incentive-based compensation arrangements that encourage inappropriate risks by a covered institution (1) by providing an executive officer, employee, director, or principal shareholder of the covered institution with excessive compensation, fees, or benefits; or (2) that could lead to material financial loss to the covered financial institution. The proposed rule has not yet been finalized. No assurance can be given as to whether or when this proposal will be adopted in final form or its impact on Home Federal Bank.

Regulation of Residential Mortgage Loan Originators. Under the final rule adopted by the federal bank regulatory authorities pursuant to the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, residential mortgage loan originators employed by financial institutions, such as Home Federal Bank, must register with the Nationwide Mortgage Licensing System and Registry, obtain a unique identifier from the registry, and maintain their registration. Any residential mortgage loan originator who fails to satisfy these requirements will not be permitted to originate residential mortgage loans.

Anti-Money Laundering. All financial institutions, including savings associations, are subject to federal laws that are designed to prevent the use of the U.S. financial system to fund terrorist activities. Financial institutions operating in the United States must develop anti-money laundering compliance programs, due diligence policies, and controls to ensure the detection and reporting of money laundering. Such compliance programs are intended to supplement compliance requirements, also applicable to financial institutions, under the Bank Secrecy Act and the Office of Foreign Assets Control Regulations. Home Federal Bank has established policies and procedures to ensure compliance with these provisions.

Volcker Rule Regulations. The federal banking agencies have adopted regulations implementing the Volcker Rule, which generally restricts proprietary trading and certain investments in, and relationships with, hedge funds and private equity funds. However, federal regulations exclude from the Volcker Rule restrictions community banks with \$10 billion or less in total consolidated assets and total trading assets and liabilities of five percent or less of total consolidated assets. Home Federal Bank qualifies for the exclusion from the Volcker Rule restrictions.

Privacy Standards and Cybersecurity. The Gramm-Leach-Bliley Financial Services Modernization Act of 1999 modernized the financial services industry by establishing a comprehensive framework to permit affiliations among commercial banks, insurance companies, securities firms and other financial service providers. Federal banking agencies, including the FDIC, have adopted guidelines for establishing information security standards and cybersecurity programs for implementing safeguards under the supervision of the board of directors. These guidelines, along with related regulatory materials, increasingly focus on risk management and processes related to information technology and the use of third parties in the provision of financial services. These regulations require Home Federal Bank to disclose its privacy policy, including informing consumers of its information sharing practices and informing consumers of their rights to opt out of certain practices. In addition, Louisiana State and other federal and state cybersecurity and data privacy laws and regulations may expose Home Federal Bank to risk and result in certain risk management costs. In addition, on November 18, 2021, the federal banking agencies announced the adoption of a final rule providing for new notification requirements for banking organizations and their service providers for significant cybersecurity incidents. Specifically, the new rule requires a banking organization to notify its primary federal regulator as soon as possible, and no later than 36 hours after, the banking organization determines that a “computer-security incident” rising to the level of a “notification incident” has occurred. Notification is required for incidents that have materially affected or are reasonably likely to materially affect the viability of a banking organization’s operations, its ability to deliver banking products and services, or the stability of the financial sector. Service providers are required under the rule to notify affected banking organization customers as soon as possible when the provider determines that it has experienced a computer-security incident that has materially affected or is reasonably likely to materially affect the banking organization’s customers for four or more hours. Compliance with the new rule was required by May 1, 2022. Non-compliance with federal or similar state privacy and cybersecurity laws and regulations could lead to substantial regulatory imposed fines and penalties, damages from private causes of action and/or reputational harm.

On July 26, 2023, the Securities and Exchange Commission issued a final rule that requires registrants, such as Home Federal Bancorp, to (i) report material cybersecurity incidents on Form 8-K, (ii) include updated disclosure in Forms 10-K and 10-Q of previously disclosed cybersecurity incidents and disclose previously undisclosed individually immaterial incidents when a determination is made that they have become material on an aggregated basis, (iii) disclose cybersecurity policies and procedures and governance practices, including at the board and management levels in Form 10-K, and (iv) disclose the board of directors’ cybersecurity expertise. An Item 1.05 Form 8-K will generally be due four business days after a registrant determines that a cybersecurity incident is material. See Item 1C. Cybersecurity for annual disclosures herein.

Federal Home Loan Bank System. Home Federal Bank is a member of the Federal Home Loan Bank of Dallas, which is one of 11 regional Federal Home Loan Banks that administer a home financing credit function primarily for its members. Each Federal Home Loan Bank serves as a reserve or central bank for its members within its assigned region. The Federal Home Loan Bank of Dallas is funded primarily from proceeds derived from the sale of consolidated obligations of the Federal Home Loan Bank System. It makes loans to members (*i.e.*, advances) in accordance with policies and procedures established by the board of directors of the Federal Home Loan Bank. At June 30, 2026, Home Federal Bank had no advances from the Federal Home Loan Bank and \$136.376 million available on its credit line with the Federal Home Loan Bank.

As a member, Home Federal Bank is required to purchase and maintain stock in the Federal Home Loan Bank of Dallas. At June 30, 2026, Home Federal Bank had \$705,000 in Federal Home Loan Bank stock, which was in compliance with the applicable requirement.

The Federal Home Loan Banks are required to provide funds for the resolution of troubled savings institutions and to contribute to affordable housing programs through direct loans or interest subsidies on advances targeted for community investment and low- and moderate-income housing projects. These contributions have adversely affected the level of Federal Home Loan Bank dividends paid in the past and could do so in the future. These contributions also could have an adverse effect on the value of Federal Home Loan Bank stock in the future.

Federal Reserve System. The Federal Reserve Board requires all depository institutions to maintain reserves against their transaction accounts (primarily NOW and Super NOW checking accounts) and non-personal time deposits. In response to the COVID-19 pandemic, the Federal Reserve reduced reserve requirement ratios to zero percent effective May 26, 2020 to support lending to households and businesses. The required reserves must be maintained in the form of vault cash or an account at a Federal Reserve Bank. As of June 30, 2026, the reserve ratio requirement remained at zero percent and Home Federal Bank was not required to maintain any reserve balance.

TAXATION

Federal Taxation

General. Home Federal Bancorp and Home Federal Bank are subject to federal income taxation in the same general manner as other corporations with some exceptions listed below. The following discussion of federal and state income taxation is only intended to summarize certain pertinent income tax matters and is not a comprehensive description of the applicable tax rules. Our tax returns have not been audited during the past five years.

Method of Accounting. For federal income tax purposes, Home Federal Bank reports income and expenses on the accrual method of accounting and used a June 30 tax year in 2026 for filing its federal income tax return.

Taxable Distributions and Recapture. Prior to the Small Business Job Protection Act of 1996, bad debt reserves created prior to January 1, 1988 were subject to recapture into taxable income if Home Federal Bank failed to meet certain thrift asset and definitional tests. The federal legislation eliminated these savings association related recapture rules. However, under current law, pre-1988 reserves remain subject to recapture should Home Federal Bank make certain non-dividend distributions or cease to maintain a bank charter.

At June 30, 2026, the total federal pre-1988 reserve was approximately \$3.3 million. The reserve reflects the cumulative effects of federal tax deductions by Home Federal Bank for which no federal income tax provisions have been made.

Corporate Dividends-Received Deduction. Home Federal Bancorp may exclude from its income 100% of dividends received from Home Federal Bank as a member of the same affiliated group of corporations. The corporate dividends received deduction is 65% in the case of dividends received from corporations which a corporate recipient owns less than 80% but at least 20% of the distribution corporation. Corporations which own less than 20% of the stock of a corporation distributing a dividend may deduct only 50 % of dividends received.

State and Local Taxation

Home Federal Bancorp is subject to Louisiana corporation income tax based on its Louisiana taxable income. For taxable periods beginning on or after January 1, 2025, including our fiscal year ended June 30, 2026, Louisiana corporation income tax is imposed at a flat rate of 5.5%. For these purposes, "Louisiana taxable income" generally means net income derived from sources within the State of Louisiana, subject to the adjustments and deductions permitted under Louisiana law. In addition, Home Federal Bank is subject to the Louisiana Shares Tax which is imposed on the assessed value of a company's retained earnings and capital stock accounts. The formula for deriving the assessed value is to calculate 15% of the sum of:

- (a) 20% of Home Federal Bank's capitalized earnings, plus
 - (b) 80% of Home Federal Bank's taxable stockholders' equity, minus
 - (c) 100% of Home Federal Bank's real and personal property assessment. (1)
- (1) For the 2025 property tax year, the deduction was 50% of the assessed value of such property. Effective January 1, 2026, the deduction increased to 100% for the 2026 property tax year and subsequent property tax years.

Various items may also be subtracted in calculating a company's capitalized earnings.

Item 1A. Risk Factors

Not applicable.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 1C. Cybersecurity

The Bank has implemented an information security program that encompasses the Bank's cybersecurity efforts as part of its risk management process. Risk assessments, including Information Technology and Cybersecurity Risk, are conducted annually by the Chief Risk Officer, Information Technology Officer and Information Security Officer to identify, assess and mitigate risks. The Bank recognizes the need for sound physical and internal controls over its critical financial data, confidential information and digital assets to ensure the accuracy, integrity, and confidentiality of the processed information. As regulated financial institutions, the Company and Bank are also subject to financial privacy laws and their cybersecurity practices are subject to oversight by the federal banking agencies.

The Boards of Directors of the Company and Bank and the Audit Committee of the Company are responsible for ultimate oversight of cybersecurity risks managed daily by management pursuant to the Bank's information security program. The Boards of Directors annually approve this information security program and regularly receive reports from the Bank's Information Security Officer and Information Technology Officer that outline the steps undertaken to protect the information and data assets of the Bank and Company. Additionally, the Information Security Officer and Information Technology Officer update the Boards of Directors through supplementary reports on issues related to Cybersecurity readiness.

The Bank's information security program is developed and implemented by the Bank's Information Security Officer, Information Technology Officer and Chief Risk Officer. Together with the Bank's Electronic Data Processing (EDP) Committee, comprised of relevant information technology and business unit stakeholders within Bank management, the Information Security and Information Technology Officers of the Bank work to manage, control and mitigate cybersecurity risks. The Bank's employees are regularly trained on cybersecurity awareness, and testing is performed to monitor the success of the training. The Board of Directors receives training annually.

The Bank engages a third party to audit and examine its processes, conduct vulnerability assessments, and review the security of its network infrastructure consistent with FFIEC (Federal Financial Institutions Examination Council) Information Technology Audit guidelines, regulatory requirements and federal banking agency expectations. Trusted third parties are engaged to assist the Bank in improving its cybersecurity readiness. The Bank engages third party vendors to monitor and assist in maintaining its network infrastructure. These third-party vendors take an active role in ensuring that the Bank's systems are protected by testing, reviewing and advising the Bank to strengthen cybersecurity controls when necessary.

The Bank has a vendor oversight risk management process that helps to validate the security and integrity of information collected and maintained by third party vendors that the Bank uses to provide banking services. A key goal of the Bank's vendor management program includes assessing risks, which include but are not limited to operational, strategic, reputational, cyber, and credit risks. These processes are supported by a specialized vendor that assists the Bank's management and Board of Directors with properly assessing these risks. Finally, the Bank also has an incident response and business continuity program that is intended to address operational concerns, including cybersecurity risks, during contingency scenarios that may create unknown circumstances. This program is tested annually.

Although the Company and Bank have not, as of the date of this Annual Report on Form 10-K, experienced a cybersecurity threat or incident that materially affected their business strategy, results of operations or financial condition, there can be no guarantee that the Company or Bank will not experience such an incident in the future.

Item 2. Properties

We currently conduct business from our home office located in Shreveport, Louisiana and six full-service banking offices located in Shreveport, Louisiana, two full-service banking offices located in Bossier City, Louisiana, one full-service banking office located in Minden, Louisiana and one full-service banking office located in Benton, Louisiana. The following table sets forth certain information, as of June 30, 2026, relating to Home Federal Bank's offices, and one property acquired for potential future administrative offices which is presently vacant.

Description/Address	Leased/Owned	Net Book Value of Property	Amount of Deposits
		(In thousands)	
<i>Building (Home Office) 222 Florida Street, Shreveport, LA</i>	Owned	\$1,532	\$ —
<i>Building/ATM (Market Street Branch) 624 Market Street, Shreveport, LA</i>	Owned	554	72,582
<i>Building/ATM (Youree Drive Branch) 6363 Youree Drive, Shreveport, LA</i>	Owned ⁽¹⁾	530	150,280
<i>Building/ATM (Southern Hills Branch) 9449 Mansfield Road, Shreveport, LA</i>	Owned	1,552	67,200
<i>Building/ATM (Viking Drive Branch) 2555 Viking Drive, Bossier City, LA</i>	Owned	1,481	57,535
<i>Building/ATM (Stockwell Branch) 7964 E. Texas Street, Bossier City, LA</i>	Owned	1,358	35,699
<i>Building/ATM (Northwood Branch) 5841 North Market Street, Shreveport, LA</i>	Owned	1,463	25,052
<i>Building/ATM (Pierremont Road Branch) 925 Pierremont Road, Shreveport, LA</i>	Owned	1,800	45,577
<i>Building 614 Market Street, Shreveport, LA</i>	Owned ⁽²⁾	313	—
<i>Building/ATM (Huntington Branch) 6903 Pines Road, Shreveport, LA</i>	Owned	1,676	11,100
<i>Building/ATM (Minden Branch) 412 Homer Road, Minden, LA</i>	Owned	1,770	23,888
<i>Building/ATM (Benton Branch) 104 Sibley Street, Benton, LA</i>	Owned	717	90,162

(1) The building is owned but the land is subject to an operating lease with a ten-year term expiring March 15, 2028.

(2) The building is vacant and available to serve as potential future administrative offices and storage.

Item 3. Legal Proceedings

Home Federal Bancorp and Home Federal Bank are not involved in any pending legal proceedings other than nonmaterial legal proceedings occurring in the ordinary course of business.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

- (a) Home Federal Bancorp’s common stock is traded on the Nasdaq Capital Market under the symbol “HFBL.” At September 25, 2026, Home Federal Bancorp had 166 shareholders of record. The number of shareholders does not reflect the number of persons or entities who may hold stock in nominee or “street” name through brokerage firms or others.
- (b) Not applicable.
- (c) Purchases of Equity Securities.

The Company’s repurchases of its common stock during the quarter ended June 30, 2026, including stock-for-stock option exercises are set forth in the table below:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs ^(a)
April 1, 2026 – April 30, 2026	11,000	\$18.23	11,000	36,932
May 1, 2026– May 31, 2026	5,000	19.75	5,000	31,932
June 1, 2026– June 30, 2026	<u>7,238</u>	<u>19.58</u>	<u>7,238</u>	<u>24,694</u>
Total	<u><u>23,238</u></u>	<u><u>\$18.98</u></u>	<u><u>23,238</u></u>	<u><u>24,694</u></u>

Notes to this table:

- (a) On October 15, 2025, the Company announced that its Board of Directors approved the fourteenth stock repurchase program for the repurchase of up to 100,000 shares. The fourteenth stock repurchase program does not have an expiration date.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

General

Our profitability depends primarily on our net interest income, which is the difference between interest and dividend income on interest-earning assets, principally loans, investment securities, and interest-earning deposits in other institutions, and interest expense on interest-bearing deposits and borrowings from the Federal Home Loan Bank of Dallas. Net interest income is dependent upon the level of interest rates and the extent to which such rates are changing. Our profitability also depends, to a lesser extent, on non-interest income, provision for loan losses, non-interest expenses, and federal income taxes. Home Federal Bancorp, Inc. of Louisiana had net income of \$6.174 million in fiscal 2026 compared to net income of \$3.888 million in fiscal 2025.

Our business consists primarily of originating single-family real estate loans secured by property in our market area and to a lesser extent, commercial real estate loans, commercial business loans, and real estate secured lines of credit which typically have higher rates and shorter terms than single-family loans. Although our loans are primarily funded by the acquisition of deposits and it is our policy to require commercial customers to have a deposit relationship with us, which primarily consists of NOW accounts or non-interest checking accounts. Due to the continued low interest rate environment, we have sold a substantial amount of our fixed rate single-family residential loan originations in recent periods. Because of an increase in the weighted-average yield on our interest-earning assets, together with a decrease in our rate on total interest bearing liabilities, our average interest rate spread increased from 2.55% to 3.07% during fiscal 2026 compared to 2025, and our net interest income increased \$3.118 million to \$21.789 million for fiscal 2026 as compared to \$18.671 million for fiscal 2025, primarily due to a \$9.218 million increase in average balance of interest earning assets. We expect to continue to emphasize commercial lending in the future in order to improve the yield on our portfolio.

Home Federal Bancorp's operations and profitability are subject to changes in interest rates, applicable statutes and regulations, and general economic conditions, as well as other factors beyond our control.

Business Strategy

Our business strategy is focused on operating a growing and profitable community-oriented financial institution. Our current business strategy includes:

- **Continuing to Grow and Diversify Our Loan Portfolio.** We intend to grow and continue to diversify our loan portfolio by, among other things, emphasizing the origination of commercial real estate and business loans. At June 30, 2026, our commercial real estate loans amounted to \$141.002 million, or 29.3% of the total loan portfolio. Our commercial business loans amounted to \$58.866 million, or 12.3% of the total loan portfolio. Commercial real estate, commercial business, construction and development, and consumer loans all typically have higher yields and are more interest sensitive than long-term single-family residential mortgage loans.
- **Diversify Our Products and Services.** We intend to continue to emphasize our commercial business products to provide a full-service banking relationship to our commercial customers. We have introduced mobile and internet banking and remote deposit capture, to better serve our commercial clients. Additionally, we have developed new deposit products focused on expanding our deposit base to new types of customers.
- **Enhancing Core Earnings.** We expect to continue to emphasize commercial real estate and business loans, which generally bear interest rates higher than residential real estate loans, and sell a substantial part of our fixed rate residential mortgage loan originations.
- **Expanding Our Franchise in our Market Area and Contiguous Communities.** We would consider / entertain (not pursue) opportunities to expand our market area through acquisitions of other financial institutions and banking related businesses. We expect to focus on contiguous areas to our current locations in Caddo, Bossier and Webster Parishes.
- **Maintain Our Asset Quality.** At June 30, 2026, our non-performing assets totaled \$3.649 million, or 0.57% of total assets. We had \$613,000 in other real estate owned at June 30, 2026. We intend to continue to stress maintaining high asset quality, even as we continue to grow our institution and diversify our loan portfolio.
- **Cross-Selling Products and Services and Emphasizing Local Decision Making.** We have promoted cross-selling products and services in our branch offices and emphasized our local decision making and streamlined loan approval process.

Critical Accounting Policies

In reviewing and understanding financial information for Home Federal Bancorp, you are encouraged to read and understand the significant accounting policies used in preparing our consolidated financial statements. These policies are described in Note 1 of the notes to our consolidated financial statements included in Item 8 of this document. Our accounting and financial reporting policies conform to accounting principles generally accepted in the United States of America and to general practices within the banking industry. Accordingly, the consolidated financial statements require certain estimates, judgments, and assumptions, which are believed to be reasonable based upon the information available. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the periods presented. The following accounting policies comprise those that management believes are the most critical to aid in fully understanding and evaluating our reported financial results. These policies require numerous estimates or economic assumptions that may prove inaccurate or may be subject to variations which may significantly affect our reported results and financial condition for the period or in future periods.

Allowance for Credit Losses. We have identified the calculation of the allowance for credit losses as a critical accounting policy, due to the higher degree of judgment and complexity than our other significant accounting policies.

