

# Investor Presentation

November 2024

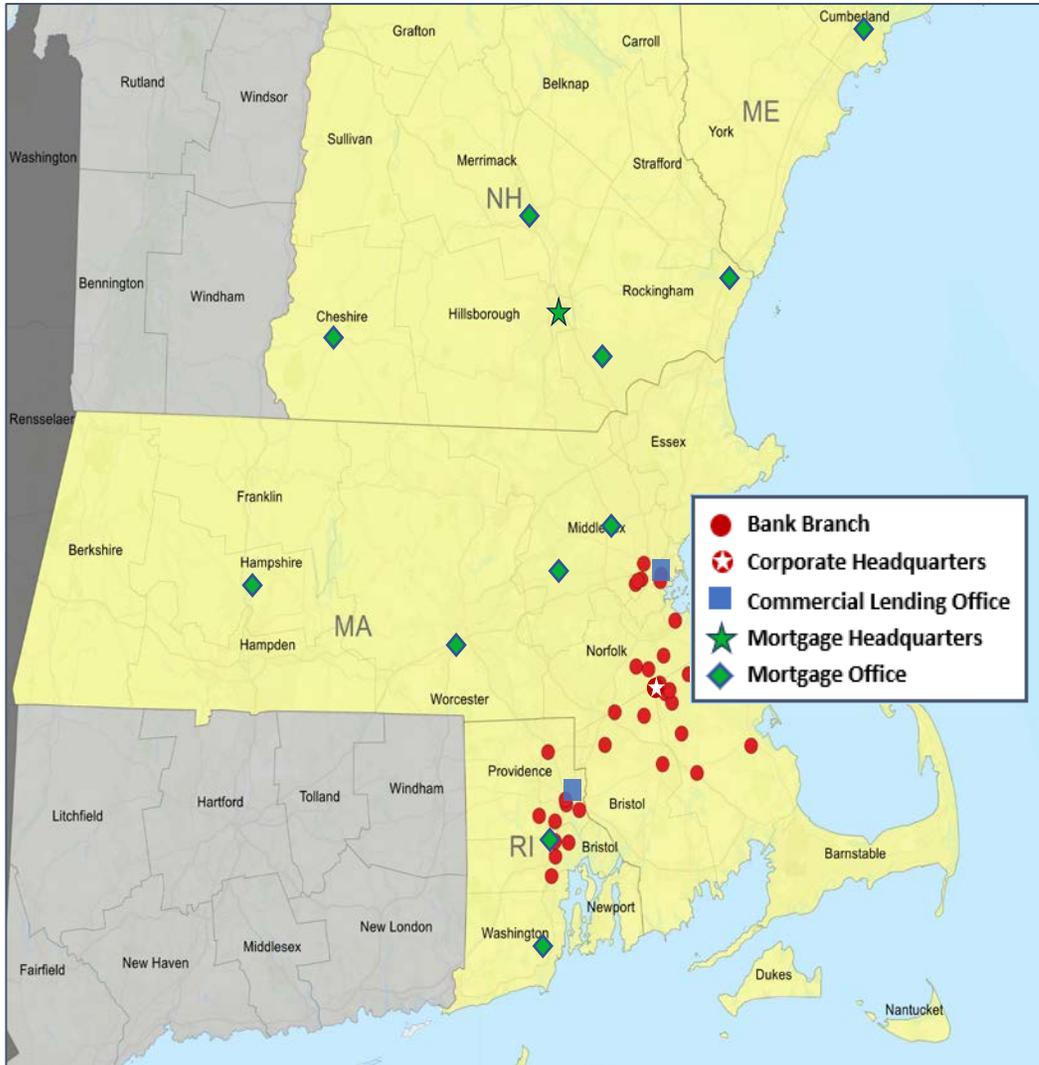
**ONE** Team.  
**ONE** Community.



# Forward-Looking Statements

Certain statements herein constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. We may also make forward-looking statements in other documents we file with the Securities and Exchange Commission (“SEC”), in our annual reports to shareholders, in press releases and other written materials, and in oral statements made by our officers, directors or employees. Such statements may be identified by words such as “believes,” “will,” “would,” “expects,” “project,” “may,” “could,” “developments,” “strategic,” “launching,” “opportunities,” “anticipates,” “estimates,” “intends,” “plans,” “targets” and similar expressions. These statements are based upon the current beliefs and expectations of the Company’s management and are subject to significant risks and uncertainties. Actual results may differ materially from those set forth in the forward-looking statements as a result of numerous factors. Factors that could cause such differences to exist include, but are not limited to, changes in general business and economic conditions (including inflation and concerns about inflation) on a national basis and in the local markets in which the Company operates, including changes that adversely affect borrowers’ ability to service and repay the Company’s loans; changes in interest rates; changes in customer behavior; ongoing turbulence in the capital and debt markets and the impact of such conditions on the Company’s business activities; increases in loan default and charge-off rates; decreases in the value of securities in the Company’s investment portfolio; fluctuations in real estate values; the possibility that future credit losses may be higher than currently expected due to changes in economic assumptions, customer behavior or adverse economic developments; the adequacy of loan loss reserves; decreases in deposit levels necessitating increased borrowing to fund loans and investments; competitive pressures from other financial institutions; cybersecurity incidents, fraud, natural disasters, war, terrorism, civil unrest, and pandemics; changes in regulation; changes in accounting standards and practices; the risk that goodwill and intangibles recorded in the Company’s financial statements will become impaired; demand for loans in the Company’s market area; the Company’s ability to attract and maintain deposits; risks related to the implementation of acquisitions, dispositions, and restructurings; the risk that the Company may not be successful in the implementation of its business strategy; changes in assumptions used in making such forward-looking statements and the risk factors described in the Annual Report on Form 10 K and Quarterly Reports on Form 10 Q as filed with the SEC, which are available at the SEC’s website, [www.sec.gov](http://www.sec.gov). Should one or more of these risks materialize or should underlying beliefs or assumptions prove incorrect, HarborOne’s actual results could differ materially from those discussed. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. The Company disclaims any obligation to publicly update or revise any forward-looking statements to reflect changes in underlying assumptions or factors, new information, future events or other changes, except as required by law.

# A Unique New England Banking Franchise



COMPANY HIGHLIGHTS <sup>1</sup>	
Exchange/Ticker:	NASDAQ/HONE
Total Assets:	\$5.8 Billion
Total Loans:	\$4.9 Billion
Total Deposits:	\$4.5 Billion
Market Capitalization:	\$572 Million

- HarborOne Bancorp, Inc. is a bank holding company and the parent of HarborOne Bank, a state-chartered trust company.
- HarborOne Bank is headquartered in Brockton, MA with 30 full-service banking centers throughout Metro Boston, Southeast Massachusetts and Rhode Island, with commercial lending offices in Boston and Providence.
- HarborOne Mortgage, LLC (“HarborOne Mortgage”) is a wholly owned subsidiary of HarborOne Bank with 15 offices in Maine, Massachusetts, Rhode Island, New Hampshire, New Jersey, and Florida and licensed to lend in 5 additional states.
- HarborOne Bank is a recognized leader in financial and personal enrichment education and innovation through HarborOne U.