Business Combinations. *Acquisition Accounting.* Acquisitions are accounted for under the acquisition method of accounting. The acquisition method of accounting requires the Company as the acquirer to recognize the fair value of assets acquired and liabilities assumed at the acquisition date, as well as recognize goodwill. If the purchase price over the sum of the estimated fair values of the tangible and identifiable intangible assets acquired less the estimated fair value of the liabilities assumed in an acquisition, goodwill is recognized. The Company records provisional amounts of fair value at the time of acquisition. The provisional fair values are subject to modification for up to one year after the acquisition.

Acquired Loans. Subsequent to the adoption of ASU 2016-13, acquired loans are segregated between those purchased with credit deterioration (“PCD”) and those that are not (“non-PCD”). Loans considered PCD include those individual loans (or groups of loans with similar risk characteristics) that as of the date of acquisition are assessed as having experienced a more-than-insignificant deterioration in credit quality since origination. The assessment of what is more-than-insignificant credit deterioration since origination considers information including, but not limited to, financial assets that are 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 spreads have widened 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 PCD loans by adding the credit portion of the fair value discount to the initial amortized cost basis and increasing the allowance for credit losses at the date of acquisition. Any noncredit discount or premium resulting from acquiring loans with credit deterioration is allocated to each individual asset. All non-PCD loans acquired are recorded at the estimated fair value of the loan at acquisition, with the estimated allowance for credit loss recorded as a provision for credit losses through earnings in the period in which the acquisition has occurred. The noncredit discount or premium for PCD loans and full discount for non-PCD loans will be accreted to interest income using the interest method based on the effective interest rate at the acquisition date.

Under the transition provisions of ASU 2016-13, the Company classified all purchased credit impaired loans (“PCI”) previously accounted for under Financial Accounting Standard Subtopic 310-30 to be classified as PCD, without reassessing whether the financial assets meet the criteria of PCD as of the date of adoption. The application of these provisions resulted in an adjustment to the amortized cost basis of the financial asset to reflect the addition of the allowance for credit losses at the date of adoption. The Company elected not to maintain pools of loans accounted for under Subtopic 310-30 at adoption. The Company was also not required to reassess whether modifications to individual acquired financial assets accounted for in pools were troubled debt restructurings as of the date of adoption. The noncredit discount, after the adjustment for the allowance for credit losses, is accreted to interest income using the interest method based on the effective interest rate determined at the adoption date.

Goodwill. Goodwill represents the excess of the purchase price over the fair value of the net identifiable assets acquired. Goodwill has an indefinite useful life and is evaluated for impairment annually, or more frequently if events and circumstances indicate that the asset might be impaired.

Core Deposit Intangible. Core deposit intangibles represent the estimated value of long-term deposit relationships acquired in business combinations. The Company's policy is to amortize these intangibles on an accelerated basis over their estimated useful life, which the estimated useful lives are periodically reviewed for reasonableness. Core deposit intangibles are tested for impairment if events and circumstances indicate the carrying amount of the asset may not be recoverable from future cash flows.

Selected Financial and Other Data

Set forth below is selected consolidated financial and other data of Home Federal Bancorp. The information at or for the years ended June 30, 2026 and 2025 is derived in part from the audited financial statements that appear in this Form 10-K.

	At June 30,	
	2026	2025
	(In thousands)	
Selected Financial and Other Data:		
Total assets	\$643,330	\$609,492
Cash and cash equivalents	34,304	17,347
Securities available for sale	43,624	34,246
Securities held to maturity	55,439	61,334
Loans held-for-sale	1,654	1,540
Loans receivable, net	475,491	461,004
Deposits	577,292	546,290
Other Borrowings.	3,556	4,000
Total Stockholders' equity	58,757	55,205

	As of or for the Year Ended June 30,	
	2026	2025
	(In thousands, except per share amounts)	
Selected Operating Data:		
Total interest income	\$32,498	\$30,462
Total interest expense.	<u>10,709</u>	<u>11,791</u>
Net interest income	21,789	18,671
Provision for (recovery of) loan losses	<u>594</u>	<u>(126)</u>
Net interest income after provision for loan losses	21,195	18,797
Total non-interest income	2,672	2,005
Total non-interest expense	<u>16,082</u>	<u>16,148</u>
Income before income tax expense	7,785	4,654
Income tax expense	<u>1,611</u>	<u>766</u>
Net income.	<u>\$ 6,174</u>	<u>\$ 3,888</u>
Book value per share	\$ 19.31	\$ 17.90
Earnings per share of common stock:		
Basic.	\$ 2.05	\$ 1.27
Diluted	\$ 2.02	\$ 1.26

	As of or for the Year Ended June 30,	
	2026	2025
Selected Operating Ratios⁽¹⁾:		
Average yield on interest-earning assets	5.54%	5.28%
Average rate on interest-bearing liabilities	2.47	2.73
Average interest rate spread ⁽²⁾	3.07	2.55

	As of or for the Year Ended June 30,	
	2026	2025
Net interest margin ⁽²⁾	3.72	3.23
Average interest-earning assets to average interest-bearing liabilities	135.13	133.86
Net interest income after provision for loan losses to non-interest expense	131.80	116.40
Total non-interest expense to average assets	2.57	2.62
Efficiency ratio ⁽³⁾	65.74	78.11
Return on average assets	0.99	0.63
Return on average equity	10.70	7.31
Average equity to average assets	9.23	8.62
Dividend payout ratio ⁽⁴⁾	26.94	41.90

Selected Financial and Other Data (Continued)	As of or for the Year Ended June 30,	
	2026	2025
Selected Quality Ratios⁽⁵⁾:		
Non-performing loans as a percent of loans receivable, net	0.64%	0.51%
Non-performing assets as a percent of total assets	0.57	0.54
Allowance for credit losses as a percent of total loans receivable	1.03	0.96
Net charge-offs to average loans receivable	0.03	(0.01)
Allowance for credit losses as a percent of non-performing loans	162.25	191.99
Bank Capital Ratios⁽⁵⁾:		
Common Equity Tier 1	13.11%	13.59%
Tier 1 Capital	13.11	13.59
Total Capital	14.20	14.67
Leverage	9.29	9.40
Tangible Capital	9.29	9.40
Other Data:		
Offices (branch and home)	11	11
Employees (full-time)	74	67

- (1) With the exception of end of period ratios, all ratios are based on average monthly balances during the indicated periods.
- (2) Average interest rate spread represents the difference between the average yield on interest-earning assets and the average rate paid on interest-bearing liabilities, and net interest margin represents net interest income as a percentage of average interest-earning assets.
- (3) Non-GAAP: The efficiency ratio represents the ratio of non-interest expense divided by the sum of net interest income and non-interest income.
- (4) Reflects dividends paid during the fiscal year divided by net income.
- (5) Asset quality ratios and capital ratios are end of period ratios, except for net charge-offs to average loans receivable.

Changes in Financial Condition

Total assets increased \$33.838 million, or 5.6%, from \$609.492 million at June 30, 2025 to \$643.330 million at June 30, 2026. The increase in assets resulted from increases in cash and cash equivalents of \$16.957 million, or 97.8%, from \$17.347 million at June 30, 2025 to \$34.304 million at June 30, 2026, net loans receivable of \$14.487 million, or 3.1%, from \$461.004 million at June 30, 2025 to \$475.491 million at June 30, 2026, investment securities of \$3.787 million, or 3.9%, from \$96.230 million at June 30, 2025 to \$100.017 million at June 30, 2026, other assets of \$115,000, or 8.8%, from \$1.305 million at June 30, 2025 to \$1.420 million at June 30, 2026, loans-held-for-sale of \$114,000, or 7.4%, from \$1.540 million at June 30, 2025 to \$1.654 million at June 30, 2026, bank owned life insurance of \$114,000, or 1.6%, from \$6.926 million at June 30, 2025 to \$7.040 million at June 30, 2026, and accrued interest receivable of \$59,000, or 3.2%, from \$1.836 million at June 30, 2025 to \$1.895 million at June 30, 2026, partially offset by decreases in premises and equipment of \$1.093 million, or 6.3%, from \$17.266 million at June 30, 2025 to \$16.173 million at June 30, 2026, real estate owned of \$357,000, or 36.8%, from \$970,000 at June 30, 2025 to \$613,000 at June 30, 2026, core deposit intangible of \$240,000, or 26.2%, from \$915,000 at June 30, 2025 to \$675,000 at June 30, 2026, and deferred tax asset of \$105,000, or 9.0%, from \$1.163 million at June 30, 2025 to \$1.058 million at June 30, 2026.

Loans receivable, net increased \$14.487 million, or 3.1%, from \$461.004 million at June 30, 2025 to \$475.491 million at June 30, 2026. In recent periods we diversified the loan products we offer and increased our efforts to originate higher yielding commercial real estate loans and lines of credit and commercial business loans which were deemed attractive due to their generally higher yields and shorter anticipated lives compared to single-family residential mortgage loans. As of June 30, 2026, Home Federal Bank had \$141.002 million of commercial real estate loans, 29.3% of the total loan portfolio, and \$58.866 million of commercial business loans, 12.3% of the total loan portfolio. Although commercial loans are generally considered to have greater credit risk than other certain types of loans, we attempt to mitigate such risk by originating such loans in our market area to known borrowers.

Securities available-for-sale increased \$9.378 million, or 27.4%, from \$34.246 million at June 30, 2025 to \$43.624 million at June 30, 2026. This increase resulted primarily from purchases of \$15.169 million in securities, partially offset by principal repayments of \$6.292 million. Securities held-to-maturity decreased \$5.895 million, or 9.6%, from \$61.334 million at June 30, 2025 to \$55.439 million at June 30, 2026. This decrease was primarily due to principal repayments of \$5.865 million.

Total liabilities increased \$30.286 million, or 5.5%, from \$554.287 million at June 30, 2025 to \$584.573 million at June 30, 2026. The increase in liabilities resulted from an increase in total deposits of \$31.002 million, or 5.7%, from \$546.290 million at June 30, 2025 to \$577.292 million at June 30, 2026, partially offset by decreases in other borrowings of \$444,000, or 11.1%, from \$4.000 million at June 30, 2025 to \$3.556 million at June 30, 2026, other accrued expenses and liabilities of \$240,000, or 6.9%, from \$3.454 million at June 30, 2025 to \$3.214 million at June 30, 2026, and advances from borrowers for taxes and insurance of \$32,000, or 5.9%, from \$543,000 at June 30, 2025 to \$511,000 at June 30, 2026. The increase in deposits resulted from increases in certificates of deposit of \$34.756 million, or 18.6%, from \$187.357 million at June 30, 2025 to \$222.113 million at June 30, 2026, and non-interest bearing deposits of \$15.643 million, or 12.8%, from \$122.416 million at June 30, 2025 to \$138.059 million at June 30, 2026, partially offset by decreases in money market deposits of \$7.793 million, or 10.6%, from \$73.771 million at June 30, 2025 to \$65.978 million at June 30, 2026, NOW accounts of \$7.182 million, or 10.7%, from \$67.119 million at June 30, 2025 to \$59.937 million at June 30, 2026, and savings deposits of \$4.422 million, or 4.6%, from \$95.627 million at June 30, 2025 to \$91.205 million at June 30, 2026.

Stockholders' equity increased \$3.552 million, or 6.4%, from \$55.205 million at June 30, 2025 to \$58.757 million at June 30, 2026. The increase in stockholders' equity resulted from net income for the year ended June 30, 2026 of \$6.174 million, proceeds from the issuance of common stock from the exercise of stock options of \$1.838 million, a decrease in the Company's accumulated other comprehensive loss of \$72,000, and the vesting of restricted stock awards, stock options, and the release of employee stock ownership plan shares totaling \$464,000, partially offset by stock repurchases of \$3.333 million and dividends paid totaling \$1.663 million.

Average Balances, Net Interest Income Yields Earned and Rates Paid. The following table shows for the periods indicated the total dollar amount of interest from average interest-earning assets and the resulting yields, as well as the interest expense on average interest-bearing liabilities, expressed both in dollars and rates, and the net interest margin. Tax-exempt income and yields have not been adjusted to a tax-equivalent basis. All average balances are based on monthly balances. Management does not believe that the monthly averages differ significantly from what the daily averages would be.

	June 30,					
	2026			2025		
	Average Balance	Interest	Average Yield/ Rate	Average Balance	Interest	Average Yield/ Rate
(Dollars in thousands)						
Interest-earning assets:						
Loans receivable ⁽¹⁾	\$472,273	\$29,510	6.25%	\$460,356	\$27,346	5.94%
Investment securities	97,900	2,322	2.37	96,178	2,266	2.36
Interest-earning deposits	16,226	666	4.10	20,647	850	4.12
Total interest-earning assets	586,399	32,498	5.54%	577,181	30,462	5.28%
Non-interest-earning assets	38,823			40,105		
Total assets	\$625,222			\$617,286		

	June 30,					
	2026			2025		
	Average Balance	Interest	Average Yield/ Rate	Average Balance	Interest	Average Yield/ Rate
	(Dollars in thousands)					
Interest-bearing liabilities:						
Savings accounts	92,442	1,422	1.54%	90,458	1,544	1.71%
NOW accounts	64,807	734	1.13	70,375	821	1.17
Money market accounts	69,522	1,370	1.97	76,494	1,656	2.16
Certificates of deposit accounts	<u>202,987</u>	<u>6,898</u>	<u>3.40</u>	<u>189,204</u>	<u>7,420</u>	<u>3.92</u>
Total interest-bearing deposits	429,758	10,424	2.43	426,531	11,441	2.68
FHLB advances	350	13	3.71	14	—	4.65
Other bank borrowings	<u>3,852</u>	<u>272</u>	<u>7.06</u>	<u>4,650</u>	<u>350</u>	<u>7.53</u>
Total interest-bearing liabilities	<u>433,960</u>	<u>10,709</u>	<u>2.47%</u>	<u>431,195</u>	<u>11,791</u>	<u>2.73%</u>
Non-interest-bearing liabilities:						
Non-interest-bearing demand accounts	129,344			128,336		
Other liabilities	<u>4,218</u>			<u>4,538</u>		
Total liabilities	<u>567,522</u>			<u>564,069</u>		
Total stockholders' equity ⁽²⁾	<u>57,700</u>			<u>53,217</u>		
Total liabilities and equity	<u>\$625,222</u>			<u>\$617,286</u>		
Net interest-earning assets	<u>\$152,439</u>			<u>\$145,986</u>		
Net interest income; average interest rate spread ⁽³⁾ . . .		<u>\$21,789</u>	<u>3.07%</u>		<u>\$18,671</u>	<u>2.55%</u>
Net interest margin ⁽⁴⁾			<u>3.72%</u>			<u>3.23%</u>
Average interest-earning assets to average interest-bearing liabilities			<u>135.13%</u>			<u>133.86%</u>

(1) Includes loans held for sale.

(2) Includes retained earnings and accumulated other comprehensive loss.

(3) Interest rate spread represents the difference between the weighted-average yield on interest-earning assets and the weighted-average rate on interest-bearing liabilities.

(4) Net interest margin is net interest income divided by net average interest-earning assets.

Rate/Volume Analysis. The following table describes the extent to which changes in interest rates and changes in volume of interest-related assets and liabilities have affected Home Federal Bancorp's interest income and interest expense during the periods indicated. For each category of interest-earning assets and interest-bearing liabilities, information is provided on changes attributable to (i) changes in volume (change in volume multiplied by prior year rate), (ii) changes in rate (change in rate multiplied by current year volume), and (iii) total change in rate and volume. The combined effect of changes in both rate and volume has been allocated proportionately to the change due to rate and the change due to volume.

	2026 vs. 2025			2025 vs. 2024		
	Increase (Decrease) Due to		Total Increase (Decrease)	Increase (Decrease) Due to		Total Increase (Decrease)
	Rate	Volume		Rate	Volume	
	(In thousands)					
Interest income:						
Investment securities	\$ 15	\$ 41	\$ 56	\$ 30	\$ (241)	\$ (211)
Loans receivable, net	1,456	708	2,164	590	(2,260)	(1,670)
Interest-earning deposits	<u>(2)</u>	<u>(182)</u>	<u>(184)</u>	<u>(46)</u>	<u>525</u>	<u>479</u>
Total interest-earning assets	1,469	567	2,036	574	(1,976)	(1,402)

	2026 vs. 2025			2025 vs. 2024		
	Increase (Decrease) Due to		Total Increase (Decrease)	Increase (Decrease) Due to		Total Increase (Decrease)
	Rate	Volume		Rate	Volume	
	(In thousands)					
Interest expense:						
Savings accounts	(156)	34	(122)	960	105	1,065
NOW accounts	(22)	(65)	(87)	449	17	466
Money market accounts	(135)	(151)	(286)	(229)	(411)	(640)
Certificate accounts	<u>(1,063)</u>	<u>541</u>	<u>(522)</u>	<u>(433)</u>	<u>(1,015)</u>	<u>(1,448)</u>
Total deposits	(1,376)	359	(1,017)	747	(1,304)	(557)
FHLB advances and other borrowings	<u>(5)</u>	<u>(60)</u>	<u>(65)</u>	<u>(44)</u>	<u>(521)</u>	<u>(565)</u>
Total interest-bearing liabilities	<u>(1,381)</u>	<u>299</u>	<u>(1,082)</u>	<u>703</u>	<u>(1,825)</u>	<u>(1,122)</u>
Increase (Decrease) in net interest income	\$ 2,850	\$ 268	\$ 3,118	\$(129)	\$ (151)	\$ (280)

Comparison of Operating Results for the Years Ended June 30, 2026 and 2025

General. The increase in net income for the year ended June 30, 2026, as compared to the same period in 2025 resulted primarily from an increase of \$3.118 million, or 16.7%, in net interest income, an increase of \$667,000, or 33.3%, in non-interest income, and a decrease of \$66,000, or 0.4%, in non-interest expense, partially offset by an increase of \$845,000, or 110.3%, in provision for income taxes and an increase of \$720,000, or 571.4%, in the provision for credit losses. The increase in net interest income for the year ended June 30, 2026, as compared to the same period in 2025, was primarily due to an increase of \$2.036 million, or 6.7%, in total interest income, and a decrease of \$1.082 million, or 9.2%, in total interest expense. The Company's average interest rate spread was 3.07% for the year ended June 30, 2026, compared to 2.55% for the year ended June 30, 2025. The Company's net interest margin was 3.72% for the year ended June 30, 2026, compared to 3.23% for the year ended June 30, 2025. The increase in the provision for credit losses was primarily attributable to growth in the loan portfolio and additional reserve allocations on certain existing problem loans based on updated valuation reports.

Net Interest Income. Net interest income amounted to \$21.789 million for fiscal year 2026, an increase of \$3.118 million, or 16.7%, compared to \$18.671 million for fiscal year 2025. The increase primarily resulted from an increase in total interest income of \$2.036 million and a decrease in total interest expense of \$1.082 million.

The average interest rate spread increased from 2.55% for fiscal 2025 to 3.07% for fiscal 2026, while the average balance of interest-earning assets increased from \$577.181 million to \$586.399 million during the same periods. The percentage of average interest-earning assets to average interest-bearing liabilities increased to 135.13% for fiscal 2026 compared to 133.86% for fiscal 2025. The average rate paid on certificates of deposit decreased from 3.92% for fiscal 2025 to 3.40% for fiscal 2026. Net interest margin increased to 3.72% for fiscal 2026 compared to 3.23% for fiscal 2025.

Interest income increased \$2.036 million, or 6.7%, to \$32.498 million for fiscal 2026 compared to \$30.462 million for fiscal 2025, primarily due to an increase in interest income from loans of \$2.164 million, and an increase of \$325,000 in interest income from mortgage-backed securities. The average yield of the loan portfolio increased by 31 basis points during fiscal 2026 mainly due to a higher interest rate environment.

Interest expense decreased \$1.082 million, or 9.2%, to \$10.709 million for fiscal 2026 compared to \$11.791 million for fiscal 2025, primarily as a result of decreases in the average rate paid on money market accounts and certificates of deposit.

Provision for Credit Losses. As of June 30, 2026, the allowance for credit losses was \$4.926 million, and the ratio of allowance for credit losses to gross loans was 1.03%. As of June 30, 2025, the allowance for credit losses was \$4.484 million, and the ratio of allowance for credit losses to gross loans was 0.96%.

At June 30, 2026, the Company had \$3.649 million of non-performing assets (defined as non-accruing loans, accruing loans 90 days or more past due, and other real estate owned) compared to \$3.305 million of non-performing assets at June 30, 2025, consisting of sixteen one-to-four family residential loans, two home equity loans, one commercial non-real estate loan, one commercial real estate loan, one commercial real estate property in other real estate owned, and two residential lots in other real estate owned at June 30, 2026, compared to six one-to-four family residential loans, two home equity loans, three commercial non-real estate loans, two commercial real estate loans and one single-family

residence in other real estate owned at June 30, 2025. At June 30, 2026 the Company had sixteen one-to-four family residential loans, two home equity loans, one commercial non-real estate loan, one consumer loan, and one commercial real estate loan classified as substandard, compared to eight one-to-four family residential loans, five commercial non-real estate loans, two home equity loans, two commercial real estate loans and one consumer loan classified as substandard at June 30, 2025. There were no loans classified as doubtful at June 30, 2026, or June 30, 2025.

Non-Interest Income. The \$667,000 increase in non-interest income for the year ended June 30, 2026, compared to the same period in 2025, resulted from an increase of \$258,000 in gain on sale of loans, a decrease of \$247,000 in loss on sale of real estate, an increase of \$144,000 in service charges on deposit accounts, an increase of \$14,000 in other non-interest income, and a decrease of \$6,000 in loss on sale of securities, partially offset by a decrease of \$2,000 in income on bank owned life insurance.

Non-Interest Expense. The \$66,000 decrease in non-interest expense for the year ended June 30, 2026, compared to the same period in 2025, resulted from decreases of \$186,000 in audit and examination fees, \$89,000 in compensation and benefits, \$89,000 in data processing, \$44,000 in amortization of core deposit intangible, \$22,000 in advertising, \$18,000 in professional fees, and \$10,000 in franchise and bank shares tax, partially offset by increases of \$200,000 in other real estate owned write-down expense, \$105,000 in other expenses, \$33,000 in deposit insurance premium, \$30,000 in occupancy and equipment, and \$24,000 in loan and collection. The \$200,000 increase in other real estate owned write-down expense for the three months and year ended June 30, 2026, compared to the same period in 2025, related to the value of one large commercial property which was adjusted to reflect current market sentiment. No further adjustments are expected at this time.

Provision for Income Tax Expense. The provision for income taxes amounted to \$1.611 million and \$766,000 for the fiscal years ended June 30, 2026 and 2025, respectively. Our effective tax rate was 20.7% for fiscal 2026 and 16.5% for fiscal 2025.

Exposure to Changes in Interest Rates

Our ability to maintain net interest income depends upon our ability to earn a higher yield on interest-earning assets than the rates we pay on deposits and borrowings. Our interest-earning assets consist primarily of securities available-for-sale and long-term residential and commercial mortgage loans, which have fixed rates of interest. Consequently, our ability to maintain a positive spread between the interest earned on assets and the interest paid on deposits and borrowings can be adversely affected when market rates of interest rise.

We have maintained a significant portfolio of available-for-sale securities during the past few years in order to better position the Company for a rising interest rate environment in the long term. At June 30, 2026 and 2025, securities available-for-sale amounted to \$43.624 million and \$34.246 million, respectively, or 6.78% and 5.62%, respectively, of total assets at such dates.

Quantitative Analysis. The Office of the Comptroller of the Currency provides a quarterly report on the potential impact of interest rate changes upon the market value of portfolio equity. Management reviews the quarterly reports from the Office of the Comptroller of the Currency, which show the impact of changing interest rates on net portfolio value. Net portfolio value is the difference between incoming and outgoing discounted cash flows from assets, liabilities, and off-balance sheet contracts.

Net Portfolio Value. Our interest rate sensitivity is monitored by management through the use of a model which internally generates estimates of the change in our net portfolio value (“NPV”) over a range of interest rate scenarios. NPV is the present value of expected cash flows from assets, liabilities, and off-balance sheet contracts. The NPV ratio, under any interest rate scenario, is defined as the NPV in that scenario divided by the market value of assets in the same scenario. The following table sets forth our NPV as of June 30, 2026:

Change in Interest Rates in Basis Points (Rate Shock)	Net Portfolio Value			NPV as % of Portfolio Value of Assets	
	Amount	\$ Change	% Change	NPV Ratio	Change
	(Dollars in thousands)				
300	\$88,339	\$(2,094)	(2.32)%	15.40%	0.62%
200	90,341	(92)	(0.10)	15.40	0.62
100	91,378	945	1.04	15.25	0.47
Static	90,433	—	—	14.78	—

Change in Interest Rates in Basis Points (Rate Shock)	Net Portfolio Value			NPV as % of Portfolio Value of Assets	
	Amount	\$ Change	% Change	NPV Ratio	Change
	(Dollars in thousands)				
(100)	89,848	(585)	(0.65)	14.38	(0.39)
(200)	89,090	(1,343)	(1.49)	13.97	(0.81)

Qualitative Analysis. Our ability to maintain a positive “spread” between the interest earned on assets and the interest paid on deposits and borrowings is affected by changes in interest rates. Our fixed-rate loans generally are profitable, if interest rates are stable or declining since these loans have yields that exceed our cost of funds. If interest rates increase, however, we would have to pay more on our deposits and new borrowings, which would adversely affect our interest rate spread. In order to counter the potential effects of dramatic increases in market rates of interest, we have underwritten our mortgage loans to allow for their sale in the secondary market. Total loan originations amounted to \$193.386 million for fiscal 2026 and \$156.430 million for fiscal 2025, while loans sold amounted to \$30.046 million and \$18.312 million during the same respective periods. We have invested excess funds from loan payments and prepayments and loan sales in investment securities classified as available-for-sale. As a result, Home Federal Bancorp is not as susceptible to rising interest rates as it would be if its interest-earning assets were primarily comprised of long-term fixed rate mortgage loans. With respect to its floating or adjustable rate loans, Home Federal Bancorp writes interest rate floors and caps into such loan documents. Interest rate floors limit our interest rate risk by limiting potential decreases in the interest yield on an adjustable rate loan to a certain level. As a result, we receive a minimum yield even if rates decline farther, and the interest rate on the particular loan would otherwise adjust to a lower amount. Conversely, interest rate ceilings limit the amount by which the yield on an adjustable rate loan may increase to no more than six percentage points over the rate at the time of origination. Finally, we intend to place a greater emphasis on shorter-term consumer loans and commercial business loans in the future.

Liquidity and Capital Resources

Home Federal Bancorp maintains levels of liquid assets deemed adequate by management. Our liquidity ratio averaged 22.6% for the quarter ended June 30, 2026. We adjust our liquidity levels to fund deposit outflows, repay our borrowings, and to fund loan commitments. We also adjust liquidity, as appropriate, to meet asset and liability management objectives.

Our primary sources of funds are deposits, amortization and prepayment of loans and mortgage-backed securities, maturities of investment securities and other short-term investments, loan sales and earnings, and funds provided from operations. While scheduled principal repayments on loans and mortgage-backed securities are a relatively predictable source of funds, deposit flows and loan prepayments are greatly influenced by general interest rates, economic conditions, and competition. We set the interest rates on our deposits to maintain a desired level of total deposits. In addition, we invest excess funds in short-term interest-earning accounts and other assets, which provide liquidity to meet lending requirements. Our deposit accounts with the Federal Home Loan Bank of Dallas amounted to \$25.394 million and \$9.124 million at June 30, 2026 and 2025, respectively.

A significant portion of our liquidity consists of securities classified as available-for-sale and cash and cash equivalents. Our primary sources of cash are net income, principal repayments on loans and mortgage-backed securities, and increases in deposit accounts. If we require funds beyond our ability to generate them internally, we have borrowing agreements with the Federal Home Loan Bank of Dallas, which provide an additional source of funds. At June 30, 2026, we had no advances from the Federal Home Loan Bank of Dallas and had \$136.376 million in additional borrowing capacity. Additionally, at June 30, 2026, Home Federal Bank was a party to a Master Purchase Agreement with First National Bankers Bank, whereby Home Federal Bank may purchase Federal Funds from First National Bankers Bank in an amount not to exceed \$19.9 million. There were no amounts purchased under this agreement as of June 30, 2026. At June 30, 2026, Home Federal Bancorp had a \$3.556 million outstanding loan with First National Bankers Bank, which matures on February 5, 2034.

At June 30, 2026, the Company had outstanding loan commitments of \$55.880 million to originate loans and commitments under unused lines of credit of \$14.911 million. At June 30, 2026, certificates of deposit scheduled to mature in one year or less totaled \$174.383 million, or 78.51% of total certificates of deposit. Based on prior experience, management believes that a significant portion of such deposits will remain with us, although there can be no assurance

that this will be the case. In addition, the cost of such deposits could be significantly higher upon renewal in a rising interest rate environment. We intend to utilize our high levels of liquidity to fund our lending activities. If additional funds are required to fund lending activities, we intend to sell our securities classified as available-for-sale, as needed.

At June 30, 2026, Home Federal Bank exceeded each of its capital requirements with common equity tier 1, tier 1 capital, total capital, leverage, and tangible capital ratios of 13.11%, 13.11%, 14.20%, 9.29%, and 9.29%, respectively.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, as defined by Securities and Exchange Commission rules, and have not had any such arrangements during the two years ended June 30, 2026. See Notes 9 and 14 to the Notes to Consolidated Financial Statements contained in Item 8 of this Form 10-K.

Impact of Inflation and Changing Prices

The consolidated financial statements and related financial data presented herein regarding Home Federal Bancorp have been prepared in accordance with accounting principles generally accepted in the United States of America, which generally require the measurement of financial position and operating results in terms of historical dollars, without considering changes in relative purchasing power over time due to inflation. Unlike most industrial companies, virtually all of our assets and liabilities are monetary in nature. As a result, interest rates generally have a more significant impact on Home Federal Bancorp's performance than does the effect of inflation. Interest rates do not necessarily move in the same direction or in the same magnitude as the prices of goods and services, since such prices are affected by inflation to a larger extent than interest rates.

Forward-Looking Statements

This Annual Report on Form 10-K contains certain forward-looking statements (as defined in the Securities Exchange Act of 1934 and the regulations thereunder). Forward-looking statements are not historical facts but instead represent only the beliefs, expectations or opinions of Home Federal Bancorp and its management regarding future events, many of which, by their nature, are inherently uncertain. Forward-looking statements may be identified by the use of such words as: "believe", "expect", "anticipate", "intend", "plan", "estimate", or words of similar meaning, or future or conditional terms such as "will", "would", "should", "could", "may", "likely", "probably", or "possibly." Forward-looking statements include, but are not limited to, financial projections and estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to future operations, products and services; and statements regarding future performance. Such statements are subject to certain risks, uncertainties and assumption, many of which are difficult to predict and generally are beyond the control of Home Federal Bancorp and its management, that could cause actual results to differ materially from those expressed in, or implied or projected by, forward-looking statements. The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements: (1) economic and competitive conditions which could affect the volume of loan originations, deposit flows and real estate values; (2) the levels of non-interest income and expense and the amount of loan losses; (3) competitive pressure among depository institutions increasing significantly; (4) changes in the interest rate environment causing reduced interest margins; (5) general economic conditions, either nationally or in the markets in which Home Federal Bancorp is or will be doing business, being less favorable than expected (6) political and social unrest including acts of war or terrorism; or (7) legislation or changes in regulatory requirements adversely affecting the business in which Home Federal Bancorp will be engaged. Home Federal Bancorp undertakes no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date on which such statements were made.

Item 7A. Quantitative and Qualitative Disclosure About Market Risk

Not applicable.

Item 8. Financial Statements and Supplementary Data

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Home Federal Bancorp, Inc. of Louisiana

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Home Federal Bancorp, Inc. of Louisiana (the “Company”) as of June 30, 2026 and 2025, and the related statements of operations, comprehensive income, changes in stockholders’ equity, and cash flows for each of the two years in the period ended June 30, 2026, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2026 and 2025, and the results of its operations and its cash flows for each of the two years in the period ended June 30, 2026, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for Credit Losses on Loans

As described in Notes 1 and 3 to the financial statements, the Company’s allowance for credit losses on loans (“allowance”) was \$4.9 million on loans of \$480.5 million as of June 30, 2026. The Company’s method of estimating the allowance includes the use of historic loss rates that are adjusted for reasonable and supportable forecasts, as well as other qualitative adjustments.

The Company measures the allowance on a pool basis when the loans share similar risk characteristics. Loans that do not share risk characteristics are evaluated on an individual basis. For loans evaluated on a pool basis, the allowance for credit loss consists of both quantitative and qualitative components. The quantitative component consists of calculating a historical loss rate on each loan pool using internal historical data and applying the loss rates for each respective pool over the expected remaining life of the pooled loans. In addition to the quantitative component, each loan pool includes

a qualitative component which aggregates management's assessment of available information relevant to collectability that is not captured in the quantitative loss estimation process based on the current and expected environment, using reasonable forecasted data. Factors considered by management in developing its qualitative estimates include changes in policies and procedures, the portfolio mix, lending management, problem loan trends, loan review system, changes in economic conditions and collateral values. These estimates involve large amounts of data in tabulating loss and prepayment rates and require complex calculations as well as management judgment in the selection of appropriate inputs.

We have determined that the allowance is a critical audit matter. Auditing the allowance involved significant judgment and complex review in evaluating management's estimates, such as the segmentation of loan pools, the remaining life of loans in a pool, and evaluating the qualitative factors applied to each pool. The use of different assumptions in developing and applying these estimates could result in a materially different amount for the allowance.

The primary procedures we performed to address this critical audit matter included substantively testing management's process, which included:

- Obtained an understanding of and evaluated the appropriateness of the design and operation of the Company's process for establishing the allowance, including the implementation of the expected credit loss method.
- Evaluated the classifications of loans by pools, the estimated life of each pool, and the accuracy of historical loss data used in the allowance calculation.
- Evaluated the reasonableness of management's assumptions related to the rate of prepayment used in the historical loss calculations by pool and evaluated the relevance and reliability of data used in determining the rate of prepayment.
- Evaluated the reasonableness of management's assumptions and judgments related to the selection of qualitative factors included in the loss calculation and evaluated the relevance and reliability of the data supporting those qualitative factors and whether the data was consistent with the qualitative factors applied to each loss pool.
- Tested the completeness and accuracy of data inputs and mathematical accuracy of the calculated historical loss rates, the determination of the weighted average maturity including rate of prepayment, and the qualitative factors applied to each pool.

/s/ Carr, Riggs, & Ingram, LLC

We have served as the Company's auditor since 2024.

Birmingham, Alabama
September 24, 2026

HOME FEDERAL BANCORP, INC. OF LOUISIANA AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS (Dollar amounts in thousands except per share data)

	June 30,	
	2026	2025
Assets		
Cash and cash equivalents (includes interest-bearing deposits with other banks of \$28,135 and \$10,380 at June 30, 2026 and June 30, 2025, respectively)	\$ 34,304	\$ 17,347
Securities available-for-sale (amortized cost June 30, 2026: \$45,980; June 30, 2025: \$36,695, respectively)	43,624	34,246
Securities held-to-maturity (fair value June 30, 2026: \$46,658; June 30, 2025: \$51,139, respectively)	55,439	61,334
Other securities	954	650
Loans held-for-sale	1,654	1,540
Loans receivable, net of allowance for credit losses (June 30, 2026: \$4,926; June 30, 2025: \$4,484, respectively)	475,491	461,004
Accrued interest receivable	1,895	1,836
Premises and equipment, net	16,173	17,266
Bank owned life insurance	7,040	6,926
Goodwill	2,990	2,990
Core deposit intangible	675	915
Deferred tax asset	1,058	1,163
Other real estate owned	613	970
Other assets	1,420	1,305
Total assets	<u>\$643,330</u>	<u>\$609,492</u>
Liabilities		
Deposits:		
Non-interest bearing	138,059	122,416
Interest bearing	439,233	423,874
Total deposits	<u>577,292</u>	<u>546,290</u>
Advances from borrowers for taxes and insurance	511	543
Other borrowings	3,556	4,000
Other accrued expenses and liabilities	3,214	3,454
Total liabilities	<u>584,573</u>	<u>554,287</u>
Stockholders' equity		
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: 3,042,451 and 3,084,764 shares issued and outstanding at June 30, 2026 and June 30, 2025, respectively	30	32
Additional paid-in capital	44,429	42,187
Unearned ESOP stock	(263)	(321)
Retained earnings	16,423	15,241
Accumulated other comprehensive loss	(1,862)	(1,934)
Total stockholders' equity	<u>58,757</u>	<u>55,205</u>
Total liabilities and stockholders' equity	<u>\$643,330</u>	<u>\$609,492</u>

The accompanying notes are an integral part of these consolidated financial statements.

HOME FEDERAL BANCORP, INC. OF LOUISIANA AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands except per share data)

	<u>Years ended June 30,</u>	
	<u>2026</u>	<u>2025</u>
Interest income		
Loans, including fees	\$29,510	\$27,346
Investment securities	56	325
Mortgage-backed securities	2,266	1,941
Other interest-earning assets.	<u>666</u>	<u>850</u>
Total interest income.	<u>32,498</u>	<u>30,462</u>
Interest expense		
Deposits	10,424	11,441
Federal Home Loan Bank borrowings	13	—
Other bank borrowings	<u>272</u>	<u>350</u>
Total interest expense	<u>10,709</u>	<u>11,791</u>
Net interest income	21,789	18,671
Provision for (recovery of) credit losses.	<u>594</u>	<u>(126)</u>
Net interest income after provision for credit losses	<u>21,195</u>	<u>18,797</u>
Non-interest income		
Loss on sale of real estate	(18)	(265)
Gain on sale of loans.	642	384
Loss on sale of securities	—	(6)
Income on bank owned life insurance	114	116
Service charges on deposit accounts.	1,712	1,568
Other income	<u>222</u>	<u>208</u>
Total non-interest income	<u>2,672</u>	<u>2,005</u>
Non-interest expense		
Compensation and benefits.	8,851	8,940
Occupancy and equipment	2,384	2,354
Data processing.	1,350	1,439
Audit and examination fees	411	597
Franchise and bank shares tax	429	439
Advertising	123	145
Professional fees.	477	495
Loan and collection.	158	134
Amortization of core deposit intangible	240	284
Deposit insurance premium	380	347
Other real estate owned write-down expense.	200	—
Other expenses	<u>1,079</u>	<u>974</u>
Total non-interest expense	<u>16,082</u>	<u>16,148</u>
Income before income taxes	7,785	4,654
Provision for income tax expense.	<u>1,611</u>	<u>766</u>
Net income	<u>\$ 6,174</u>	<u>\$ 3,888</u>
Earnings per share		
Basic	\$ 2.05	\$ 1.27
Diluted	\$ 2.02	\$ 1.26

The accompanying notes are an integral part of these consolidated financial statements.