# Q3 2024 Results

- Net income of \$3.9 million; diluted income per share \$0.10
- Margin increase to 2.33% in Q3 2024 from 2.29% in Q2 2024
- Loan growth of \$40.3 million, or 3.3% annualized; Client deposit growth of \$89.5 million, or 8.8% annualized
- Asset quality overall remains strong despite an up-tick in nonperforming assets; non-performing assets to total assets at 0.49% compared to 0.17% Q2 2024
- Repurchased 347,670 shares at an average cost of \$12.23 per share, totaling \$4.3 million in Q3 2024

**Net Income**  
**\$3.9 Million**

**Diluted EPS**  
**\$0.10**

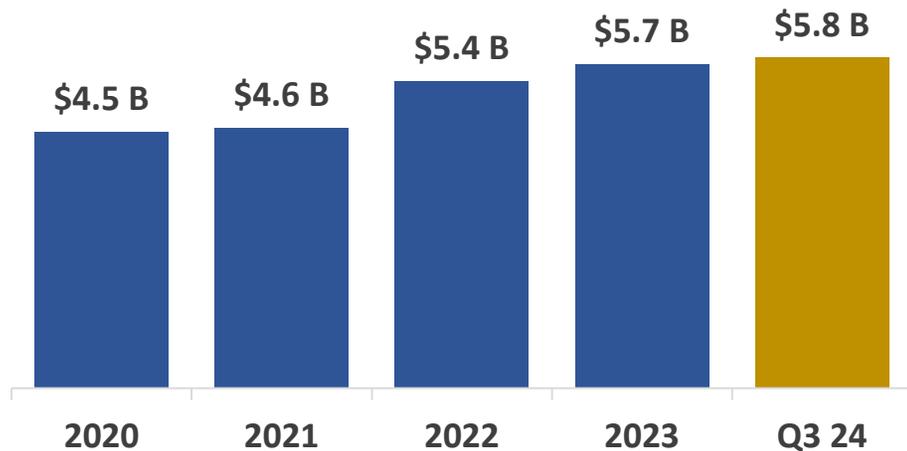
**Loan Growth**  
**\$ 40.3 Million**

**Client Deposit Growth**  
**\$ 89.5 Million**

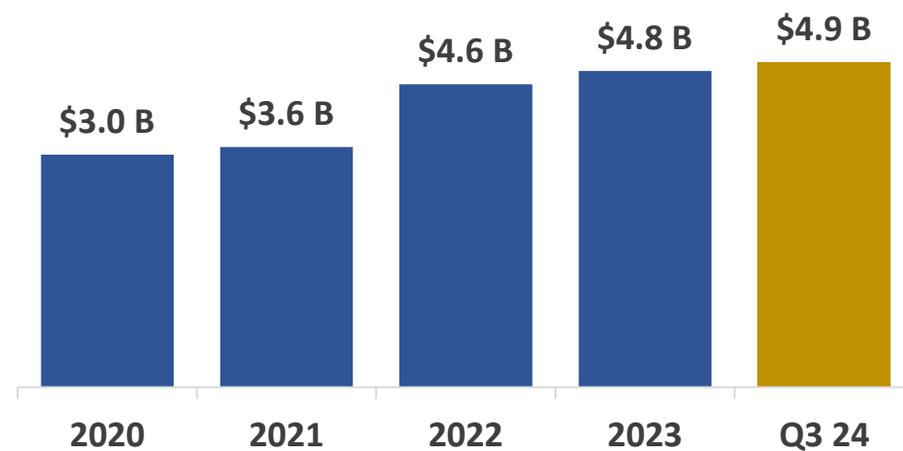
**Tangible Book Value**  
**\$11.88**

# Key Performance Metrics

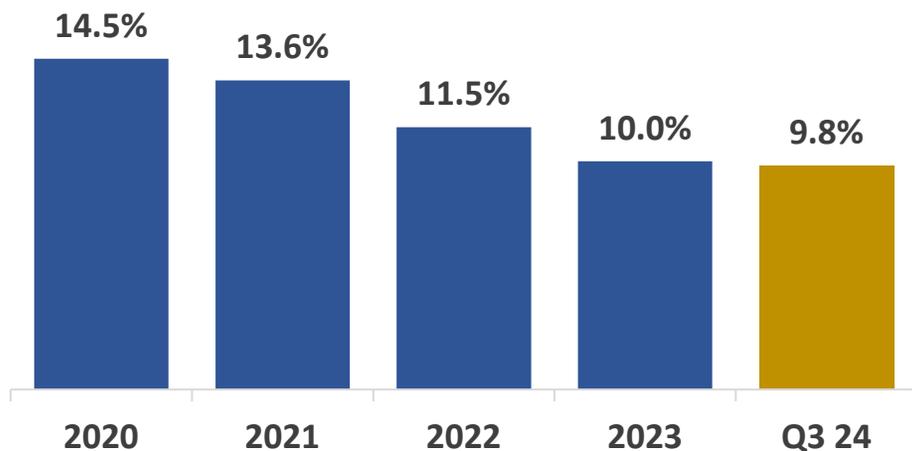
## Total Assets



## Total Loans



## Tier 1 Leverage

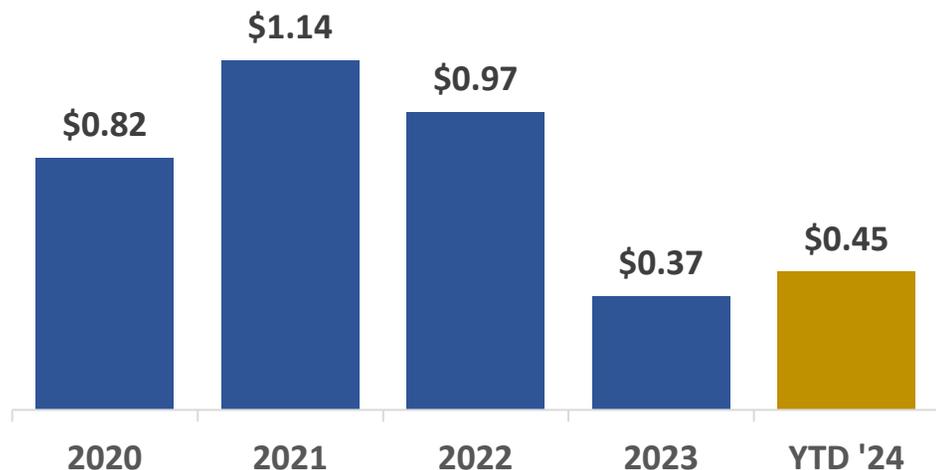


## Tangible Book Value per share

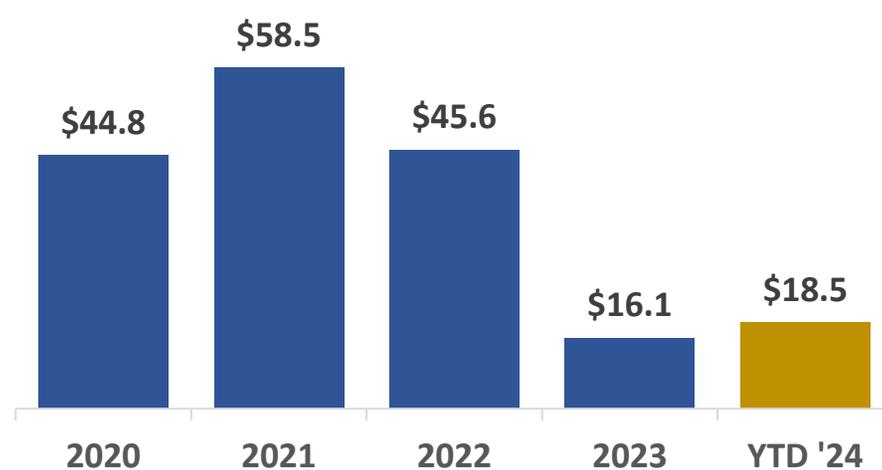


# Key Performance Metrics (Cont.)

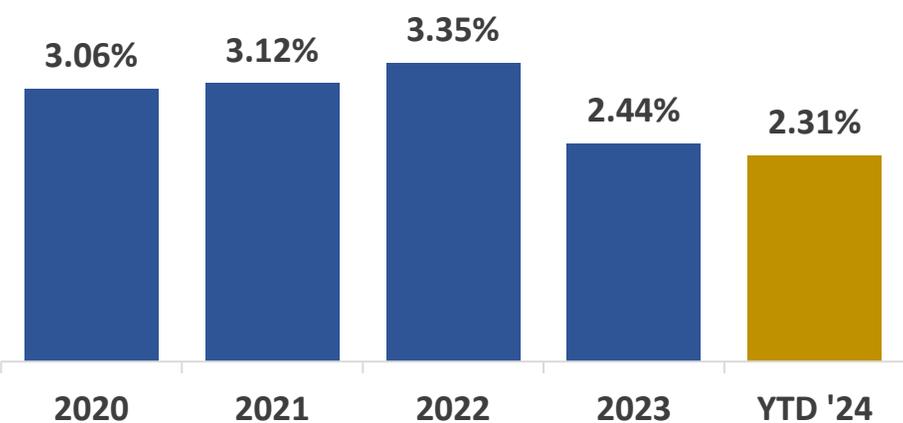
## EPS



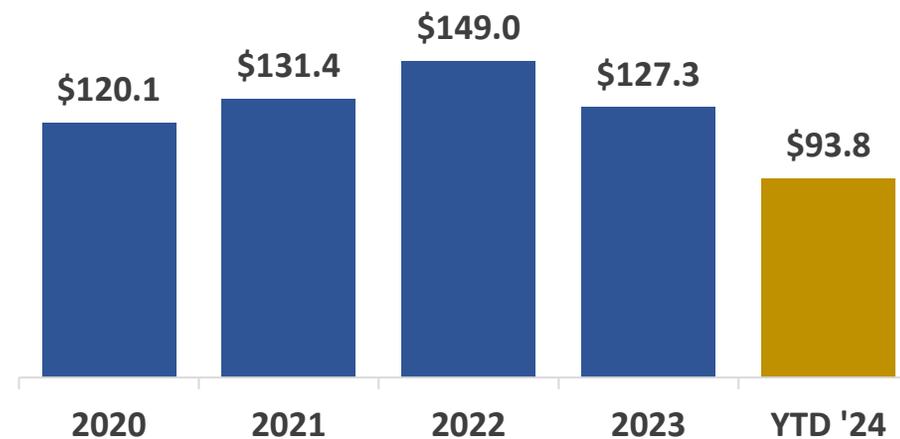
## Net Income (\$MM)



## Net Interest Margin on FTE Basis



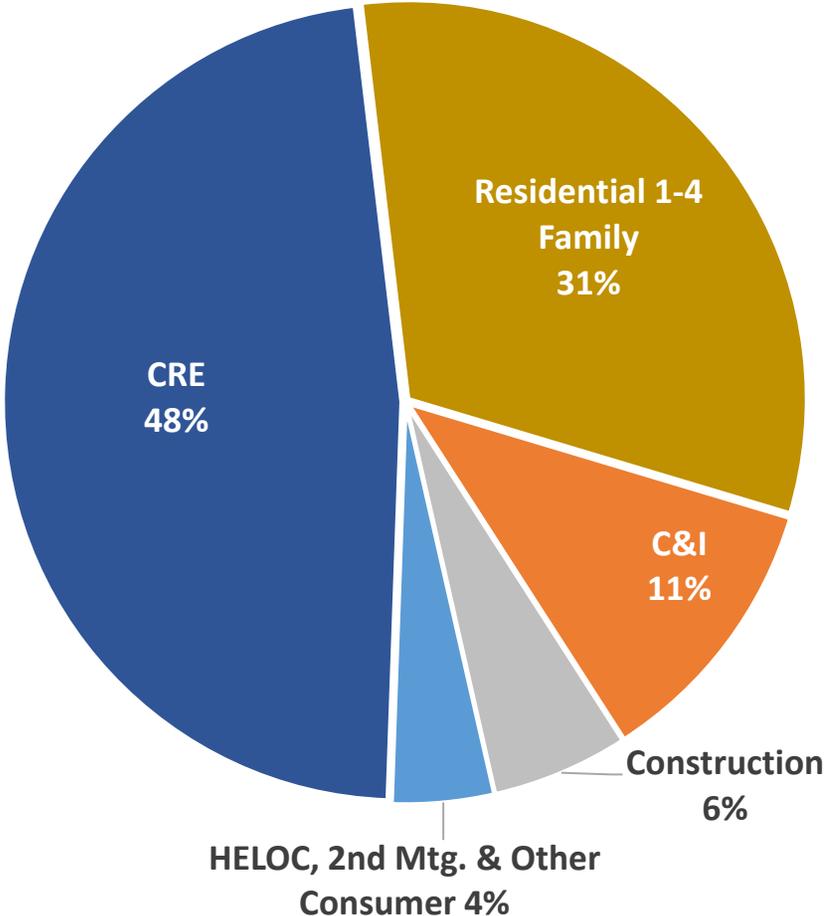
## Net Interest Income (\$MM)