HOME FEDERAL BANCORP, INC. OF LOUISIANA AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	<u>Years ended June 30,</u>	
	<u>2026</u>	<u>2025</u>
Net income.....	\$6,174	\$3,888
Other comprehensive gain (loss), net of tax		
Unrealized gains on securities available-for-sale:		
Unrealized holding gains arising during the period	93	856
Less: reclassification adjustments for securities gains (losses) realized in net income	—	(6)
Income tax effect	(21)	(181)
Total other comprehensive gain, net of tax	<u>72</u>	<u>681</u>
Total comprehensive income	<u>\$6,246</u>	<u>\$4,569</u>

The accompanying notes are an integral part of these consolidated financial statements.

HOME FEDERAL BANCORP, INC. OF LOUISIANA AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In thousands)

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Unearned ESOP Shares</u>	<u>Retained Earnings</u>	<u>Accumulated Other Comprehensive Income</u>	<u>Total</u>
Balance at June 30, 2024	\$32	\$41,739	\$(408)	\$14,055	\$(2,615)	\$52,803
Net income	—	—	—	3,888	—	3,888
ESOP compensation earned	—	131	87	—	—	218
Stock options exercised	—	111	—	—	—	111
Dividends paid	—	—	—	(1,629)	—	(1,629)
Stock options vested	—	94	—	—	—	94
Company stock purchased	—	—	—	(1,073)	—	(1,073)
Other comprehensive income, unrealized gain on debt securities, net of tax	—	—	—	—	681	681
Share awards earned	—	112	—	—	—	112
Balance at June 30, 2025	<u>\$32</u>	<u>\$42,187</u>	<u>\$(321)</u>	<u>\$15,241</u>	<u>\$(1,934)</u>	<u>\$55,205</u>
Net income	—	—	—	6,174	—	6,174
ESOP compensation earned	—	136	58	—	—	194
Stock options exercised	2	1,836	—	—	—	1,838
Dividends paid	—	—	—	(1,663)	—	(1,663)
Stock options vested	—	114	—	—	—	114
Company stock purchased	(4)	—	—	(3,329)	—	(3,333)
Other comprehensive income, unrealized gain on debt securities, net of tax	—	—	—	—	72	72
Share awards earned	—	156	—	—	—	156
Balance at June 30, 2026	<u>\$30</u>	<u>\$44,429</u>	<u>\$(263)</u>	<u>\$16,423</u>	<u>\$(1,862)</u>	<u>\$58,757</u>

The accompanying notes are an integral part of these consolidated financial statements.

HOME FEDERAL BANCORP, INC. OF LOUISIANA AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	<u>Years ended June 30,</u>	
	<u>2026</u>	<u>2025</u>
Cash flows from operating activities		
Net income	\$ 6,174	\$ 3,888
Adjustments to reconcile net income to net cash provided by operating activities		
Gain on sale of loans	(642)	(384)
Loss on sale of investments	—	6
Net amortization and accretion on securities	(378)	(189)
Amortization of deferred loan fees	(78)	(71)
Amortization of purchased loans	(178)	(263)
Provision for (recovery of) credit losses	594	(126)
Depreciation of premises and equipment	1,122	1,083
Loss on sale of real estate	18	265
ESOP compensation expense	194	218
Stock option expense	114	94
Deferred income tax expense (benefit)	84	(163)
Share awards expense	156	112
Increase in cash surrender value on bank owned life insurance	(114)	(116)
Amortization of core deposit intangible	240	284
Write-down of other real estate owned	200	—
Changes in assets and liabilities:		
Loans held-for-sale – originations and purchases	(30,160)	(18,119)
Loans held-for-sale – sale and principal repayments	30,688	18,696
Accrued interest receivable	(59)	(61)
Other operating assets	(115)	45
Other operating liabilities	(240)	273
Net cash from operating activities	<u>7,620</u>	<u>5,472</u>
Cash flows from investing activities		
Loan originations and purchases, net	(15,813)	9,268
Deferred loan fees collected	55	78
Acquisition of premises and equipment	(29)	(46)
Proceeds from sale of real estate	1,106	262
Improvements to real estate owned prior to disposition	(34)	(117)
Changes in FHLB stock	(304)	964
Activity in available-for-sale securities:		
Maturities, prepayments and calls	6,292	5,900
Purchases	(15,169)	(12,695)
Sales	—	651
Activity in held-to-maturity securities:		
Maturities, prepayments and calls	5,865	5,948
Net cash from investing activities	<u>(18,031)</u>	<u>10,213</u>
Cash flows from financing activities		
Net increase (decrease) in deposits	\$ 31,002	\$(27,717)
Proceeds from advances from federal home loan bank	2,000	—
Repayments of advances from federal home loan bank	(2,000)	—
Dividends paid	(1,663)	(1,629)
Company stock purchased	(3,333)	(1,073)
Net (decrease) increase in advances from borrowers for taxes and insurance	(32)	22
Repayments of other bank borrowings	(444)	(3,000)
Proceeds from stock options exercised	1,838	111
Net cash from financing activities	<u>27,368</u>	<u>(33,286)</u>
Net increase (decrease) in cash and cash equivalents	16,957	(17,601)
Cash and cash equivalents - beginning of period	\$ 17,347	\$ 34,948
Cash and cash equivalents - end of period	<u>\$ 34,304</u>	<u>\$ 17,347</u>
Supplemental cash flow information		
Interest paid on deposits and borrowed funds	\$ 10,685	\$ 11,752
Income taxes paid	1,650	685
Market value adjustment for gain on securities available-for-sale	93	862
Transfer from loans to other real estate owned	934	961

The accompanying notes are an integral part of these consolidated financial statements.

HOME FEDERAL BANCORP, INC. OF LOUISIANA

Notes to Consolidated Financial Statements

Note 1. Summary of Significant Accounting Policies

Nature of Operations

The consolidated financial statements include the accounts of Home Federal Bancorp, Inc. of Louisiana, a Louisiana chartered corporation (the “Company” or “Home Federal Bancorp”) and its wholly owned subsidiary, Home Federal Bank, a federally chartered stock savings bank (the “Bank”), along with its wholly owned subsidiary, Metro Financial Services, Inc.

The Bank is a federally chartered, stock savings and loan association and is subject to federal regulation by the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency (the OCC). The Bank provides financial services to individuals, corporate entities, and other organizations through the origination of loans and the acceptance of deposits in the form of savings, certificates of deposit, and demand deposit accounts. Services are provided by ten branch offices, six of which are located in Shreveport, Louisiana, two in Bossier City, one in Minden, Louisiana and one in Benton, Louisiana. The Bank’s home office is located in Shreveport, Louisiana.

The Bank is subject to competition from other financial institutions and to the regulations of certain federal and state agencies and undergoes periodic examinations by those regulatory authorities.

Basis of Presentation and Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiary, Home Federal Bank. All significant intercompany balances and transactions have been eliminated.

Segment Reporting

The Company determined that all of its banking operations serve a similar customer base, offer similar products and services, and are managed through similar processes. Therefore, the Company’s banking operations are aggregated into one reportable operating segment, which generates income principally from interest on loans and, to a lesser extent, securities investments, as well as from fees charged in connection with various loan and deposit services. The Chief Operating Decision Maker (“CODM”), is the President and Chief Executive Officer, who for the purposes of assessing performance, making operating decisions, and allocating Company resources, regularly reviews net income as reported in the accompanying consolidated statements of income. The level of disaggregation and amounts of significant segment income and expenses that are regularly provided to the CODM are the same as those presented in the accompanying consolidated statements of income. Likewise, the measure of segment assets is reported on the accompanying consolidated balance sheets as total assets.

Use of Estimates

In preparing consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the consolidated balance sheets and reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the allowance for credit losses, deferred taxes, and those related to acquisition accounting.

Significant Group Concentrations of Credit Risk

Most of the Company’s activities are provided to customers of the Bank by ten branch offices, six of which are located in the city of Shreveport, Louisiana, two in Bossier City, Louisiana, one in Minden, Louisiana and one in Benton, Louisiana. The area served by the Bank is primarily the Shreveport-Bossier City-Minden combined statistical area; however, loan and deposit customers are found dispersed in a wider geographical area covering much of northwest Louisiana.

Note 1. Summary of Significant Accounting Policies (Continued)**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 have an original maturity date of ninety days or less.

At June 30, 2026 and 2025, cash and cash equivalents consisted of the following:

	<u>2026</u>	<u>2025</u>
	(In thousands)	
Cash on Hand	\$ 2,105	\$ 2,070
Demand Deposits at Other Institutions	30,274	14,127
Federal Funds Sold	1,925	1,150
Total	<u>\$34,304</u>	<u>\$17,347</u>

Securities

Securities are being accounted for in accordance with FASB ASC 320, *Investments*, which requires the classification of securities into one of three categories: Trading, Available-for-Sale, or Held-to-Maturity. Management determines the appropriate classification of debt securities at the time of purchase and re-evaluates this classification periodically.

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 of the related premiums and accretion of discounts, using the interest method. Investments in debt securities that are not classified as held-to-maturity and marketable equity securities that have readily determinable fair values are classified as either trading or available-for-sale securities.

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 are classified as available-for-sale. Trading account and available-for-sale securities are carried at fair value. Unrealized holding gains and losses on trading securities are included in earnings, while net unrealized holding gains and losses on available-for-sale debt securities are excluded from earnings and reported in other comprehensive income.

The Company held no trading securities as of June 30, 2026 and 2025.

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 debt securities in an unrealized loss position, the Company evaluates the securities to determine whether the decline in the fair value below amortized cost basis (impairment) is due to credit or non-credit related factors. Any impairment of available for sale investments that is not credit related is recognized in other comprehensive income, net of applicable taxes. For available for sale investments, credit related impairment is recognized as an ACL on the balance sheet, limited to the amount by which the amortized cost basis exceeds the fair value, with a corresponding adjustment to earnings. For held to maturity investments, credit related impairment is recognized as an ACL on the balance sheet, for the entire amount of credit loss, with a corresponding adjustment to earnings. Both the ACL and the adjustment to net income may be reversed if conditions change. However, if the Company intends to sell an impaired available for sale security, or more likely than not will be required to sell such security before recovering the amortized cost basis, the entire impairment amount must be recognized in earnings with a corresponding adjustment to the security's amortized cost basis. Because the security's amortized cost basis is adjusted to fair value, there is no ACL in such situation. Accrued interest receivable is excluded from the estimate of credit losses.

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 fair value is less than amortized cost, whether the securities are issued by federal governments or its agencies, whether downgrades by bond rating agencies have occurred, and the results of reviews of the issuer's financial conditions, among other factors.

Note 1. Summary of Significant Accounting Policies (Continued)

The Bank has invested in Federal Home Loan Bank (“FHLB”) stock, and other similar correspondent banks, which are reflected as other securities at cost in these consolidated financial statements. As a member of the FHLB System, the Bank is required to purchase and maintain stock in an amount determined by the FHLB. The FHLB stock is redeemable at par value at the discretion of the FHLB. These securities are periodically evaluated for impairment based on the ultimate recoverability of par value.

Acquisition Accounting

Acquisitions are accounted for under the purchase method of accounting. The acquisition method of accounting requires the Company as the acquirer to recognize the fair value of assets acquired and liabilities assumed at the acquisition date, as well as recognize goodwill. If the purchase price exceeds the sum of the estimated fair values of the tangible and identifiable intangible assets acquired less the estimated fair value of the liabilities assumed in an acquisition, goodwill is recognized. The Company records provisional amounts of fair value at the time of acquisition. The provisional fair values are subject to modification for up to one year after the acquisition.

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.

Loans Receivable

Loans receivable are stated at unpaid principal balances, less allowances for loan losses and unamortized deferred loan fees. Net non-refundable fees (loan origination fees, commitment fees, discount points) and costs associated with lending activities are being deferred and subsequently amortized into income as an adjustment of yield on the related interest earning assets using the interest method. Interest income on contractual loans receivable is recognized on the accrual method. Unearned discounts are deferred and amortized on the interest method over the life of the loan.

Loans are considered past due when the contractual amounts due with respect to principal and interest are not received within 30 days of the contractual due date.

When the payment of principal or interest on a loan is delinquent for more than 90 days, or earlier in some cases, the loan is placed on non-accrual status, unless the loan is in process of collection and the underlying collateral fully supports the carrying value of the loan. If the decision is made to continue accruing interest on the loan, periodic reviews are made to confirm the accruing status of the loan. All interest accrued but not collected for loans that are placed on non-accrual or loans charged-off is reversed against income. The interest on these loans is accounted for on the cash basis or cost-recovery method, until qualifying for return to accrual basis. Loans are returned to the accrual status when all of the principal and interest amounts contractually due are brought current and future payments are reasonably assured.

Loans are charged-off to the ACL to the extent management is relatively certain that principal and interest will be uncollectible. Management may elect to partially charge-off a loan to adjust the principal balance to the net realizable value of the collateral that secures the loan. When a partial charge-off is made, the remaining balance of the loan is placed on nonaccrual. Recoveries of amounts previously charged-off, if any, are credited to the ACL until the principal balance of the loan is fully recovered. Any subsequent payments are recognized as income. Past due status is based on the contractual terms of the loan. In all cases, loans are placed on nonaccrual status or charged-off at an earlier date if collection of principal or interest is considered doubtful.

Note 1. Summary of Significant Accounting Policies (Continued)**Allowance for Credit Losses**

The inherent risks in the Company's loan portfolio are summarized in the following table.

Loan Pool	Risk Characteristics
One-to-four family residential	Residential mortgage loans are primarily secured by one-to-four family residences. Repayment is generally dependent on the borrower's continued employment and financial condition. Credit risk is influenced by changes in local housing values and economic conditions.
Commercial real estate	Commercial real estate loans are generally secured by owner-occupied and non-owner-occupied properties. Repayment is dependent upon the successful operation of the borrower's business or the income-producing capacity of the underlying property. Risks include adverse economic conditions, declines in occupancy rates, reductions in rental income, and decreases in collateral values.
Multi-family residential	Multifamily residential loans are generally secured by income-producing residential properties. Repayment is largely dependent upon rental income generated by the property and the borrower's ability to effectively manage operations. Risks associated with these loans include changes in economic conditions, occupancy rates, market rents, operating costs, and collateral values, any of which may impair the borrower's repayment capacity.
Land and construction	Construction and land development loans involve additional risks because repayment is dependent on the successful completion and sale or leasing of the underlying project. These loans are particularly sensitive to changes in economic conditions, construction costs, demand for real estate, and project delays.
Equity loans and lines of credit	Home equity loans and lines are secured by junior liens on residential property. Repayment depends on the borrower's financial condition and available home equity. These loans may be more vulnerable to collateral deficiencies in periods of declining home values.
Commercial	Commercial business loans are made to businesses for various purposes, including working capital, equipment purchases, and expansion. Repayment is primarily dependent on the cash flows generated by the borrower's business. Risks include changes in economic conditions, management performance, competition, and industry-specific factors.
Consumer	Consumer loans include automobile loans, unsecured loans, and loans secured by deposit accounts. Repayment is dependent on the borrower's personal financial condition. These loans generally involve higher default risk than residential mortgage loans because they are often secured by depreciating assets or may be unsecured.

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 reversed against interest income.

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 for expected credit losses and 2) loans evaluated individually for expected credit losses. The ACL also includes certain qualitative adjustments to the ASU 2016-13 model.

Loans Evaluated Collectively. Homogeneous loans are evaluated collectively for expected credit losses. The loan pools/segments with similar risk characteristics were determined by Call Report codes.

Loans Evaluated Individually. Loans evaluated individually for expected credit losses 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. Adjustments to historical loss information are made to incorporate our reasonable and supportable forecast of future losses at the portfolio segment level, as well as any necessary qualitative adjustments, including, but not limited to,

Note 1. Summary of Significant Accounting Policies (Continued)

changes in current and expected future economic conditions, changes in industry experience and industry loan concentrations, changes in the volume and severity of nonperforming assets, changes in lending policies and personnel and changes in the competitive and regulatory environment of the banking industry. Loans that do not share similar risk characteristics are individually evaluated and are excluded from the pooled loan analysis.

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 measured using the fair value of collateral, if the analysis determines that sufficient collateral value would be available for repayment of the debt, then no allocations would be assigned to those loans. Collateral could be in the form of real estate or business assets, such as accounts receivable or inventory, in the case of commercial and industrial loans. Commercial and industrial loans may also be secured by real estate.

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. The Company believes that internal risk ratings are the most relevant credit quality indicator for these types of loans. Assigning risk ratings involves judgment. Risk ratings may be changed based on ongoing monitoring procedures, or if specific loan review assessments identify a deterioration or an improvement in the loan.

The Company uses the following definitions for risk ratings:

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 in a timely manner.

Pass Watch - Loans are considered marginal, meaning some weakness has been identified which could cause future impairment of repayment. However, these relationships are currently protected from any apparent loss by collateral and are still considered a pass.

Special Mention - Loans identified as special mention have a potential weakness that deserves management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan or of the Bank's credit position at some future date.

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 classified have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the Bank will sustain some loss if the deficiencies are not corrected.

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 liquidation in full, on the basis of currently existing facts, conditions, and values, highly questionable and improbable.

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 recovery may be possible in the future, it is not practical or desirable to defer writing off these basically worthless loans. Accordingly, these loans are charged-off before period end.

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 national economic conditions; trends in delinquencies and non-accrual loans; the diversity of borrower industry types; and the composition of the portfolio by loan type.

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 be fully captured in the quantitative results are also evaluated. These include changes in lending policy, the nature and volume of the portfolio, overall business conditions in the economy, credit concentrations, competition, model imprecision, and legal and regulatory requirements. Qualitative adjustments are judgmental and are based on Management's knowledge of the portfolio and the markets in which the Company operates. Qualitative adjustments are evaluated and approved on a quarterly basis. Additionally, the ACL includes other allowance categories that are not directly incorporated in the quantitative results. These include but are not limited to loans-in-process, trade acceptances and overdrafts.

Note 1. Summary of Significant Accounting Policies (Continued)

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 management's estimate of expected losses in its unfunded loan commitments and other off balance sheet credit exposures, such as letters of credit and credit recourse on sold residential mortgage loans. The allowance for credit losses specific to unfunded commitments is determined by estimating future draws and applying the expected loss rates on those draws. Future draws are based on historical averages of utilization rates (i.e., the likelihood of draws taken). The ACL for off balance sheet credit exposures is increased or decreased by charges or reductions to expense, through the provision for credit losses. In addition to the ACL on loans held for investment, CECL requires a balance sheet liability for unfunded commitments, which is recognized if both of the following conditions are met: (1) the Company has a present contractual obligation to extend credit; and (2) the obligation is not unconditionally cancellable by the Company. Based on the language within the standard loan documents prepared for each HFB commitment, all unfunded commitments are considered unconditionally cancellable and thus no CECL ACL is allocated.

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.

Real Estate Owned

Assets acquired through, or in lieu of, loan foreclosure are held-for-sale and are carried at the lower of cost or current fair value minus estimated cost to sell as of the date of foreclosure. Cost is defined as the lower of the fair value of the property or the recorded investment in the loan. Subsequent to foreclosure, valuations are periodically performed by management, and the assets are carried at the lower of carrying amount or fair value less cost to sell.

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. Estimated useful lives are as follows:

Buildings and Improvements	10 - 40 Years
Furniture and Equipment	3 - 10 Years

Goodwill

Goodwill represents the excess of the purchase price over the fair value of the net identifiable assets acquired. Goodwill has an indefinite useful life and is evaluated for impairment annually, or more frequently if events and circumstances indicate that the asset might be impaired. If, as a result of impairment testing, the fair value of goodwill is lower than its carrying amount, goodwill must be written down to its implied fair value. Goodwill impairment was neither indicated nor recorded during the years ended June 30, 2026 or 2025.

Core Deposit Intangible

Core deposit intangibles represent the estimated value of long-term deposit relationships acquired in business combinations. The accumulated amortization of the Core deposit intangible is \$1.033 million, and the carrying value as of June 30, 2026 was \$675,000, to be expensed over 79 months. The Company's policy is to amortize these intangibles on an accelerated basis over their estimated useful life, which the estimated useful lives are periodically reviewed for reasonableness. Core deposit intangibles are tested for impairment if events and circumstances indicate the carrying amount of the asset may not be recoverable from future cash flows.

Bank Owned Life Insurance

The Company 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 surrender value and changes in the cash surrender value are included in non-interest income.

Note 1. Summary of Significant Accounting Policies (Continued)**Income Taxes**

The Company and its wholly-owned subsidiary file a consolidated federal income tax return on a fiscal year basis. Each entity will pay its pro-rata share of income taxes in accordance with a written tax-sharing agreement.

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 bases of assets and liabilities and their carrying amounts for financial reporting purposes, computed using enacted tax rates. A valuation allowance, if needed, reduces deferred tax assets to the expected amount most likely to be realized. Realization of deferred tax assets is dependent upon the generation of a sufficient level of future taxable income and recoverable taxes paid in prior years. Current taxes are measured by applying the provisions of enacted tax laws to taxable income to determine the amount of taxes receivable or payable.

The Company follows the provisions of the *Income Taxes* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740. ASC 740 prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on various related matters such as derecognition, interest, penalties, and disclosures required. The Company recognizes interest and penalties, if any, related to unrecognized tax benefits in income tax expense.

While the Bank 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 stockholders' equity and net income.

Earnings per Share

Basic earnings per common share is computed by dividing net income available to common shareholders by the weighted-average number of common shares outstanding during the period, excluding unallocated ESOP shares. Diluted earnings per common share reflects additional common shares that would have been outstanding if dilutive potential common shares, including stock options and restricted stock units, had been issued. Potential common shares are excluded when their effect would be antidilutive.

Non-Direct Response Advertising

The Company expenses all advertising costs, except for direct-response advertising, as incurred. Non-direct response advertising costs were \$123,000 and \$145,000 for the years ended June 30, 2026 and 2025, respectively.

In the event the Company incurs expense for material direct-response advertising, it will be amortized over the estimated benefit period. Direct-response advertising consists of advertising whose primary purpose is to elicit sales to customers who could be shown to have responded specifically to the advertising and results in probable future benefits. For the years ended June 30, 2026 and 2025, the Company did not incur any amount of direct-response advertising.

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 statement of operations based on their fair values. The amount of compensation is measured at the fair value of the options or recognition and retention share awards when granted, and this cost is expensed over the required service period, which is normally the vesting period of the options or recognition and retention awards. This guidance applies to awards granted or modified after January 1, 2006, or any unvested awards outstanding prior to that date.

Reclassification

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

Comprehensive Income (Loss)

Accounting principles generally require that recognized revenue, expenses, gains, and losses be included in net income. Although certain changes in assets and liabilities, such as unrealized gains and losses on

Note 1. Summary of Significant Accounting Policies (Continued)

available-for-sale debt securities, are reported as a separate component of the equity section of the consolidated balance sheets, such items, along with net income, are components of comprehensive income (loss).

The components of accumulated other comprehensive income (loss), included in stockholders' equity, are as follows:

	<u>2026</u>	<u>2025</u>
	(In thousands)	
Net Unrealized Loss on Debt Securities Available-for-Sale	\$(2,356)	\$(2,449)
Tax Effect	<u>494</u>	<u>515</u>
Net-of-Tax Amount	<u>\$(1,862)</u>	<u>\$(1,934)</u>

FASB ASC Topic 280 "Segment Reporting: Improvements to Reportable Segments Disclosures" Update No. 2023-07 ("ASU 2023-07"). ASU 2023-07 became effective for the Company for the fiscal year ended June 30, 2025 and will be applied in interim periods beginning after June 30, 2025. ASU 2023-07 requires public entities to disclose the title and position of the entity's CODM and an explanation of how the CODM utilizes the reported measures of profit or loss to assess segment performance and allocate resources, significant segment expenses, an amount and description for other segment items, and, on an interim basis, certain segment related disclosures that previously were required only on an annual basis. ASU 2023-07 also clarifies that entities with a single reportable segment are subject to both new and existing segment reporting requirements and that an entity is permitted to disclose multiple measures of segment profit or loss, provided that certain criteria are met. The adoption of ASU 2023-07 did not have a material impact on the Company's consolidated financial statements.

Note 2. Securities

The following tables summarize the amortized cost and fair value of securities available-for-sale and securities held-to-maturity at June 30, 2026 and 2025 and the corresponding amounts of gross unrealized gains and losses recognized in accumulated other comprehensive income (loss) and gross unrecognized gains and losses:

<u>June 30, 2026</u>	<u>Amortized Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
	(In thousands)			
Available-for-sale				
Mortgage-backed securities: residential	\$45,505	\$22	\$2,375	\$43,152
State and political subdivision	<u>475</u>	<u>—</u>	<u>3</u>	<u>472</u>
Total available-for-sale	<u><u>\$45,980</u></u>	<u><u>\$22</u></u>	<u><u>\$2,378</u></u>	<u><u>\$43,624</u></u>

<u>June 30, 2026</u>	<u>Amortized Cost</u>	<u>Gross Unrecognized Gains</u>	<u>Gross Unrecognized Losses</u>	<u>Fair Value</u>
	(In thousands)			
Held-to-maturity				
Mortgage-backed securities: residential	\$54,404	\$—	\$8,738	\$45,666
State and political subdivision	<u>1,035</u>	<u>—</u>	<u>43</u>	<u>992</u>
Total held-to-maturity	<u><u>\$55,439</u></u>	<u><u>\$—</u></u>	<u><u>\$8,781</u></u>	<u><u>\$46,658</u></u>

Note 2. Securities (Continued)

<u>June 30, 2025</u>	<u>Amortized Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
	(In thousands)			
Available-for-sale				
Mortgage-backed securities: residential	\$36,330	\$76	\$2,525	\$33,881
State and political subdivision	365	—	—	365
Total available-for-sale	<u>\$36,695</u>	<u>\$76</u>	<u>\$2,525</u>	<u>\$34,246</u>

<u>June 30, 2025</u>	<u>Amortized Cost</u>	<u>Gross Unrecognized Gains</u>	<u>Gross Unrecognized Losses</u>	<u>Fair Value</u>
	(In thousands)			
Held-to-maturity				
Mortgage-backed securities: residential	\$60,075	\$—	\$10,140	\$49,935
State and political subdivision	1,259	—	55	1,204
Total held-to-maturity	<u>\$61,334</u>	<u>\$—</u>	<u>\$10,195</u>	<u>\$51,139</u>

The amortized cost and fair value of debt securities are shown by contractual maturity. Expected maturities may differ from contractual maturities if borrowers have the right to call or prepay obligations with or without call or prepayment penalties.

<u>June 30, 2026</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
	(In thousands)	
Available-for-sale		
One to five years	\$ 2,426	\$ 2,372
Five to ten years	12,118	11,533
Beyond ten years	31,436	29,719
Total available-for-sale	<u>\$45,980</u>	<u>\$43,624</u>
Held-to-maturity		
Five to ten years	\$ 7,013	\$ 6,244
Beyond ten years	48,426	40,414
Total held-to-maturity	<u>\$55,439</u>	<u>\$46,658</u>

The following tables summarize debt securities available-for-sale in an unrealized loss position for which an allowance for credit losses has not been recorded at June 30, 2026 and 2025, aggregated by major security type and length of time in a continuous unrealized loss position:

	<u>Less Than 12 Months</u>		<u>12 Months or Longer</u>		<u>Total</u>	
<u>June 30, 2026</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>
	(In thousands)					
Available-for-sale						
Mortgage-backed securities:						
residential	16,988	277	22,301	2,098	39,289	2,375
State and political subdivision	472	3	—	—	472	3
Total available-for-sale	<u>17,460</u>	<u>280</u>	<u>22,301</u>	<u>2,098</u>	<u>39,761</u>	<u>2,378</u>

Note 2. Securities (Continued)

<u>June 30, 2025</u>	<u>Less Than 12 Months</u>		<u>12 Months or Longer</u>		<u>Total</u>	
	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>
	(In thousands)					
Available-for-sale						
Mortgage-backed securities:						
residential	<u>8,499</u>	<u>226</u>	<u>17,879</u>	<u>2,299</u>	<u>26,378</u>	<u>2,525</u>
Total available-for-sale	<u>8,499</u>	<u>226</u>	<u>17,879</u>	<u>2,299</u>	<u>26,378</u>	<u>2,525</u>

At June 30, 2026, the Company's security portfolio consisted of 96 securities, 82 of which were in an unrealized loss position. At June 30, 2025, the Company's security portfolio consisted of 74 securities, 53 of which were in an unrealized loss position. The unrealized losses on the Company's investment in mortgage-backed securities at June 30, 2026 and 2025 were caused by interest rate changes. The contractual cash flows of these investments are guaranteed by agencies of the U.S. government. Accordingly, it is expected that these securities would not be settled at a price less than the amortized cost of the Company's investment. Because the decline in market value is attributable to changes in interest rates and not credit quality and because the Company has the ability and intent to hold these investments until a recovery of fair value, which may be maturity, the Company does not consider these investments to be other-than-temporarily impaired at June 30, 2026.

At June 30, 2026 and 2025, securities with a carrying value of \$22.385 million and \$24.516 million, respectively, were pledged to secure certain deposits, borrowings, and other liabilities.

Note 3. Loans Receivable

Loans receivable at June 30, 2026 and 2025, are summarized as follows:

	<u>2026</u>	<u>2025</u>
	(In thousands)	
Loans Secured by Mortgages on Real Estate		
One-to-Four Family Residential	\$164,214	\$174,978
Commercial	141,002	138,920
Multi-Family Residential	30,641	32,283
Land	34,825	30,054
Construction	25,435	11,226
Equity and Second Mortgage	3,177	2,520
Equity Lines of Credit	<u>21,657</u>	<u>20,354</u>
Total Mortgage Loans	<u>420,951</u>	<u>410,335</u>
Commercial Loans	<u>58,866</u>	<u>54,138</u>
Consumer Loans		
Loans on Savings Accounts	436	381
Other Consumer Loans	<u>247</u>	<u>739</u>
Total Consumer Other Loans	<u>683</u>	<u>1,120</u>
Total Loans	<u>480,500</u>	<u>465,593</u>
Less: Allowance for Credit Losses	(4,926)	(4,484)
Unamortized Loan Fees	<u>(83)</u>	<u>(105)</u>
Net Loans Receivable	<u>\$475,491</u>	<u>\$461,004</u>

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 payment experience, credit documentation, public information, and current economic trends, among other factors. The Company

Note 3. Loans Receivable (Continued)

analyzes loans individually by classifying the loans according to credit risk. Loans classified as substandard or identified as special mention are reviewed quarterly by management to evaluate the level of deterioration, improvement, and impairment, if any, as well as assign the appropriate risk category.

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 a deterioration in the credit worthiness of the borrower; or (c) the customer contacts the Company for a modification. In these circumstances, the loan is specifically evaluated for potential classification and the need to allocate reserves or charge-off.

The Company uses the following definitions for risk ratings:

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 cost to acquire and sell the underlying collateral in a timely manner.

Pass Watch – Loans are considered marginal, meaning some weakness has been identified which could cause future impairment of repayment. However, these relationships are currently protected from any apparent loss by collateral and are still considered a pass.

Special Mention - Loans identified as special mention have a potential weakness that deserves management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan or of the bank's credit position at some future date.

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 classified have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the institution will sustain some loss if the deficiencies are not corrected.

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 liquidation in full, on the basis of currently existing facts, conditions, and values, highly questionable and improbable.

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 recovery may be possible in the future, it is not practical or desirable to defer writing off these basically worthless loans. Accordingly, these loans are charged-off before period end.

The following table summarizes designated internal risk categories by portfolio segment and loan class, by origination year, as of June 30, 2026:

As of June 30, 2026	Term Loans Amortized Cost by Origination Year						Revolving Lines	Total
	2026	2025	2024	2023	2022	Prior		
	(In thousands)							
One-to-four family residential								
Risk rating								
Pass	8,265	15,620	13,051	34,844	30,024	55,262	—	157,066
Pass watch	—	72	1,421	390	755	1,393	—	4,031
Special mention	—	—	—	—	—	841	—	841
Substandard	—	578	554	183	752	209	—	2,276
Total One-to-four family residential	<u>8,265</u>	<u>16,270</u>	<u>15,026</u>	<u>35,417</u>	<u>31,531</u>	<u>57,705</u>	<u>—</u>	<u>164,214</u>
Current period gross charge-offs	—	—	—	—	—	—	—	—
Commercial								
Risk rating								
Pass	12,343	24,819	5,919	9,152	21,632	59,263	—	133,128
Pass watch	—	—	74	98	5,383	103	—	5,658

Note 3. Loans Receivable (Continued)

As of June 30, 2026	Term Loans Amortized Cost by Origination Year						Revolving Lines	Total
	2026	2025	2024	2023	2022	Prior		
	(In thousands)							
Special mention	—	—	—	—	2,052	150	—	2,202
Substandard	—	—	—	—	14	—	—	14
Total commercial	<u>12,343</u>	<u>24,819</u>	<u>5,993</u>	<u>9,250</u>	<u>29,081</u>	<u>59,516</u>	<u>—</u>	<u>141,002</u>
Current period gross charge-offs	—	—	—	60	—	145	—	205
Multi-family residential								
Risk rating								
Pass	—	6,969	—	1,801	319	16,286	—	25,375
Pass watch	—	—	1,112	—	—	4,154	—	5,266
Total multi-family residential	<u>—</u>	<u>6,969</u>	<u>1,112</u>	<u>1,801</u>	<u>319</u>	<u>20,440</u>	<u>—</u>	<u>30,641</u>
Current period gross charge-offs	—	—	—	—	—	—	—	—
Land								
Risk rating								
Pass	4,415	9,846	2,308	1,737	3,331	13,031	—	34,668
Pass watch	—	157	—	—	—	—	—	157
Total land	<u>4,415</u>	<u>10,003</u>	<u>2,308</u>	<u>1,737</u>	<u>3,331</u>	<u>13,031</u>	<u>—</u>	<u>34,825</u>
Current period gross charge-offs	—	—	—	—	10	—	—	10
Construction								
Risk rating								
Pass	1,746	17,896	5,113	580	—	100	—	25,435
Total construction	<u>1,746</u>	<u>17,896</u>	<u>5,113</u>	<u>580</u>	<u>—</u>	<u>100</u>	<u>—</u>	<u>25,435</u>
Current period gross charge-offs	—	—	—	—	—	—	—	—

The following table summarizes designated internal risk categories by portfolio segment and loan class, by origination year, as of June 30, 2026:

As of June 30, 2026	Term Loans Amortized Cost by Origination Year						Revolving Lines	Total
	2026	2025	2024	2023	2022	Prior		
	(In thousands)							
Equity loans and lines of credit								
Risk rating								
Pass	444	559	538	415	599	394	21,361	24,310
Pass watch	—	—	—	—	—	—	—	—
Special mention	—	—	—	86	—	—	71	157
Substandard	—	—	—	142	—	—	225	367
Total home equity and lines of credit	<u>444</u>	<u>559</u>	<u>538</u>	<u>643</u>	<u>599</u>	<u>394</u>	<u>21,657</u>	<u>24,834</u>
Current period gross charge-offs	—	—	—	—	—	—	—	—
Commercial Loans								
Risk rating								
Pass	9,235	9,460	14,841	4,410	1,906	13,516	—	53,368

Note 3. Loans Receivable (Continued)

As of June 30, 2026	Term Loans Amortized Cost by Origination Year						Revolving Lines	Total
	2026	2025	2024	2023	2022	Prior		
	(In thousands)							
Pass watch	623	1,827	1,080	1,500	317	—	—	5,347
Special mention	—	—	—	146	—	—	—	146
Substandard	—	—	—	—	—	5	—	5
Total commercial loans . . .	<u>9,858</u>	<u>11,287</u>	<u>15,921</u>	<u>6,056</u>	<u>2,223</u>	<u>13,521</u>	<u>—</u>	<u>58,866</u>
Current period gross charge-offs	—	—	—	—	16	—	—	16
Consumer Loans								
Risk rating								
Pass	124	169	187	50	43	106	—	679
Substandard	—	—	—	4	—	—	—	4
Total consumer loans	<u>124</u>	<u>169</u>	<u>187</u>	<u>54</u>	<u>43</u>	<u>106</u>	<u>—</u>	<u>683</u>
Current period gross charge-offs	—	1	23	1	—	—	—	25
Total								
Risk rating								
Pass	36,572	85,338	41,957	52,989	57,854	157,958	21,361	454,029
Pass watch	623	2,056	3,687	1,988	6,455	5,650	—	20,459
Special mention	—	—	—	232	2,052	991	71	3,346
Substandard	—	578	554	329	766	214	225	2,666
Total	<u>37,195</u>	<u>87,972</u>	<u>46,198</u>	<u>55,538</u>	<u>67,127</u>	<u>164,813</u>	<u>21,657</u>	<u>480,500</u>
Current period gross charge-offs	—	1	23	61	26	145	—	256

The following table summarizes designated internal risk categories by portfolio segment and loan class, by origination year, as of June 30, 2025:

As of June 30, 2025	Term Loans Amortized Cost by Origination Year						Revolving Lines	Total
	2025	2024	2023	2022	2021	Prior		
	(In thousands)							
One-to-four family residential								
Risk rating								
Pass	12,456	20,344	40,116	35,296	30,282	28,952	—	167,446
Pass watch	1,072	1,358	1,088	1,379	257	629	—	5,783
Special mention	—	40	—	—	379	314	—	733
Substandard	—	—	268	252	496	—	—	1,016
Total One-to-four family residential	<u>13,528</u>	<u>21,742</u>	<u>41,472</u>	<u>36,927</u>	<u>31,414</u>	<u>29,895</u>	<u>—</u>	<u>174,978</u>
Current period gross charge-offs	—	—	34	—	—	—	—	34
Commercial								
Risk rating								
Pass	21,880	12,736	17,394	32,791	36,221	13,823	—	134,845
Pass watch	114	2,488	98	408	—	—	—	3,108
Substandard	—	—	—	19	948	—	—	967
Total commercial	<u>21,994</u>	<u>15,224</u>	<u>17,492</u>	<u>33,218</u>	<u>37,169</u>	<u>13,823</u>	<u>—</u>	<u>138,920</u>

Note 3. Loans Receivable (Continued)

As of June 30, 2025	Term Loans Amortized Cost by Origination Year						Revolving Lines	Total
	2025	2024	2023	2022	2021	Prior		
	(In thousands)							
Current period gross charge-offs	—	—	154	—	90	—	—	244
Multi-family residential								
Risk rating								
Pass	498	6,854	1,969	4,871	942	15,942	—	31,076
Pass watch	<u>1,207</u>	—	—	—	—	—	—	<u>1,207</u>
Total multi-family residential	<u>1,705</u>	<u>6,854</u>	<u>1,969</u>	<u>4,871</u>	<u>942</u>	<u>15,942</u>	—	<u>32,283</u>
Current period gross charge-offs	—	—	—	—	—	—	—	—
Land								
Risk rating								
Pass	8,405	8,380	3,044	3,262	3,505	994	—	27,590
Pass watch	<u>79</u>	<u>2,376</u>	—	—	<u>9</u>	—	—	<u>2,464</u>
Total land	<u>8,484</u>	<u>10,756</u>	<u>3,044</u>	<u>3,262</u>	<u>3,514</u>	<u>994</u>	—	<u>30,054</u>
Current period gross charge-offs	—	—	—	—	—	—	—	—
Construction								
Risk rating								
Pass	7,192	3,054	—	—	—	—	—	10,246
Pass watch	—	<u>980</u>	—	—	—	—	—	<u>980</u>
Total construction	<u>7,192</u>	<u>4,034</u>	—	—	—	—	—	<u>11,226</u>
Current period gross charge-offs	—	—	—	—	—	—	—	—