# Loan Portfolio

## Total Loan Portfolio

\$4.9 Billion

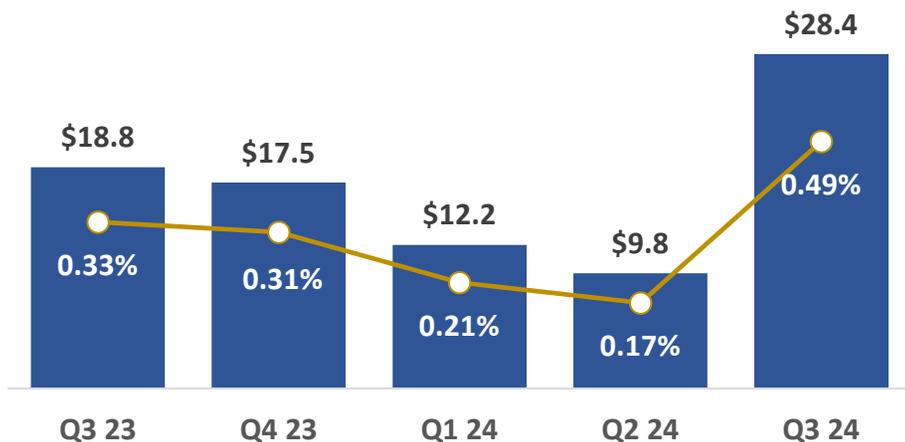


## Highlights

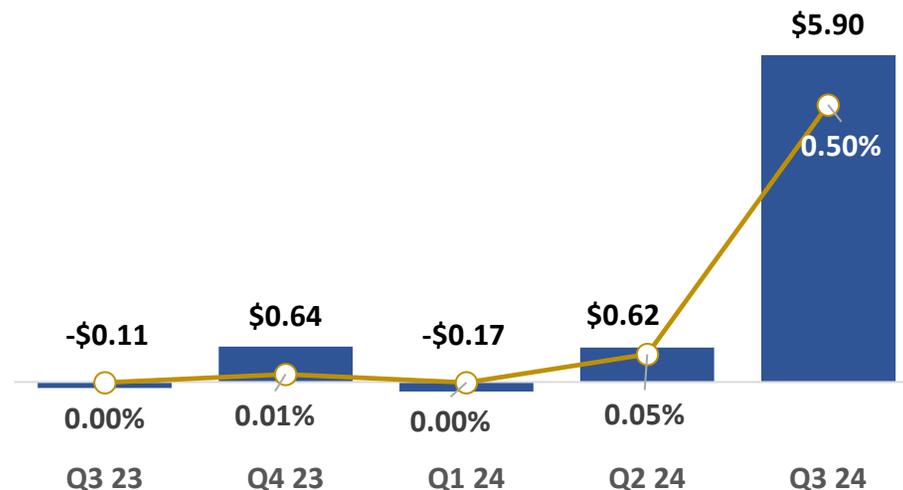
- Loan growth commensurate with deposit growth
- Commercial & Industrial loans grew 10% on a linked-quarter basis and 18% year-to-date
- Commercial real estate declined 3% on linked quarter basis and 1% year-to-date
- Limited purchases of residential mortgages from Harbor One Mortgage in 2024; residential mortgage balances have increased modestly (<1%) year to date primarily due to historically low prepayment speeds

# Asset Quality

## Non-Performing Assets (\$MM)



## Provision (\$MM)

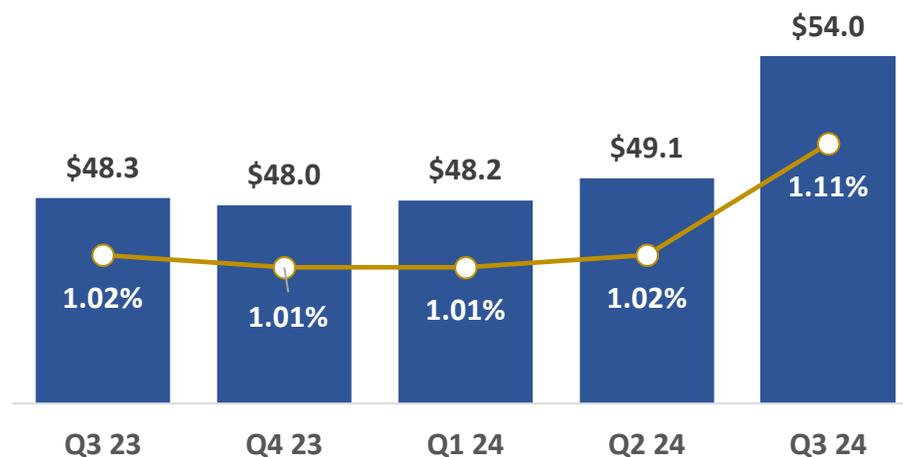


## Top 5 Substandard Relationships (\$MM)

Category	Asset Type	Balance	Specific Reserve	Occupancy
CRE- Office <sup>1</sup>	Conversion to Lab	\$17.2	\$4.7	0%
CRE- Office <sup>1,2</sup>	Conversion to Med Office	\$15.3	\$0.1	50%
Construction	Conversion to Multifamily	\$6.9	-	88%
CRE- Office <sup>1</sup>	Metro Office	\$6.2	\$0.4	46%
CRE- Hotels <sup>1,3</sup>	Hotel Group	\$4.8	-	42%

*All Loans paying as agreed.* 1: Updated appraisals received within last 120 days; 2: Comprised of an office loan and a land loan; 3: Comprised of a leisure hotel and a business hotel

## Allowance for Credit Losses (\$MM)



# Underwriting & Credit Risk Management

## Footprint-Focused Client Acquisition

- New England-focused client base sourced by seasoned lending professionals with local expertise
- Win business through reputation for execution and partnership
- Focused on growing and deepening relationships with known customers and sponsors
- New England footprint historically resilient, with favorable demographic trends

## Credit Monitoring

- Active engagement and covenant monitoring by portfolio managers residing within the lending groups
- Independent loan review team re-reviews client relationships annually
- Loan-level stress testing semi-annually to flag loans with at-risk characteristics

## Relationship Driven Underwriting

- Deep localized underwriting expertise
- CRE preference has historically been with known sponsors with demonstrated track records in their established vertical
- Limited appetite for loans requiring participations, and generally only with reciprocal relationships

## Loss Management

- Early intervention with borrowers, which generally results in favorable delinquency rates and lower charge-offs relative peers
- Aggressive commercial workout team with deep commercial loan expertise; takes the lead on all loans with defined weaknesses and/or greater than 90 days past due

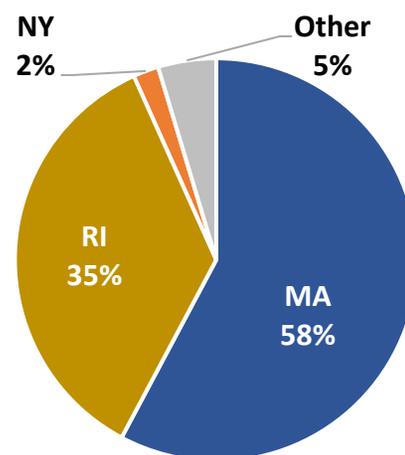
# Growing Focus on C&I and Small Business