The following table summarizes designated internal risk categories by portfolio segment and loan class, by origination year, as of June 30, 2025:

As of June 30, 2025	Term Loans Amortized Cost by Origination Year						Revolving Lines	Total
	2025	2024	2023	2022	2021	Prior		
	(In thousands)							
Equity loans and lines of credit								
Risk rating								
Pass	46	582	629	639	96	376	19,823	22,191
Pass watch	—	—	10	—	—	—	234	244
Special mention	—	—	—	—	—	—	72	72
Substandard	—	—	<u>142</u>	—	—	—	<u>225</u>	<u>367</u>
Total home equity and lines of credit	<u>46</u>	<u>582</u>	<u>781</u>	<u>639</u>	<u>96</u>	<u>376</u>	<u>20,354</u>	<u>22,874</u>
Current period gross charge-offs	—	—	—	—	7	17	—	24
Commercial Loans								
Risk rating								
Pass	6,742	21,685	9,317	4,100	2,973	4,756	—	49,573

Note 3. Loans Receivable (Continued)

As of June 30, 2025	Term Loans Amortized Cost by Origination Year						Revolving Lines	Total
	2025	2024	2023	2022	2021	Prior		
	(In thousands)							
Pass watch	762	8	70	70	—	—	—	910
Special mention	2,318	179	917	—	128	—	—	3,542
Substandard	—	—	75	25	13	—	—	113
Total commercial loans . . .	<u>9,822</u>	<u>21,872</u>	<u>10,379</u>	<u>4,195</u>	<u>3,114</u>	<u>4,756</u>	<u>—</u>	<u>54,138</u>
Current period gross charge-offs	—	—	—	2	—	—	—	2
Consumer Loans								
Risk rating								
Pass	285	328	280	87	1	101	—	1,082
Special mention	—	29	—	—	—	—	—	29
Substandard	—	—	9	—	—	—	—	9
Total consumer loans	<u>285</u>	<u>357</u>	<u>289</u>	<u>87</u>	<u>1</u>	<u>101</u>	<u>—</u>	<u>1,120</u>
Current period gross charge-offs	—	1	18	—	—	—	—	19
Total								
Risk rating								
Pass	57,504	73,963	72,749	81,046	74,020	64,944	19,823	444,049
Pass watch	3,234	7,210	1,266	1,857	266	629	234	14,696
Special mention	2,318	248	917	—	507	314	72	4,376
Substandard	—	—	494	296	1,457	—	225	2,472
Total	<u>63,056</u>	<u>81,421</u>	<u>75,426</u>	<u>83,199</u>	<u>76,250</u>	<u>65,887</u>	<u>20,354</u>	<u>465,593</u>
Current period gross charge-offs	—	1	206	2	97	17	—	323

The following tables present an aging analysis of past due loans, segregated by class of loans, as of June 30, 2026 and 2025:

June 30, 2026	30-59 Days Past Due	60-89 Days Past Due	90 or More Days Past Due	Total Past Due	Current	Total Loans Receivable	Recorded Investment > 90 Days and Accruing
	(In thousands)						
Real Estate Loans:							
One-to-Four Family							
Residential.	780	389	2,607	3,776	160,438	164,214	453
Commercial.	14	—	—	14	140,988	141,002	—
Multi-Family							
Residential.	—	—	—	—	30,641	30,641	—
Land	—	—	—	—	34,825	34,825	—
Construction	—	—	—	—	25,435	25,435	—
Equity and							
Second Mortgage . . .	—	—	142	142	3,035	3,177	—
Equity Lines of Credit. .	—	—	225	225	21,432	21,657	—
Commercial Loans	205	—	—	205	58,661	58,866	—
Consumer Loans	<u>15</u>	<u>—</u>	<u>—</u>	<u>15</u>	<u>668</u>	<u>683</u>	<u>—</u>
Total.	<u>1,014</u>	<u>389</u>	<u>2,974</u>	<u>4,377</u>	<u>476,123</u>	<u>480,500</u>	<u>453</u>

Note 3. Loans Receivable (Continued)

<u>June 30, 2025</u>	<u>30-59 Days Past Due</u>	<u>60-89 Days Past Due</u>	<u>90 or More Days Past Due</u>	<u>Total Past Due</u>	<u>Current</u>	<u>Total Loans Receivable</u>	<u>Recorded Investment > 90 Days and Accruing</u>
(In thousands)							
Real Estate Loans:							
One-to-Four Family							
Residential	174	853	963	1,990	172,988	174,978	252
Commercial	99	—	967	1,066	137,854	138,920	—
Multi-Family Residential . .	—	—	—	—	32,283	32,283	—
Land	17	—	—	17	30,037	30,054	—
Construction	—	—	—	—	11,226	11,226	—
Equity and Second							
Mortgage	—	—	142	142	2,378	2,520	—
Equity Lines of Credit	48	—	225	273	20,081	20,354	—
Commercial Loans	8	—	38	46	54,092	54,138	—
Consumer Loans	29	—	—	29	1,091	1,120	—
Total	<u>375</u>	<u>853</u>	<u>2,335</u>	<u>3,563</u>	<u>462,030</u>	<u>465,593</u>	<u>252</u>

There was no interest income recognized on non-accrual loans during the years ended June 30, 2026 or June 30, 2025. If the non-accrual loans had been accruing interest at their original contracted rates, gross interest income that would have been recorded for the years ended June 30, 2026 or June 30, 2025 was approximately \$120,000 and \$113,000, respectively.

The change in the allowance for credit losses by loan portfolio class and recorded investment in loans for the year ended June 30, 2026 and 2025 was as follows:

<u>Real Estate Loans</u>									
<u>June 30, 2026</u>	<u>1-4 Family Residential</u>	<u>Commercial</u>	<u>Multi- Family</u>	<u>Land</u>	<u>Construction</u>	<u>Home Equity Loans and Lines of Credit</u>	<u>Commercial Loans</u>	<u>Consumer Loans</u>	<u>Total</u>
(In thousands)									
Allowance for credit losses:									
Beginning									
Balances	2,202	1,202	113	165	74	182	538	8	4,484
Charge-Offs	—	(205)	—	(10)	—	—	(16)	(25)	(256)
Recoveries	6	60	—	2	—	22	2	12	104
Current									
Provision	<u>141</u>	<u>220</u>	<u>(5)</u>	<u>91</u>	<u>121</u>	<u>(14)</u>	<u>17</u>	<u>23</u>	<u>594</u>
Ending									
Balances	<u>2,349</u>	<u>1,277</u>	<u>108</u>	<u>248</u>	<u>195</u>	<u>190</u>	<u>541</u>	<u>18</u>	<u>4,926</u>

Note 3. Loans Receivable (Continued)

	Real Estate Loans								
	1-4 Family Residential	Commercial	Multi- Family	Land	Construction	Home Equity Loans and Lines of Credit	Commercial Loans	Consumer Loans	Total
June 30, 2025									
	(In thousands)								
Allowance for credit losses:									
Beginning Balances	2,346	1,088	130	175	103	165	548	19	4,574
Charge-Offs	(34)	(244)	—	—	—	(24)	(2)	(19)	(323)
Recoveries	351	—	—	1	—	5	2	—	359
Current Provision	(461)	358	(17)	(11)	(29)	36	(10)	8	(126)
Ending Balances	2,202	1,202	113	165	74	182	538	8	4,484

The Company held loans that were individually evaluated for credit losses at June 30, 2026 and June 30, 2025 for which the repayment, on the basis of our assessment at the reporting date, is expected to be provided substantially through the operation or sale of the collateral and the borrower is experiencing financial difficulty. The ACL for these collateral-dependent loans is primarily based on the fair value of the underlying collateral at the reporting date. The following describes the types of collateral that secure collateral dependent loans:

- 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 self-storage facilities, hotels and restaurants.
- 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 table presents loans individually evaluated, segregated by class of loans, as of June 30, 2026 and 2025:

	2026		2025	
	<u>Loan Balance</u>	<u>Specific Allocations</u>	<u>Loan Balance</u>	<u>Specific Allocations</u>
	(In thousands)			
Real Estate Loans:				
One-to-Four Family Residential	\$3,364	\$505	\$2,234	\$ 97
Commercial	20	—	1,081	102
Land	79	3	115	4
Home Equity Loans and Lines of Credit	367	6	367	—
Commercial Loans	5	—	45	2
Consumer Loans	—	—	15	1
Total	<u>\$3,835</u>	<u>\$514</u>	<u>\$3,857</u>	<u>\$206</u>

Note 3. Loans Receivable (Continued)

The Bank has no commitments to loan additional funds to borrowers whose loans were previously in non-accrual status. As of June 30, 2026, there were \$225,000 of residential loans in the process of foreclosure.

Note 4. Accrued Interest Receivable

Accrued interest receivable at June 30, 2026 and 2025 consisted of the following:

	<u>2026</u>	<u>2025</u>
	(In thousands)	
Loans	\$1,713	\$1,624
Investments	<u>182</u>	<u>212</u>
Total	<u><u>\$1,895</u></u>	<u><u>\$1,836</u></u>

Note 5. Premises and Equipment

A summary of the cost and accumulated depreciation of premises and equipment follows:

	<u>2026</u>	<u>2025</u>
	(In thousands)	
Land	\$ 4,720	\$ 4,720
Land Improvements	841	842
Buildings	16,714	16,706
Equipment	3,115	3,329
Leasehold Improvements	<u>—</u>	<u>321</u>
	25,390	25,918
Accumulated Depreciation	<u>(9,217)</u>	<u>(8,652)</u>
Total	<u><u>\$16,173</u></u>	<u><u>\$17,266</u></u>

Depreciation expense charged against operations for the years ended June 30, 2026 and 2025 was \$1.122 million and \$1.083 million, respectively.

Note 6. Deposits

Deposits at June 30, 2026 and 2025 are summarized as follows:

	<u>2026</u>	<u>2025</u>
	(In thousands)	
Non-Interest Bearing	\$138,059	\$122,416
NOW Accounts	59,937	67,119
Money Market	65,978	73,771
Savings Accounts	<u>91,205</u>	<u>95,627</u>
	355,179	358,933
Certificates of Deposit	<u>222,113</u>	<u>187,357</u>
Total Deposits	<u><u>\$577,292</u></u>	<u><u>\$546,290</u></u>

Note 3. Loans Receivable (Continued)

Maturities of certificates of deposit accounts at June 30, 2026 are scheduled as follows:

<u>Year Ending June 30,</u>	<u>Amount</u> (In thousands)
2027	\$174,383
2028	39,267
2029	6,913
2030	899
2031	651
Total	<u>\$222,113</u>

The aggregate amount of time deposits that meet or exceed the FDIC insurance limit of \$250,000 at June 30, 2026 and 2025 were \$68.475 million and \$55.619 million, respectively. At June 30, 2026 and 2025, the Bank had no brokered certificates of deposits.

Note 7. Advances from Federal Home Loan Bank of Dallas

Pursuant to collateral agreements with the Federal Home Loan Bank of Dallas (FHLB), advances are secured by a blanket floating lien on certain loans. Total interest expense recognized amounted to \$13,000 and none for fiscal years 2026 and 2025, respectively.

At June 30, 2026 and 2025 there were no advances from the FHLB.

Note 8. Other Borrowings

At June 30, 2026, Home Federal Bancorp had a \$3.556 million outstanding loan with First National Bankers Bank, which matures on February 5, 2034. The loan is secured by Home Federal Bank's common stock and bears interest at the Prime Rate, which is subject to change when adjustments are made to Wall Street Journal Prime. Interest expense amounted to \$272,000 and \$350,000 for the years ended June 30, 2026 and 2025, respectively.

Note 9. Commitments**Lease Commitments**

The Bank leases property for one branch facility.

Future minimum rental payments resulting from the non-cancelable term of these leases are as follows (in thousands):

<u>Year Ending June 30,</u>	<u>Amount</u>
2027	\$ 31
2028	31
2029	34
2030	36
2031	36
Thereafter	1,224
Total	\$1,392
Less Imputed Interest	(541)
Present Value of Lease Liabilities	<u>851</u>

Total rent expense paid under the terms of these leases amounted to \$70,000 and \$60,000 for the years ended June 30, 2026 and 2025 respectively.

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. The Company's lease agreements often include one or more options to renew at the Company's discretion. If at lease inception, the Company considers the exercising of a renewal option to be reasonably certain, the Company will include the

Note 9. Commitments (Continued)

extended term in the calculation of the ROU asset and lease liability. Regarding the discount rate, Topic 842 requires the use of the rate implicit in the lease whenever this rate is readily determinable. As this rate is rarely determinable, the Company utilizes its incremental borrowing rate at lease inception, on a collateralized basis, over a similar term. For operating leases existing prior to January 1, 2019, the rate for the remaining lease term as of January 1, 2019, was used.

	<u>June 30,</u> <u>2026</u>	<u>June 30,</u> <u>2025</u>
Weighted-average remaining lease term		
Operating lease	32.4 years	33.4 years
Weighted-average discount rate		
Operating leases	3.00%	3.00%

The following table represents the consolidated statements of condition classification of the Company's ROU assets and lease liabilities. The Company elected not to include short-term leases (i.e., leases with initial terms of twelve months or less) on the consolidated statements of condition.

<u>(In thousands)</u>	<u>June 30,</u> <u>2026</u>	<u>June 30,</u> <u>2025</u>
Lease Right-of-Use Assets		
Operating lease right-of-use assets Other Assets	<u>\$784</u>	<u>\$799</u>
Total Lease Right-of-Use Assets	<u>\$784</u>	<u>\$799</u>
Lease Liabilities		
Operating lease liabilities. Other Accrued Expenses and Liabilities	<u>\$851</u>	<u>\$856</u>
Total Lease Liabilities	<u>\$851</u>	<u>\$856</u>

Employment Contracts

The Company and the Bank have employment contracts with a certain key employee. These contracts provide for compensation and termination benefits. The future minimum commitments for the employment contracts are as follows (*in thousands*):

<u>Year Ending June 30,</u>	<u>Amount</u>
	(In thousands)
2027	\$194
2028	<u>194</u>
Total	<u>\$388</u>

Letters of Credit

At June 30, 2026, the Company had secured letters of credit in the aggregate amount of \$37.347 million outstanding with the Federal Home Loan Bank of Dallas, all of which are expiring within one year. These letters of credit were issued to secure public body deposits. There were no outstanding borrowings associated with these letters of credit at June 30, 2026.

Note 10. Income Taxes

The Company and its subsidiary file consolidated federal income tax returns. The current provision for federal and state income taxes is calculated on pretax accounting income adjusted by items considered to be permanent differences between book and taxable income. Income tax expense for the years ended June 30, 2026 and 2025 is summarized as follows:

	<u>2026</u>	<u>2025</u>
	(In thousands)	
Current	\$1,527	\$ 929
Deferred	<u>84</u>	<u>(163)</u>
Total	<u>\$1,611</u>	<u>\$ 766</u>

The effective federal income tax rate for the years ended June 30, 2026 and 2025 was 20.7% and 16.5%, respectively. Reconciliations of income tax expense at the statutory rate to the Company's effective rates are as follows:

	<u>2026</u>	<u>2025</u>
	(In thousands)	
Computed at Expected Statutory Rate	\$1,635	\$ 977
Non-Taxable Income	(97)	(44)
Other	<u>73</u>	<u>(167)</u>
Provision for Income Tax Expense	<u>\$1,611</u>	<u>\$ 766</u>

At June 30, 2026 and 2025, temporary differences between the financial statement carrying amount and tax bases of assets that gave rise to deferred tax recognition were related to the effect of loan bad debt deduction differences for tax and book purposes, deferred stock option compensation, and supplemental employee retirement benefits. The deferred tax expense or benefit related to securities available-for-sale has no effect on the Company's income tax provision since it is charged or credited to the Company's other comprehensive income or loss equity component.

The net deferred income tax asset and liability consisted of the following components at June 30, 2026 and 2025:

	<u>2026</u>	<u>2025</u>
	(In thousands)	
Deferred Tax Assets		
Stock Option and SERP Compensation	145	345
Market Value Adjustment to Available-for-Sale Securities.	494	514
Loans Receivable – Bad Debt Loss Allowance	1,034	942
Lease Liability.	<u>179</u>	<u>180</u>
Total Deferred Tax Assets	<u><u>\$1,852</u></u>	<u><u>\$1,981</u></u>
Deferred Tax Liabilities		
Tax over Book Accumulated Depreciation	500	516
Purchase Accounting.	96	103
ROU Asset.	165	168
Other Liability.	<u>33</u>	<u>31</u>
Total Deferred Tax Liabilities	<u><u>794</u></u>	<u><u>818</u></u>
Net Deferred Tax Asset	<u><u>\$1,058</u></u>	<u><u>\$1,163</u></u>

Included in retained earnings at June 30, 2026 and 2025 is approximately \$3.3 million for which no deferred Federal income tax liability has been recorded. This amount consists of the total amount of bad debt reserves deducted for income tax reporting purposes prior to January 1, 1988. Under current tax law, these pre-1988 bad debt reserves are subject to recapture into taxable income if the Bank were to (a) make certain

Note 10. Income Taxes (Continued)

“non-dividend distributions,” which include distributions in excess of the Bank’s current and accumulated earnings and profits, distributions in redemption of stock, and distributions in partial or complete liquidation or (b) cease to maintain a bank or thrift charter. The unrecorded deferred tax liability was approximately \$693,000 at June 30, 2026 and 2025.

Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. The Company believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements.

Penalties and interest assessed by income taxing authorities, if any, would be included in income tax expense.

Note 11. Employee Benefit Plans

Effective November 15, 2004, the Bank adopted the Home Federal Bank Employees’ Savings and Profit Sharing Plan and Trust. This plan complies with the requirements of Section 401(k) of the Internal Revenue Code. Those eligible for this defined contribution plan must have completed twelve months of full time service and attained age 21. For calendar 2026, participating employees may make elective salary reduction contributions of up to \$24,500 of their eligible compensation. The Bank currently contributes a basic “safe harbor” contribution of 3% of participant plan salary and will match 100% of the first 4% of plan salary elective deferrals. Effective January 1, 2027, the Bank will make a safe harbor matching contribution equal to 100% of the first 6% of plan salary elective deferrals. The Bank is also permitted to make discretionary contributions to be allocated to participant accounts. Pension costs, including administrative fees, attributable to the Bank’s 401(k) safe harbor plan for the years ended June 30, 2026 and 2025 were \$208,000 and \$261,000, respectively.

During fiscal year 2011, the Company established a Survivor Benefit Plan for the benefit of selected executives. The purpose of the plan is to provide benefits to designated beneficiaries, if a participant dies while employed by the Company. The plan is considered an unfunded plan for tax and ERISA purposes, and all obligations arising under the plan are payable from the general assets of the Company. At June 30, 2026 and 2025, there were no obligations requiring accrual for this plan.