## C&I and Small Business Loans (SMM)

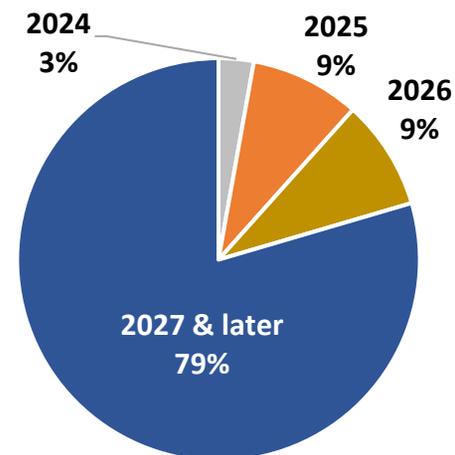
22% Combined Growth over the last year



## Portfolio Characteristics



New England Focused



Maturity Profile

## Portfolio Composition (\$MM)

Type	Balance	Avg Balance	Classified	Non-Acc
Manufacturing	\$103.1	\$0.9	-	-
Health Care	\$102.4	\$0.4	\$0.2	-
Utilities	\$84.4	\$4.7	-	-
Retail	\$32.5	\$0.2	-	\$0.1
Education	\$31.7	\$1.2	-	-
Construction	\$22.4	\$0.1	\$0.7	\$0.3
Restaurant	\$21.4	\$0.3	-	-
Wholesale Trade	\$17.9	\$0.4	-	-
Rental and Leasing	\$17.0	\$0.7	-	-
Administrative	\$14.4	\$0.1	\$0.3	\$0.3
Professional Services	\$10.0	\$0.1	-	-
All Others <sup>1</sup>	\$92.7	\$0.2	\$1.4	\$1.0

## Highlights

- Top 20 C&I obligors have a weighted average debt service coverage ratio (DSCR)<sup>2</sup> of ~2.05x
- C&I & Small Business Delinquency Rate of 48 bps
- Top 10 SBA lender in Rhode Island, and top 15 SBA lender in Massachusetts

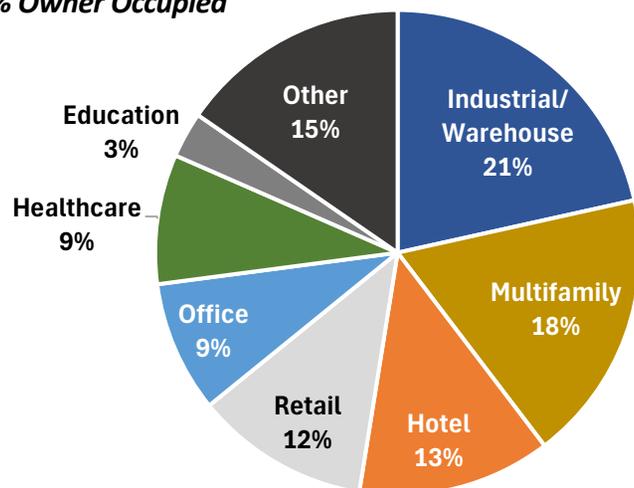


1: \$1 million of Non-Accrual exposure comprised of the guaranteed portion of SBA 7(a) loans largely attributed to a single borrower; 2: DSCR calculated based on most recent financial information, typically received annually

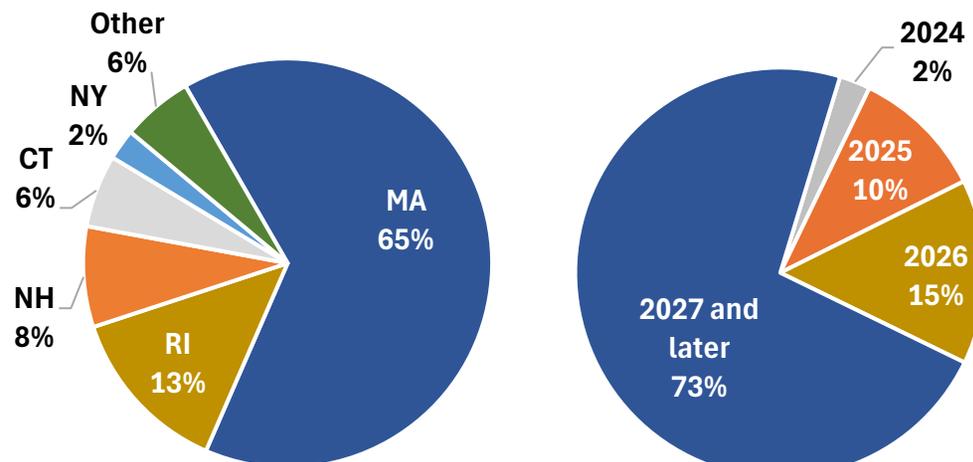
# Commercial Real Estate & Construction Profile

## Portfolio by Type (\$2.3 B)

14% Owner Occupied



## Portfolio Characteristics



New England Focused

Maturity Profile

## Portfolio Composition (\$MM)

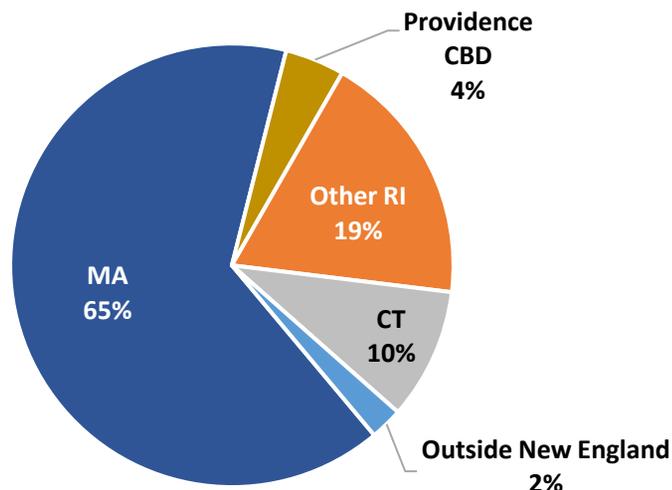
Type	Balance	Avg Balance	Classified	Non-Acc
Industrial/Warehouse	\$557.9	\$7.6	\$4.6	-
Multifamily	\$469.3	\$6.3	\$6.9	-
Hotel/Hospitality	\$334.2	\$9.1	\$4.8	-
Retail Trade	\$301.3	\$3.5	-	-
Office	\$227.0	\$2.4	\$38.6	\$17.2
Healthcare	\$224.0	\$3.9	-	-
Educational Services	\$78.7	\$2.8	-	-
Restaurant	\$46.2	\$1.0	-	-
Utilities	\$18.8	\$0.8	-	-
Arts & Entertainment	\$18.1	\$1.6	-	-
All Others	\$316.0	\$6.0	-	-