The Bank adopted a Supplemental Executive Retirement Agreement (the “SERP”) on December 13, 2017 for the benefit of Mr. James R. Barlow as President and Chief Executive Officer of the Company and the Bank effective as of January 1, 2018 (Effective Date). Under the terms of the original agreement, after the target retirement date of December 31, 2033, Mr. Barlow will receive annual retirement benefits of \$120,000, payable in equal annual installments over ten years. In the event of a separation from service prior to December 31, 2033, other than as a result of death and without cause, Mr. Barlow would receive his accrued benefits through such date payable in a lump sum. If Mr. Barlow has a separation from service either concurrently with or within two years following a change in control, he will be credited with five additional years of service following the date of his separation from service for purposes of calculating his accrued amount. In the event of death while in active service, his designated beneficiaries would receive a lump sum payment of the full retirement benefit. In the event of death after retirement, but before all payments have been made, any remaining benefits will be paid to the designated beneficiaries until all the annual installments have been paid. The retirement benefits were originally vesting ratably at 6.25% per year for sixteen years beginning with the calendar year ending December 31, 2018. Effective July 1, 2026, the Bank amended and restated the SERP to increase the remaining vesting schedule to 10% per year beginning with calendar 2026, so that Mr. Barlow will become 100% vested in the ordinary course as of December 31, 2030 if he continues to remain employed through such date. Under the restated SERP, if Mr. Barlow becomes fully vested in his SERP benefits, he will continue to receive annual retirement benefits of \$120,000, payable in equal annual installments over 10 years, following the later of December 31, 2033 or his separation from service. Under the restated SERP, if Mr. Barlow has a separation from service either concurrently with or within two years following a change in control, he will be credited with the lesser of five additional years of service following the date of his separation from service or the remaining vesting period.

For the years ended June 30, 2026 and 2025, the Company recorded compensation expense totaling \$49,000 and \$48,000, respectively, to accrue the benefits required by the Supplemental Executive Retirement Agreement.

Note 12. Employee Stock Ownership Plan

During fiscal 2005, the Company instituted an employee stock ownership plan. The Home Federal Bank Employee Stock Ownership Plan (ESOP) enables all eligible employees of the Bank to share in the growth of the Company through the acquisition of stock. Employees are generally eligible to participate in the ESOP after completion of one year of service and attaining the age of 21.

The ESOP purchased the statutory limit of eight percent of the shares sold in our initial public offering completed on January 18, 2005, excluding shares issued to Home Federal Mutual Holding Company of Louisiana. This purchase was facilitated by a loan from the Company to the ESOP in the amount of \$1.1 million. The corresponding note was repaid in 80 quarterly debt service payments of \$23,000 on the last business day of each quarter, with the final payment for the quarter ended March 31, 2025.

As part of our second step conversion completed on December 22, 2010, the ESOP purchased six percent of the shares sold in the offering. This purchase was facilitated by a loan from the Company to the ESOP in the amount of \$1.2 million. The corresponding note is being repaid in 80 quarterly debt service payments of \$20,000 on the last business day of each quarter, beginning March 31, 2011, with an interest rate of 3.2%.

Each loan is or was secured by a pledge of the ESOP shares purchased with the applicable loan proceeds. The shares pledged as collateral are reported as unearned ESOP shares in the consolidated balance sheets. The notes payable and the corresponding notes receivable have been eliminated in consolidation.

The Company may contribute to the ESOP, in the form of debt service, at the discretion of its board of directors. Cash dividends on the Company's unallocated stock shall be used to either repay the loan or be distributed to the participants in the ESOP. Shares are released for allocation to ESOP participants based on principal and interest payments of the note. Compensation expense is recognized based on the number of shares allocated to ESOP participants each year and the average market price of the stock for the current year. Released ESOP shares become outstanding for earnings per share computations.

As compensation expense is incurred, the unearned ESOP shares account is reduced based on the original cost of the stock. The difference between the cost and the average market price of shares released for allocation is applied to additional paid-in capital. ESOP compensation expense for the years ended June 30, 2026 and 2025, was approximately \$194,000 and \$218,000, respectively.

The ESOP shares as of June 30, 2026 and 2025, were as follows:

	<u>2026</u>	<u>2025</u>
Allocated and Committed to be Released		
Shares, Beginning of Year	353,802	310,239
Shares Allocated and Committed to be Released		
During the Year	11,671	16,859
Shares Distributed During the Year	(8,777)	(3,385)
Shares Purchased During the Year	9,900	29,179
Unallocated and Unreleased Shares, as of Year End	<u>52,523</u>	<u>64,194</u>
Total ESOP Shares	<u>419,119</u>	<u>417,086</u>
Fair Value of Unreleased Shares (In thousands)	\$ 1,102	\$ 873
Stock Price	\$ 20.99	\$ 13.60

Note 13. Stock-Based Compensation

Stock Incentive Plans

On November 12, 2014, the stockholders of the Company approved the adoption of the Company's 2014 Stock Incentive Plan (the 2014 Stock Incentive Plan). The 2014 Stock Incentive Plan terminated on August 13, 2024, however, the 1,280 plan share awards and 36,000 outstanding options as of June 30, 2026 will remain in effect for the remainder of their five-year vesting and original ten-year terms, respectively.

On November 13, 2019, the stockholders of the Company approved the adoption of the Company's 2019 Stock Incentive Plan (the 2019 Stock Incentive Plan), which provides for a total of 250,000 shares (as adjusted) reserved for future issuance as stock awards or stock options. No more than 62,500 (as adjusted)

Note 13. Stock-Based Compensation (Continued)

shares, or 25%, may be granted as stock awards. The balance of the plan is reserved for stock option awards. On November 11, 2020, the Company granted a total of 62,500 (as adjusted) plan stock awards and 187,500 (as adjusted) stock options to directors, officers and other key employees vesting ratably over five years, with the final vesting November 11, 2025. On July 24, 2024, the Company granted 1,600 stock options to a key employee vesting ratably over five years.

On November 19, 2025, the stockholders of the Company approved the Company's 2025 Stock Incentive Plan (the 2025 Stock Incentive Plan, together with the 2014 Stock Incentive Plan and 2019 Stock Incentive Plan, the "Stock Incentive Plans") which provides for a total of 125,000 shares reserved for future issuance as share awards or stock options. No more than 31,250 shares, or 25%, may be granted as share awards. On December 18, 2025, the Company granted a total of 31,250 share awards and 92,750 stock options to directors, officers, and other key employees vesting ratably over five years. The costs of the Stock Incentive Plans are recognized over the vesting period. As of June 30, 2026, there are 800 stock options and 1,000 stock options available for future grant under the 2019 Stock Incentive Plan and 2025 Stock Incentive Plan, respectively, and no share awards are available under the Stock Incentive Plans.

Incentive stock options and non-qualified stock options granted under the Stock Incentive Plans become vested and exercisable at a rate determined by the Board of Directors or Compensation Committee at the date the grants are made. No vesting shall occur after an employee's employment or service as a director is terminated. In the event of death or disability of an employee or director or change in control of the Company, the unvested options shall become vested and exercisable. The Company recognizes compensation expense during the vesting period based on the fair value of the option on the date of the grant.

Stock Awards

Following is a summary of the status of the stock awards outstanding under the Stock Incentive Plans during the fiscal years ended June 30, 2026 and 2025 (split adjusted):

	Awarded Shares	
	2026	2025
Balance - Beginning of Year	13,300	25,000
Granted	31,250	1,600
Forfeited	—	—
Earned and Issued	(12,020)	(13,300)
Balance - End of Year	<u>32,530</u>	<u>13,300</u>

Compensation expense pertaining to the share awards under the Stock Incentive Plans was approximately \$156,000 and \$112,000 for the years ended June 30, 2026 and 2025, respectively.

Stock Options

Following is a summary of the status of the options outstanding during the fiscal years ended June 30, 2026 and 2025 (split adjusted):

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contract Term	Aggregate Intrinsic Value
Outstanding at June 30, 2025	333,500	\$11.85	3.82	\$ 583,818
Granted	92,750	15.17		
Exercised	(158,596)	11.59		
Forfeited	—	—		
Outstanding at June 30, 2026	<u>267,654</u>	<u>\$13.15</u>	<u>6.46</u>	<u>\$2,097,151</u>
Options Exercisable at June 30, 2026	<u>155,224</u>	<u>\$12.12</u>	<u>4.46</u>	<u>\$1,376,290</u>

Note 13. Stock-Based Compensation (Continued)

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contract Term	Aggregate Intrinsic Value
Outstanding at June 30, 2024.	319,700	\$11.83	4.30	\$115,197
Granted.	24,600	11.79		
Exercised	(10,000)	11.09		
Forfeited.	(800)	11.86		
Outstanding at June 30, 2025.	<u>333,500</u>	<u>\$11.85</u>	<u>3.82</u>	<u>\$583,818</u>
Options Exercisable at June 30, 2025.	<u>274,467</u>	<u>\$11.84</u>	<u>3.14</u>	<u>\$481,818</u>

The fair value of each option granted is estimated on the grant date using the Black-Scholes model. The following assumptions were made in estimating fair value.

	2025 Stock Incentive Plan	2014/2019 Stock Incentive Plan	2014 Stock Incentive Plan	2019 Stock Incentive Plan
	December 18, 2025	July 24, 2024	January 31, 2024	November 11, 2020
Dividend Yield	3.56%	4.41%	3.65%	2.78%
Expected Term.	10 years	10 years	10 years	10 years
Risk-Free Interest Rate	4.12%	4.28%	3.99%	0.98%
Expected Life	10 years	10 years	10 years	10 years
Expected Volatility ⁽¹⁾	34.59%	35.51%	36.58%	25.56%

(1) Weekly volatility is annualized by multiplying by the square root of 52.

A summary of the status of the Company's nonvested options as of June 30, 2026 and changes during the year ended June 30, 2026 is as follows (split adjusted):

	Number of Shares	Weighted Average Exercise Price
Nonvested at June 30, 2025.	59,033	\$11.87
Vested	(39,353)	11.87
Granted	92,750	15.17
Forfeited	—	—
Nonvested at June 30, 2026.	<u>112,430</u>	<u>\$14.58</u>

For the years ended June 30, 2026 and 2025, compensation expense charged to operations for stock options granted under the Stock Incentive Plans was \$114,000 and \$94,000, respectively.

Note 14. Off-Balance Sheet Activities

Credit Related Financial Instruments

The Bank is a party to credit related financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments consist primarily of commitments to extend credit. Such commitments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the consolidated balance sheets.

The Bank's exposure to credit loss in the event of non-performance by the other party to loan commitments is represented by the contractual amount of the commitment. The Bank follows the same credit policies in making commitments as it does for on-balance sheet instruments.

Note 14. Off-Balance Sheet Activities (Continued)

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require a payment of a fee. The commitments for equity lines of credit may expire without being drawn upon. Therefore, the total commitment amounts do not necessarily represent future cash requirements. The amount and type of collateral obtained, if deemed necessary by the Bank upon extension of credit, varies and is based on management's credit evaluation of the counterparty.

No material gains or losses are anticipated as a result of these transactions.

At June 30, 2026 and 2025, the following financial instruments were outstanding:

	Contract Amount	
	2026	2025
	(In thousands)	
Commitments to Extend Credit	\$70,791	\$63,611
Standby Letters of Credit	<u>1,827</u>	<u>1,438</u>
	<u>\$72,618</u>	<u>\$65,049</u>

Cash Deposits

The Company periodically maintains cash balances in financial institutions that are in excess of insured amounts. The Company has not experienced any losses and does not believe that significant credit risk exists as a result of this practice.

Regional Credit Concentration

A substantial portion of the Bank's lending activity is with customers located within a 100 mile radius of the Shreveport, Louisiana metropolitan area, which includes areas of northwest Louisiana, northeast Texas and southwest Arkansas. Although concentrated within the region, the Bank has a diversified loan portfolio, which should preclude the Bank from being dependent upon the well-being of any particular economic sector to ensure collectability of any significant portion of its debtors' loan contracts.

Interest Rate Floors and Caps

The Bank writes interest rate floors and caps into its variable rate mortgage loan contracts and loan servicing agreements in an attempt to manage its interest rate exposure. Such floors and caps enable customers to transfer, modify, or reduce their interest rate risk, which, in turn, creates an off-balance sheet market risk to the Bank. At June 30, 2026, the Bank's loan portfolio contained approximately \$88.433 million of loans in which the loan contracts or servicing agreements possessed interest rate floors and caps.

Note 15. Related Party Events

In the ordinary course of business, the Bank makes loans to its directors and officers. These loans are made on substantially the same terms and conditions, including interest rates and collateral, as those prevailing at the same time for comparable transactions with other customers and do not involve more than normal credit risk or present other unfavorable features.

An analysis of the activity in loans made to such borrowers (both direct and indirect), including lines of credit, is summarized as follows for the years ended June 30, 2026 and 2025:

	2026	2025
	(In thousands)	
Balance – Beginning of Year	\$ 4,383	\$4,300
Additions	2,012	674
Principal Payments	<u>(1,932)</u>	<u>(591)</u>
Balance – End of Year	<u>\$ 4,463</u>	<u>\$4,383</u>

Note 15. Related Party Events (Continued)

Deposits from related parties held by the Bank at June 30, 2026 and 2025 amounted to \$3.181 million and \$3.346 million, respectively.

Note 16. Regulatory Matters

The Bank is subject to various regulatory capital requirements administered by federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly other discretionary actions by regulators that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital requirements that involve quantitative measures of the Bank's assets, liabilities, and certain off-balance-sheet items, as calculated under regulatory accounting practices. The Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

The Bank is required to maintain minimum capital ratios under OCC regulatory guidelines in order to ensure capital adequacy. Management believes, as of June 30, 2026 and 2025, that the Bank met all OCC capital adequacy requirements to which it is subject.

As of June 30, 2026, the most recent notification from the OCC categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Bank must maintain minimum capital ratios, which are different than those required to meet OCC capital adequacy requirements.

There are no conditions or events since that notification that management believes may have changed the Bank's category. The Bank was also classified as well capitalized at June 30, 2025.

The Bank's actual and required capital amounts and ratios for OCC regulatory capital adequacy purposes are presented below as of June 30, 2026 and 2025:

		<u>Actual</u>		<u>Required for Capital Adequacy Purposes</u>	
		<u>Amount</u>	<u>Ratio</u>	<u>Amount</u>	<u>Ratio</u>
(Dollars in thousands)					
June 30, 2026					
Common Equity Tier 1	(1)	59,433	13.11%	20,400	4.50%
Tier 1 Capital	(1)	59,433	13.11%	27,200	6.00%
Total Capital	(1)	64,359	14.20%	36,267	8.00%
Leverage	(2)	59,433	9.29%	25,584	4.00%
Tangible Capital	(2)	59,433	9.29%	9,594	1.50%
June 30, 2025					
Common Equity Tier 1	(1)	56,720	13.59%	18,809	4.50%
Tier 1 Capital	(1)	56,720	13.59%	25,079	6.00%
Total Capital	(1)	61,204	14.67%	33,439	8.00%
Leverage	(2)	56,720	9.40%	24,129	4.00%
Tangible Capital	(2)	56,720	9.40%	9,048	1.50%

(1) Amounts and Ratios to Total Risk-Weighted Assets

(2) Amounts and Ratios to Adjusted Average Total Consolidated Assets

Note 16. Regulatory Matters (Continued)

The Bank's actual and required capital amounts and ratios to be well capitalized under prompt corrective action provisions are presented below as of June 30, 2026 and 2025:

		<u>Actual</u>		<u>Required to be Well Capitalized</u>	
		<u>Amount</u>	<u>Ratio</u>	<u>Amount</u>	<u>Ratio</u>
(Dollars in thousands)					
June 30, 2026					
Common Equity Tier 1	(1)	59,433	13.11%	29,467	6.50%
Tier 1 Capital	(1)	59,433	13.11%	36,267	8.00%
Total Capital	(1)	64,359	14.20%	45,333	10.00%
Leverage	(2)	59,433	9.29%	31,980	5.00%
June 30, 2025					
Common Equity Tier 1	(1)	56,720	13.59%	27,169	6.50%
Tier 1 Capital	(1)	56,720	13.59%	33,439	8.00%
Total Capital	(1)	61,204	14.67%	41,799	10.00%
Leverage	(2)	56,720	9.40%	30,161	5.00%

(1) Amounts and Ratios to Total Risk-Weighted Assets

(2) Amounts and Ratios to Adjusted Average Total Consolidated Assets

Note 17. Restrictions on Dividends

Banking regulations place certain restrictions on dividends paid by the Bank to the Company. The Company is dependent upon dividends from the Bank to provide funds for the payment of dividends to the Company's shareholders, interest payments on the subordinated debt and other general corporate purposes. The Bank's ability to pay cash dividends directly or indirectly to the Company is governed by federal law, regulations and related guidance. These include the requirement that the Bank must receive approval to declare a dividend if the total amount of all dividends, including the proposed dividend, declared by the Bank in any current year exceeds the total of the Bank's net income for the current year to date, combined with its retained net income for the previous two years. The term "retained net income" as defined by federal regulations means the Bank's net income for a specified period less the total amount of all dividends declared in that period.

The Bank may not pay dividends to the Company if, after paying those dividends, it would fail to meet the required minimum levels under risk-based capital guidelines or if the bank regulators have notified the Bank that it is in need of more than normal supervision. Under the Federal Deposit Insurance Act, an insured depository institution such as the Bank is prohibited from making capital distributions, including the payment of dividends, if, after making such distribution, the institution would become "undercapitalized" (as such term is used in the Federal Deposit Insurance Act). Payment of dividends by the Bank also may be restricted at any time at the discretion of the appropriate regulator if it deems the payment to constitute an unsafe and unsound banking practice.

For the years ended June 30, 2026 and 2025, the Bank paid a total of \$4.000 million and \$6.500 million, respectively, in cash dividends to the Company.

Note 18. 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 obligations that require settlement, directly or indirectly, in cash. In cases where quoted market prices are not available, fair values have been estimated using the present value of future cash flows or other valuation techniques. The results of these techniques are highly sensitive to the assumptions used, such as those concerning appropriate discount rates and estimates of future cash flows, which require considerable judgment. Accordingly, estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current settlement of the underlying financial instruments.

Note 18. Fair Value Disclosures (Continued)

ASC 825 excludes certain financial instruments and all nonfinancial instruments from its disclosure requirements. These disclosures should not be interpreted as representing an aggregate measure of the underlying value of the Company.

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 values are based on quoted market prices of comparable instruments. The carrying values of restricted or non-marketable equity securities approximate their fair values. The carrying amount of accrued investment income approximates its fair value.

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 using the discounted value of expected future cash flows. Interest rates used are those being offered currently for loans with similar terms to borrowers of similar credit quality. The carrying amount of accrued interest receivable approximates its fair value.

Other Real Estate Owned

Other real estate owned, which is obtained through the foreclosure process, is valued utilizing the appraised collateral value. Collateral values are estimated using level II inputs based on observable market data or Level III inputs based on customized discounting criteria.

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 deposit accounts are estimated using the discounted value of expected future cash flows. The discount rate is estimated using the rates currently offered for deposits of similar maturities.

Advances from Federal Home Loan Bank and Other Borrowings

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 incremental borrowing rates for similar borrowing arrangements.

Note 18. Fair Value Disclosures (Continued)

At June 30, 2026 and 2025, the carrying amount and estimated fair values of the Company's financial instruments were as follows:

	June 30, 2026				
	Carrying Value	Estimated Fair Value	Level 1	Level 2	Level 3
			(In thousands)		
Financial Assets					
Cash and Cash Equivalents	\$ 34,304	\$ 34,304	\$34,304	\$ —	\$ —
Debt Securities Available-for-Sale	43,624	43,624	—	43,624	—
Debt Securities Held-to-Maturity	55,439	46,658	—	46,658	—
Other Securities	954	954	—	—	954
Loans Held-for-Sale	1,654	1,654	—	1,654	—
Loans Receivable, Net	475,491	458,421	—	—	458,421
Financial Liabilities					
Deposits	\$577,292	\$575,788	\$ —	\$575,788	\$ —
Other Borrowings	3,556	3,556	—	3,556	—
			June 30, 2025		
	Carrying Value	Estimated Fair Value	Level 1	Level 2	Level 3
			(In thousands)		
Financial Assets					
Cash and Cash Equivalents	\$ 17,347	\$ 17,347	\$17,347	\$ —	\$ —
Debt Securities Available-for-Sale	34,246	34,246	—	34,246	—
Debt Securities Held-to-Maturity	61,334	51,139	—	51,139	—
Other Securities	650	650	—	—	650
Loans Held-for-Sale	1,540	1,540	—	1,540	—
Loans Receivable, Net	461,004	440,812	—	—	440,812
Financial Liabilities					
Deposits	\$546,290	\$544,944	\$ —	\$544,944	\$ —
Other Borrowings	4,000	4,000	—	4,000	—

The estimated fair values presented above could be materially different than net realizable value and are only indicative of the individual financial instrument's fair value. Accordingly, these estimates should not be considered an indication of the fair value of the Company taken as a whole.

The Company follows the guidance of ASC 820, *Fair Value Measurements*. ASC 820 establishes a framework for measuring fair value and expands disclosures about fair value measurements. This standard was issued to establish a uniform definition of fair value. The definition of fair value under ASC 820 is market-based, as opposed to company-specific, and includes the following:

- 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 framework for measuring fair value;
- 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 observable data supporting the valuation technique;
- Eliminates large position discounts for financial instruments quoted in active markets and requires consideration of the company's creditworthiness when valuing liabilities; and
- Expands disclosures about instruments that are measured at fair value.

Note 18. 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 as of the measurement date. The three levels are defined as follows:

- 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, that is, markets in which there are few transactions for the asset or liability, the prices are not current, or price quotations vary substantially either over time or among market makers, or in which little information is released publicly; (c) inputs other than quoted prices that are observable for the asset or liability; or (d) inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- 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 in pricing the asset or liability (including assumptions about risk). These inputs are developed based on the best information available in the circumstances, which include the Company's own data. The Company's own data used to develop unobservable inputs are adjusted, if information indicates that market participants would use different assumptions.

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 Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used during the year ended June 30, 2026.

Fair values of assets and liabilities measured on a recurring basis at June 30, 2026 and 2025 are as follows:

<u>June 30, 2026</u>	Fair Value Measurements			
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
	(In thousands)			
Debt securities available-for-sale				
Mortgage-backed securities: residential	\$—	\$43,152	\$—	\$43,152
State and political subdivision	—	472	—	472
Total	<u>\$—</u>	<u>\$43,624</u>	<u>\$—</u>	<u>\$43,624</u>

<u>June 30, 2025</u>	Fair Value Measurements			
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
	(In thousands)			
Debt securities available-for-sale				
Mortgage-backed securities: residential	\$—	\$33,881	\$—	\$33,881
State and political subdivision	—	365	—	365
Total	<u>\$—</u>	<u>\$34,246</u>	<u>\$—</u>	<u>\$34,246</u>

The Company did not record any liabilities at fair market value for which measurement of the fair value was made on a recurring basis at June 30, 2026 or 2025.

Note 18. Fair Value Disclosures (Continued)

The following tables present the Company's assets and liabilities measured at fair value on a non-recurring basis at June 30, 2026 and 2025.

<u>June 30, 2026</u>	<u>Fair Value Measurements</u>			
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
	(In thousands)			
Assets:				
Collateral-dependent loans	\$—	\$—	\$2,644	\$2,644
Other real estate owned, net	\$—	\$—	\$ 613	\$ 613
Total	<u>\$—</u>	<u>\$—</u>	<u>\$3,257</u>	<u>\$3,257</u>

<u>June 30, 2025</u>	<u>Fair Value Measurements</u>			
	<u>(Level 1)</u>	<u>(Level 2)</u>	<u>(Level 3)</u>	<u>Total</u>
	(In thousands)			
Assets:				
Collateral-dependent loans	\$—	\$—	\$2,502	\$2,502
Other real estate owned, net	\$—	\$—	\$ 970	\$ 970
Total	<u>\$—</u>	<u>\$—</u>	<u>\$3,472</u>	<u>\$3,472</u>

Note 19. Earnings Per Common Share

The following table presents the components of average outstanding common shares for the years ended June 30, 2026 and 2025.

	<u>2026</u>	<u>2025</u>
Average Common Shares Issued	3,071,157	3,127,141
Average Unearned ESOP Shares	(58,357)	(72,887)
Weighted Average Number of Common Shares Used in Basic EPS	3,012,800	3,054,254
Effect of Dilutive Securities Stock Options	<u>51,075</u>	<u>24,113</u>
Weighted Average Number of Common Shares and Dilutive Potential Common Shares Used in Diluted EPS	<u>3,063,875</u>	<u>3,078,367</u>

Earnings per share are computed using the weighted average number of shares outstanding as prescribed in GAAP. For the years ended June 30, 2026 and 2025, there were outstanding options to purchase 267,654 and 333,500 shares, respectively, at a weighted average exercise price of \$12.57 per share for 2026 and \$11.85 per share for 2025.

Note 20. Subsequent Events

In accordance with FASB ASC 855, *Subsequent Events*, the Company has determined there have been no subsequent events that have occurred after June 30, 2026, through the date of the financial statements, that would require disclosure.

Note 21. Revenue Recognition

In accordance with Topic 606, revenues are recognized when control of promised goods or services is transferred to customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of Topic 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the Company satisfies a performance obligation. The Company only applies the five-step model to contracts when it is probable that the entity will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer. At contract inception, once the contract is determined to be within the scope of Topic 606, the Company assesses the goods or services that are promised within each contract and identifies those that contain performance obligations, and assesses whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

All of the Company's revenue from contracts with customers in-scope of ASC 606 is recognized in noninterest income and included in our commercial and consumer banking segment. The following table presents noninterest income, segregated by revenue streams in-scope and out-of-scope of Topic 606, for the years ended June 30, 2026 and 2025:

	For the Year Ended June 30,	
	2026	2025
	(In thousands)	
Noninterest Income		
In-scope of Topic 606:		
Debit card interchange fees	\$ 660	\$ 644
ATM surcharge income.	100	105
Service fees on deposit accounts	952	819
Loss on sale of real estate	(18)	(265)
Noninterest Income (in-scope of Topic 606)	1,694	1,303
Noninterest Income (out-of-scope of Topic 606)	978	702
Total Noninterest Income	\$2,672	\$2,005

Deposit Fees

The Bank earns fees from its deposit customers for account maintenance, transaction-based services and overdraft charges. Account maintenance fees consist primarily of account fees and analyzed account fees charged on deposit accounts on a monthly basis. The performance obligation is satisfied and the fees are recognized on a monthly basis as the service period is completed. Transaction-based fees on deposits accounts are charged to deposit customers for specific services provided to the customer, such as wire fees, as well as charges against the account, such as fees for non-sufficient funds and overdrafts. The performance obligation is completed as the transaction occurs and the fees are recognized at the time each specific service is provided to the customer.

Debit Interchange Income

Debit and ATM interchange income represent fees earned when a debit card issued by the Bank is used. The Bank earns interchange fees from debit cardholder transactions through the Visa payment network. Interchange fees from cardholder transactions represent a percentage of the underlying transaction value and are recognized daily, concurrently with the transaction processing services provided to the cardholder. The performance obligation is satisfied and the fees are earned when the cost of the transaction is charged to the cardholders' debit card.

Note 22. Parent Company Financial Statements

Financial information pertaining only to Home Federal Bancorp, Inc. of Louisiana as of June 30, 2026 and 2025 is as follows:

HOME FEDERAL BANCORP, INC. OF LOUISIANA**Condensed Balance Sheets****June 30, 2026 and 2025**

	June 30,	
	2026	2025
	(In thousands)	
Assets		
Cash and Cash Equivalents	\$ 1,689	\$ 1,473
Investment in Subsidiary	61,165	57,819
Other Assets	<u>596</u>	<u>14</u>
Total Assets	<u>\$63,450</u>	<u>\$59,306</u>
Liabilities and Stockholders' Equity		
Borrowings	\$ 3,556	\$ 4,000
Other Liabilities	1,137	101
Stockholders' Equity	<u>58,757</u>	<u>55,205</u>
Total Liabilities and Stockholders' Equity	<u>\$63,450</u>	<u>\$59,306</u>

HOME FEDERAL BANCORP, INC. OF LOUISIANA**Condensed Statements of Operations****For the Years Ended June 30, 2026 and 2025**

	For the Years Ended June 30,	
	2026	2025
	(In thousands)	
Equity in Undistributed Earnings of Subsidiary	\$7,273	\$4,755
Interest Income	5	4
Noninterest Income	<u>5</u>	<u>—</u>
Total Income	<u>7,283</u>	<u>4,759</u>
Operating Expenses	1,129	752
Interest Expense	<u>272</u>	<u>350</u>
Total Expense	<u>1,401</u>	<u>1,102</u>
Income Before Income Tax Benefit	5,882	3,657
Income Tax Benefit	<u>(292)</u>	<u>(231)</u>
Net Income	<u>\$6,174</u>	<u>\$3,888</u>

Note 22. Parent Company Financial Statements (Continued)**HOME FEDERAL BANCORP, INC. OF LOUISIANA**
Condensed Statements of Cash Flows
For the Years Ended June 30, 2026 and 2025

	For the Years Ended June 30,	
	2026	2025
	(In thousands)	
Operating Activities		
Net Income	\$ 6,174	\$ 3,888
Adjustments to Reconcile Net Income to Net		
Cash Used in Operating Activities		
Equity in Undistributed Earnings of Subsidiary	(7,273)	(4,755)
(Increase) Decrease in Other Assets	(582)	380
Increase (Decrease) in Other Liabilities	1,036	(39)
Net Cash Used in Operating Activities	(645)	(526)
Financing Activities		
Distribution from Subsidiary	4,000	6,500
Proceeds from Stock Options Exercised	1,838	111
Repayment of Borrowings	(444)	(3,000)
Proceeds Received from Subsidiary on Stock Compensation Programs	463	424
Company Stock Purchased	(3,333)	(1,073)
Dividends Paid	(1,663)	(1,629)
Net Cash Provided by Financing Activities	861	1,333
Increase in Cash and Cash Equivalents	216	807
Cash and Cash Equivalents, Beginning of Year	1,473	666
Cash and Cash Equivalents, End of Year	\$ 1,689	\$ 1,473

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures

- (a) Our management evaluated, with the participation of our principal executive officer and principal financial officer, the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) as of the end of the period covered by this report. Based on such evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and regulations and are operating in an effective manner.
- (b) Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). The Company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements prepared for external purposes in accordance with generally accepted accounting principles. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in Internal Control — Integrated Framework, management concluded that our internal control over financial reporting was effective as of June 30, 2026.

- (c) No change in the Company's internal control over financial reporting (as defined in rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934) occurred during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

Item 9B. Other Information

During the three months and year ended June 30, 2026, none of the Company's directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of the Company's common stock that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement" as such term is defined in Item 408(c) of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers, and Corporate Governance

The information required herein is incorporated by reference from the sections captioned “Information with Respect to Nominees for Director, Continuing Directors, and Executive Officers” and “Beneficial Ownership of Common Stock by Certain Beneficial Owners and Management – Delinquent Section 16(a) Reports” in the Company’s Proxy Statement to be filed with the Securities and Exchange Commission within 120 days of June 30, 2026 (“Proxy Statement”).

Code of Ethics. Home Federal Bancorp has adopted a Code of Ethics that applies to its principal executive officer and principal financial officer, as well as directors, other officers, and employees of Home Federal Bancorp and Home Federal Bank. A copy of the Code of Ethics may be obtained without charge upon request made to Brad Ezernack, Home Federal Bank, 222 Florida Street, Shreveport, Louisiana 71105.

The Company has adopted insider trading policies and procedures (the “Insider Trading Policy”) with respect to the purchase, sale and/or other dispositions of the Company’s securities. The information required herein with respect to the Company’s Insider Trading Policy is incorporated by reference from the information contained in the section captioned “Insider Trading Policy” in the Proxy Statement. A copy of the Insider Trading Policy is filed as Exhibit 19.1 to this Form 10-K.

Item 11. Executive Compensation

The information required herein is incorporated by reference from the section captioned “Management Compensation” in the Company’s Proxy Statement to be filed with the Securities and Exchange Commission within 120 days of June 30, 2026.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Security Ownership of Certain Beneficial Owners and Management. The information required herein is incorporated by reference from the section captioned “Beneficial Ownership of Common Stock by Certain Beneficial Owners and Management” in the Proxy Statement to be filed with the Securities and Exchange Commission within 120 days of June 30, 2026.

Equity Compensation Plan Information. The following table provides information as of June 30, 2026 with respect to shares of common stock that may be issued under our existing equity compensation plans, which consist of the 2014, 2019, and 2025 Stock Incentive Plans, all of which were approved by our stockholders.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity compensation plans approved by security holders	300,184	\$13.15	1,800
Equity compensation plans not approved by security holders	—	—	—
Total	<u>300,184</u>	<u>\$13.15</u>	<u>1,800</u>

Item 13. Certain Relationships and Related Transactions and Director Independence

The information required herein is incorporated by reference from the section captioned “Indebtedness of Management and Related Party Transactions” in the Proxy Statement to be filed with the Securities and Exchange Commission within 120 days of June 30, 2026.

Item 14. Principal Accountant Fees and Services

The information required herein is incorporated by reference from the section captioned “Ratification of Appointment of Independent Registered Public Accounting Firm — Audit Fees” in the Proxy Statement to be filed with the Securities and Exchange Commission within 120 days of June 30, 2026.

PART IV

Item 15. Exhibit and Financial Statement Schedules

(a) The following documents are filed as part of this report and are incorporated herein by reference from Item 8 hereof:

Report of Independent Registered Public Accounting Firm (Carr, Riggs & Ingram LLC, PCAOB Firm ID 213)

Consolidated Balance Sheets as of June 30, 2026 and 2025

Consolidated Statements of Operations for the Years Ended June 30, 2026 and 2025

Consolidated Statements of Comprehensive Income for the Years Ended June 30, 2026 and 2025

Consolidated Statements of Changes in Stockholders' Equity for the Years Ended June 30, 2026 and 2025

Consolidated Statements of Cash Flows for the Years Ended June 30, 2026 and 2025

Notes to Consolidated Financial Statements

The following exhibits are filed as part of the Form 10-K, and this list includes the Exhibit Index:

No.	Description	Location
3.1	Articles of Incorporation of Home Federal Bancorp, Inc. of Louisiana	(1)
3.2	Bylaws of Home Federal Bancorp, Inc. of Louisiana	(1)
4.1	Form of Stock Certificate of Home Federal Bancorp, Inc. of Louisiana	(1)
4.2	Description of Securities	(2)
10.1	Amended and Restated Employment Agreement between Home Federal Bank and James R. Barlow, dated as of December 27, 2012*	(3)
10.2	Employment Agreement between Home Federal Bancorp, Inc. of Louisiana and James R. Barlow, dated as of December 27, 2012*	(3)
10.3	Amended and Restated Transition Agreement between Home Federal bank and Adalberto Cantu, Jr. dated January 8, 2025	(4)
10.4	Home Federal Bancorp. Inc. of Louisiana 2014 Stock Incentive Plan*	(5)
10.5	Supplemental Executive Retirement Agreement between Home Federal Bank and James R. Barlow, dated as of December 13, 2017*	(6)
10.6	Home Federal Bancorp, Inc. of Louisiana 2019 Stock Incentive Plan*	(7)
19.1	Insider Trading Policy	Filed Herewith
23.0	Consent of Carr, Riggs & Ingram, LLC	Filed Herewith
31.1	Rule 13a-14(a)/15d-14(a) Certification of the Principal Executive Officer	Filed Herewith
31.2	Rule 13a-14(a)/15d-14(a) Certification of the Chief Financial Officer	Filed Herewith
32.0	Section 1350 Certifications	Filed Herewith
97.0	Home Federal Bancorp, Inc. of Louisiana Compensation Recovery Policy	(8)
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).	Filed Herewith
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	Filed Herewith
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	Filed Herewith
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	Filed Herewith
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	Filed Herewith
101.DEF	Inline XBRL Taxonomy Extension Definitions Linkbase Document.	Filed Herewith
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).	Filed Herewith

* Denotes a management contract or compensatory plan or arrangement.

(1) Incorporated herein by reference from the Company's Registration Statement on Form S-1, as amended, filed with the SEC on September 3, 2010 (File No. 333-169230).

(2) Incorporated herein by reference from the Company's Annual Report on Form 10-K filed with the SEC on September 29, 2020 (File No. 001-35019).

- (3) Incorporated by reference from the Company's Current Report on Form 8-K filed with the SEC on December 28, 2012 (File No. 001-35019).
- (4) 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).
- (5) Incorporated by reference from the Company's definitive proxy statement for the Annual Meeting of Shareholders held on November 12, 2014 (File No. 001-35019).
- (6) Incorporated herein by reference from the Company's Current Report on Form 8-K filed with the SEC on December 18, 2017 (File No. 001-35019).
- (7) Incorporated herein by reference from the Company's definitive proxy statement for the Annual Meeting of Shareholders held on November 13, 2019 filed with the SEC on October 9, 2019 (File No. 001-35019).
- (8) Incorporated herein by reference from the Company's Annual Report on Form 10-K filed with the SEC on September 30, 2024 (File No. 001-35019).

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant had duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HOME FEDERAL BANCORP, INC. OF LOUISIANA

Date: September 25, 2026

By: /s/James R. Barlow

James R. Barlow

Chairman of the Board, President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u>/s/ James R. Barlow</u> James R. Barlow	Chairman of the Board, President and Chief Executive Officer <i>(Principal Executive Officer)</i>	September 25, 2026
<u>/s/ Brad Ezernack</u> Brad Ezernack	Executive Vice President and Chief Financial Officer <i>(Principal Financial and Accounting Officer)</i>	September 25, 2026
<u>/s/ Scott D. Lawrence</u> Scott D. Lawrence	Director	September 25, 2026
<u>/s/ Mark M. Harrison</u> Mark M. Harrison	Director	September 25, 2026
<u>/s/ Thomas Steen Trawick, Jr.</u> Thomas Steen Trawick, Jr.	Director	September 25, 2026
<u>/s/ Timothy W. Wilhite, Esq.</u> Timothy W. Wilhite, Esq.	Director	September 25, 2026

CERTIFICATIONS

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

1. I have reviewed this annual report on Form 10-K 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 of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
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 of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 25, 2026

/s/James R. Barlow

James R. Barlow
Chairman of the Board, President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATIONS

I, Brad Ezernack, Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer), certify that:

1. I have reviewed this annual report on Form 10-K 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 of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
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 of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: September 25, 2026

/s/Brad Ezernack

Brad Ezernack
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

SECTION 1350 CERTIFICATIONS

The undersigned executive officers of Home Federal Bancorp, Inc. of Louisiana (the “Registrant”) hereby certify that the Registrant’s Form 10-K for the year ended June 30, 2026 fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 and that the information contained therein fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

September 25, 2026

/s/James R. Barlow

James R. Barlow

Chairman of the Board, President and Chief Executive Officer
(Principal Executive Officer)

September 25, 2026

/s/Brad Ezernack

Brad Ezernack

Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act has been provided to Home Federal Bancorp, Inc. of Louisiana and will be retained by Home Federal Bancorp, Inc. of Louisiana and furnished to the Securities and Exchange Commission or its staff upon request.

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