## Highlights

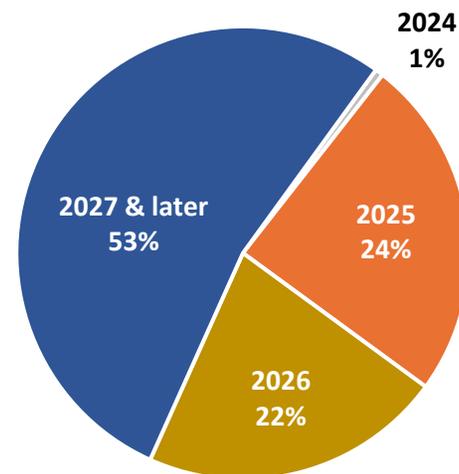
- Top 20 CRE obligors have a weighted average debt service coverage ratio (DSCR)<sup>1</sup> of 1.29x
- Top 20 CRE obligors have a weighted average Loan-to-Value (LTV)<sup>2</sup> of 55.5%
- CRE & Construction Delinquency Rate of 11 bps
- NOO CRE/Construction to Capital Ratio of 373%, an 11 bps improvement since the beginning of the year
- 15% of CRE/Construction loan exposure is reported as Participation-In

# CRE & Construction- Focus on Office (\$227 MM)

## Geography



## Maturity Profile



## Portfolio Composition (\$MM)

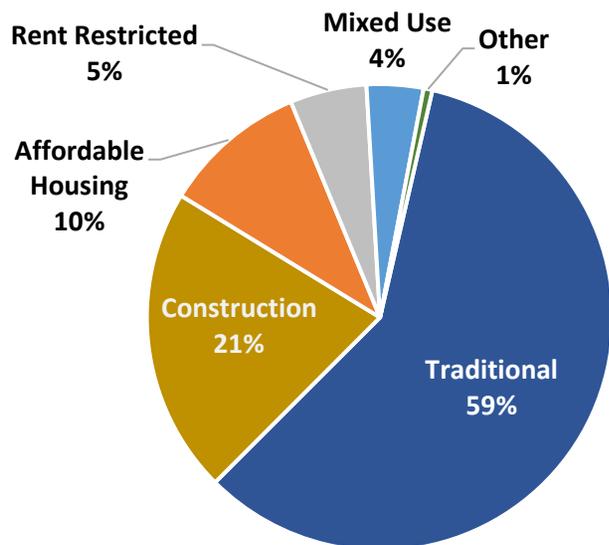
Type	Balance	Avg Loan Balance	LTV <sup>1</sup>	DSCR <sup>2</sup>	Asset Quality			
					Pass	Special Mention	Classified	Non-Accrual
Class A	\$56.8	\$8.1	80.9%	1.12	\$39.6	-	\$17.2	\$17.2
Class B	\$134.6	\$4.5	64.6%	1.34	\$113.1	-	\$21.5	-
Class C	\$17.5	\$1.8	49.7%	1.47	\$17.5	-	-	-
Construction	\$18.1	\$18.1	NA	NA	\$18.1	-	-	-

## Highlights

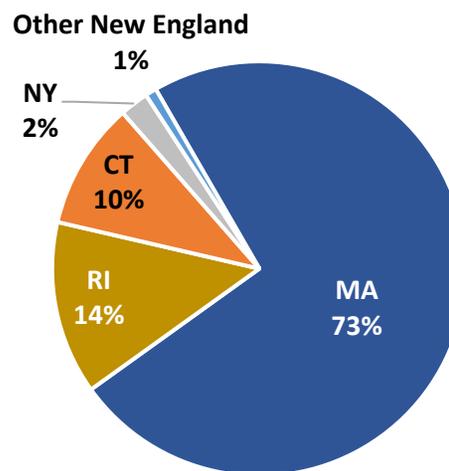
- Most relationships maturing in 2024 and 2025 are in active dialogue with borrowers and have action plans in place
- Construction office loan is 65% open and occupied with 90% occupancy committed upon completion; adhering to original timeline and budget

# CRE & Construction- Focus on Multifamily (\$469 MM)

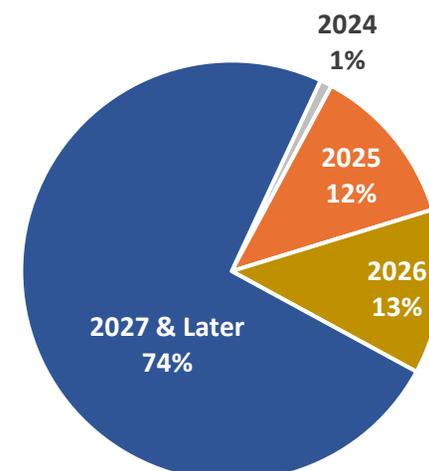
## Portfolio by Type



## Portfolio Characteristics



New England Focused



Maturity Profile

## Portfolio Composition

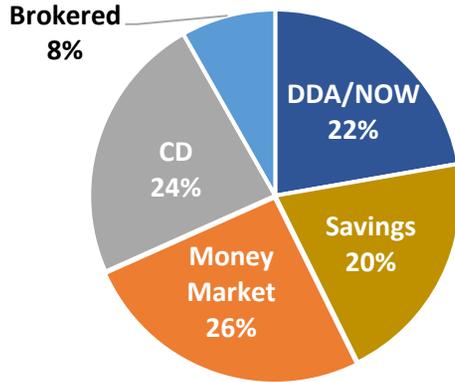
Type	Balance	Avg Balance	LTV <sup>1</sup>	Classified	Non-Acc
Traditional (Mkt Rate)	\$276.2	\$5.5	59%	-	-
Affordable Housing	\$47.1	\$7.9	57%	-	-
Rent Restricted	\$25.0	\$25.0	74%	-	-
Mixed Use	\$18.5	\$3.7	64%	-	-
Other	\$2.9	\$1.0	76%	-	-
Construction	\$99.6	\$10.0	NA	\$6.9	-

## Highlights

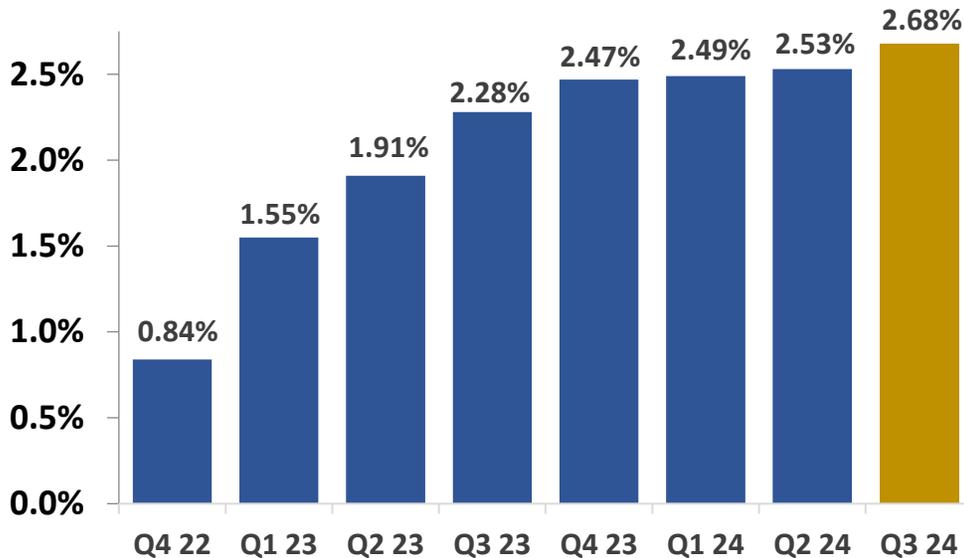
- Top 20 Multifamily obligors have a weighted average debt service coverage ratio (DSCR)<sup>2</sup> of 1.21x
- No delinquencies in Multifamily portfolio
- Focus on properties rated 3 Stars or better by CoStar

# Deposits

## Deposit Mix



## Average Quarterly Cost of Deposits



## Highlights

- Total deposits increased \$77.9 million in Q3 24, with increases in checking, money market and CD's partially offset by decreases in savings accounts and brokered CD's
- Cost of deposits increased 15 basis points to 2.68% for the three months ended September 30, 2024
- Business accounts represent 19% of total deposits with a cost of 192 basis points
- Business checking production increased 21% and consumer checking production increased 6%, both on a linked quarter
- Shift to Self-Service / Payments: 75% of customers active users of digital banking solutions; 72% utilize debit cards regularly, versus industry average of 61%<sup>1</sup>

# Deposits

## FDIC Deposit Market Share<sup>1</sup>

24 Rank	Town	2023	2024
3	Abington	20.3%	<b>21.6%</b>
5	Attleboro	6.9%	<b>7.5%</b>
16	Boston	0.1%	0.1%
2	Bridgewater	19.0%	<b>19.8%</b>
7	Brighton	1.4%	<b>2.1%</b>
1	Brockton	56.3%	<b>56.8%</b>
10	Brookline	0.2%	<b>0.7%</b>
14	Cambridge	0.1%	<b>0.2%</b>
2	Canton	17.2%	<b>17.7%</b>
6	Cranston	4.4%	<b>4.7%</b>
8	East & West Greenwich	5.0%	<b>5.4%</b>
6	East Providence	5.1%	<b>5.2%</b>
2	Easton	21.9%	18.7%
3	Lincoln	25.5%	23.6%
4	Mansfield	12.1%	11.9%
3	Middleboro	16.5%	<b>18.1%</b>
3	Plymouth	11.5%	11.4%
10	Providence & N. Providence	0.5%	<b>0.5%</b>
14	Quincy	1.0%	<b>1.2%</b>
3	Randolph	12.1%	<b>14.5%</b>
5	Raynham	10.6%	<b>11.9%</b>
8	Stoughton	3.2%	<b>3.6%</b>
7	Warwick & West Warwick	6.4%	6.4%

## Highlights

- Ranked top 5 in >50% of markets served and gained market share in 18 of 23 markets
- Average Consumer Household Tenure: 52% of balances > 15 yrs and 75% of balances > 5 yrs
- Brockton area banking centers checking production increased 47% over the last year as we capitalize on competitor closings
- Average deposits in the Boston market increased 46% Q3 2024 vs. Q3 2023

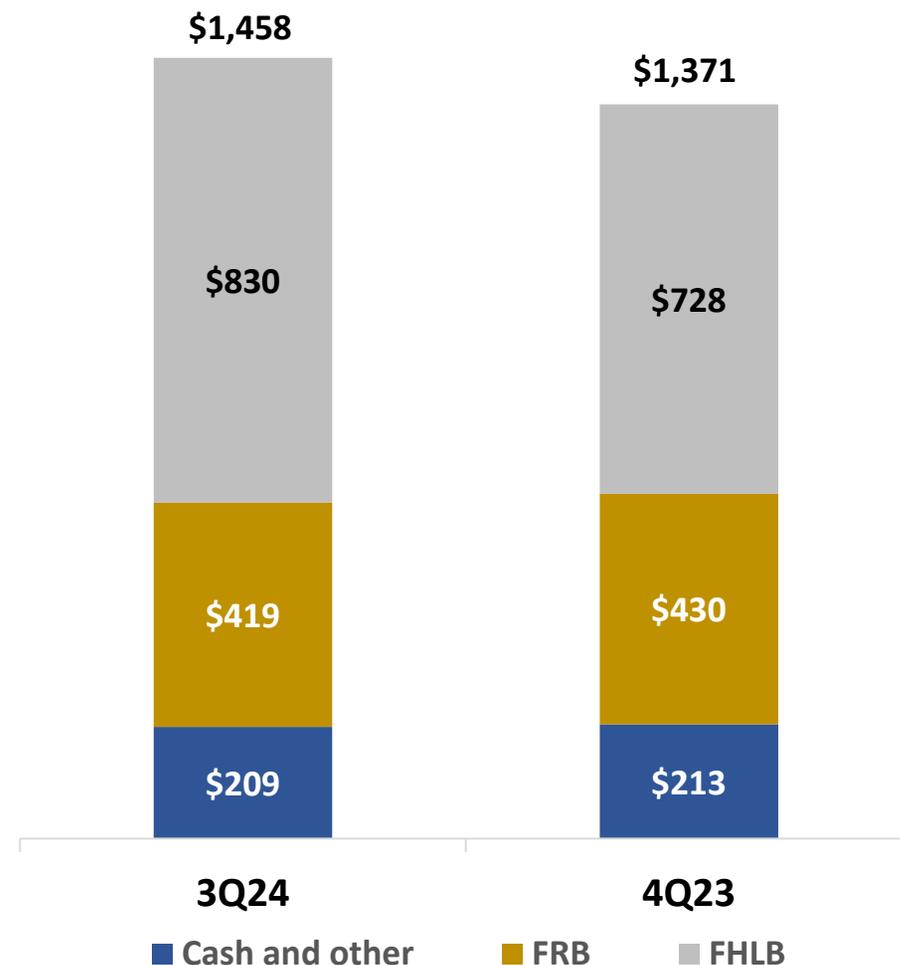
# Solid Liquidity to Cover All Uninsured Deposits

## Est. Uninsured Deposits & Available Liquidity

(\$MM)	3Q 24	4Q 23
Uninsured Deposits <sup>1</sup>	1,001	1,070
Less: FHLB LOC Secured Deposits	211	18
Uninsured deposits(after exclusions)	790	1,052
Total Deposits	4,536	4,387
Uninsured Deposits as a % of Total Deposits	17%	24%
Immediately Available Liquidity	1,458	1,371
Coverage as % of Immediately Available Liquidity	185%	130%

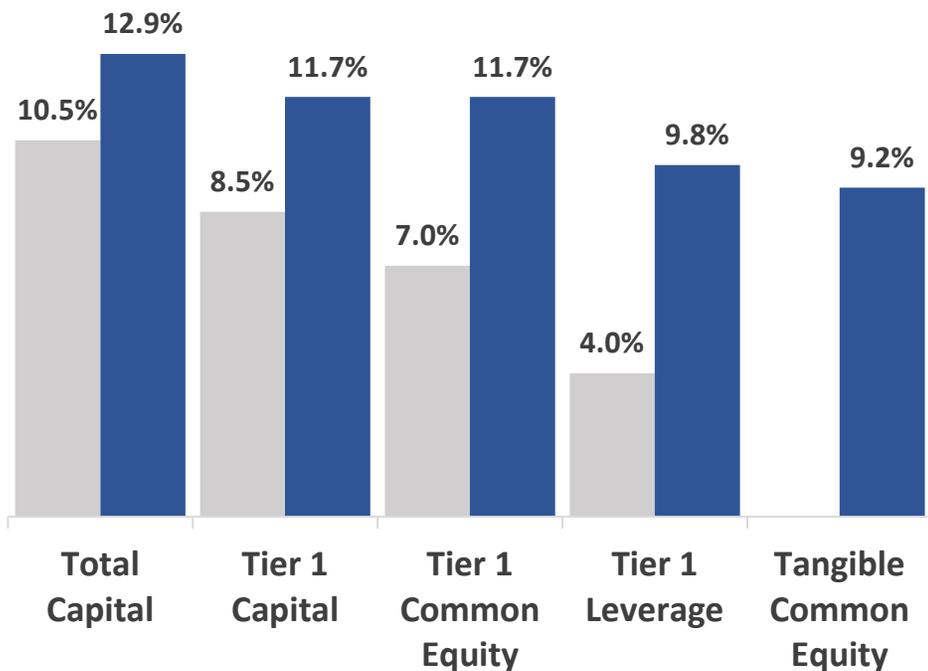
<sup>1</sup>Uninsured deposits excludes subsidiary accounts

## Available Liquidity (\$MM)



# Capital Management

## Capital Ratios\*



■ Minimum Capital Required plus Capital Conservation Buffer

■ HONE

## Highlights

- The Company remains well capitalized and is able to weather economic volatility
- Continued annual dividend growth with 6.7% increase in Q1 2024
- Seventh program ongoing to buy back approximately 2.2 MM shares or \$20MM
- Strong Tangible Capital Ratio of 9.17% with minimal securities categorized as Held to Maturity

\* All information is as of September 30, 2024 unless otherwise noted.

# Mortgage Banking

(\$ in 000's)	Q3 2024	Q2 2024	Q3 2023
Gain on Sale	\$3,752	\$3,141	\$2,704
MSR Fair Value & Amortization	(\$2,421)	(\$1,024)	\$107
Servicing Revenue / Other	\$2,492	\$2,641	\$2,438
Total Revenue	\$3,928	\$5,002	\$5,337
Expenses	\$5,600	\$5,269	\$5,490
Net Loss	(\$1,137)	(\$191)	\$(138)

## Key Drivers/Statistics

\$ Disbursements	\$210 MM	\$173 MM	\$158 MM
Sales Margin	2.19%	2.46%	2.16%
FTE's	136	130	137
Offices	15	15	19
MSR Balance	\$40.2 MM	\$43.1 MM	\$45.7 MM
Change in MSR Fair Value	(\$2,694) K	(\$287) K	\$641 K
10 year Treasury	3.79%	4.40%	4.59%

## Highlights

- Mortgage banking segment continues to be negatively impacted by market conditions.
- Net loss of \$1.1 million, mortgage servicing rights (MSR) valuation down \$2.7 million due to key benchmark rates used in the valuation model decreased from the prior quarter.
- Disbursements up 21% from Q2 2024 and up 33% from Q3 2023. Q3 2024 production volume was 90% purchase, 10% refinance.

# Bank Stand-Alone

(\$ in 000's)	Q3 2024	Q2 2024	Q3 2023
Interest Income	\$68,900	\$67,687	\$62,951
Interest Expense	37,120	36,589	31,483
Net Interest Income	31,780	31,098	31,468
Provision	5,903	615	-113
Noninterest Income	6,665	7,156	6,511
Noninterest Expense	26,752	27,791	26,272
Net Income	\$4,915	\$7,538	\$9,104

## Key Drivers/Statistics

ROAA	0.34%	0.52%	0.65%
Efficiency Ratio	69.1%	72.2%	68.7%
Margin	2.32%	2.28%	2.36%
FTE's	406	408	392
Nonaccrual Loans	\$ 24.4MM	\$9.8 MM	\$18.8 MM
Net charge-off(recovery) rate	0.02%	0.02%	-%
ACL/Loans	1.11%	1.02%	1.02%

## Highlights

- Net Income of \$4.9 MM, down 35% QOQ.
- Net Interest Income of \$31.8 MM, up 2% on a linked quarter basis, up 0.9% YOY.
- Q3 2024 \$5.9 MM provision, \$5.0 MM primarily for specific loan allocations and \$855K provision for unfunded commitments.
- Noninterest income down \$492K on a linked quarter basis and up \$153K YOY. Q2 included \$1.8 MM gain on sale-leaseback of Bank property, partially offset by \$1.0 MM loss on sale of securities.
- Noninterest Expenses down \$1.0 MM on a linked quarter basis. Q2 2024 included contribution expense of \$675K on the bargain purchase price of the sale-leaseback transaction.

# Why HarborOne

## Clear Strategic Focus

- Drive organic growth with a focus on Customer Primacy.
- Ensure diverse and low cost funding base with significant available liquidity.
- Foster customer-centric mission that earns total long-term banking relationships.
- Continued rationalization and modernization of Banking Centers.

## Unique Franchise and Culture

- Attractive New England (metro Boston & Providence) footprint.
- HarborOne was recognized as Best Bank in Rhode Island and Metro South Community Choice Awards in 2024.
- Deep community engagement - 2023 Boston Business Journal Most Charitable Companies list (7th consecutive year), Providence Business News Giving Guide ranked HarborOne Bank #5 in the state of Rhode Island in 2023 for total charitable donations.

## Proven Track Record

- Seasoned management team and Board.
- Excess capital to manage economic headwinds.
- Increasing quarterly dividend with continued stock buybacks.
- Prudent cost management with commitment to continuous process enhancement.

# HarborOne U - “Enriching lives through education”

## Small Business

Original content, tools, templates, case studies, and calculators to help small businesses achieve financial success.



**Welcome to our  
new online  
Financial  
Education Center!**

The more you know, the more you grow.

## Consumer

A personalized education platform that helps individuals and families gain skills and build confidence in their financial choices.

# A Commitment to Doing What's Right

## Mission Statement

We provide a personalized experience while caring about every customer.

We focus on understanding their financial goals for today and dreams for tomorrow.

We are unwavering in our commitment to the communities that we serve.



## Vision Statement

To be our customers' most trusted financial partner.



## Our Values

Integrity. Teamwork. Trust.  
Respect. Accountability.