



PRESS RELEASE

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Hingham, MA (NASDAQ:HIFS)

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RECENT REPORTING REGARDING HINGHAM

HINGHAM INSTITUTION FOR SAVINGS (NASDAQ:HIFS) (“the Bank”), Hingham, Massachusetts.

Activism and short selling serves an important role in public markets. The current management group came to Hingham as activists in a proxy fight in order to protect shareholder rights and we are sympathetic to activists’ desire to improve the performance and capital allocation of public companies. Market participants are entitled to differing opinions - this makes a market. Having noted the above, we believe the report released by Wolfpack Research (“Wolfpack”) yesterday contains material factual inaccuracies, errors of interpretation, and unsupported conclusions.

We will not engage in a line-item refutation of each of the claims made in the report. When loans that fail to perform according to their terms, we exercise our remedies in a manner designed to protect the Bank’s interests. We reaffirm the accuracy of our financial statements in our earnings press release dated January 16, 2026 and the Call Report filed with the Federal Deposit Insurance Corporation (“FDIC”) for the quarter ended December 31, 2025, in their entirety. Our forthcoming Annual Report on Form 10-K in March will not differ in any material way from our earnings release or our Call Report for the quarter ended December 31, 2025.

To the extent there are differences of opinion regarding the Bank’s prospective performance, these will ultimately be resolved through the Bank’s performance itself.

The report reflects fundamental errors with respect to valuation of the real estate collateral and misrepresents key facts from the Bank’s securities filings. The report writer states conclusively on the first page of the report that “*Hingham lent \$832.8MM in D.C. metro area CRE between 2021-2022 with reported LTVs of 75%.*” This claim is fundamental to later analysis that suggests the Bank has significant losses on its portfolio. The writer supports this claim via a footnote to the Bank’s Annual Report on Form 10-K for 2024. This claim is false.

The Bank’s Annual Report in 2024 says nothing of the kind. It states - in the referenced paragraph - that “loan amounts do not exceed 75% of the appraised value of the collateral.” This is a limit, not an average or median or a practice. This leads to a systematic undervaluation of all of the collateral in the analysis, undermining the core conclusion of the report.

All of the office loans identified in the report are current, performing, and well-secured. In many instances the borrowers are exceptionally strong, with deep liquidity. Some of these office properties were discussed individually during our recent annual meetings in 2023, 2024, and 2025. In one instance, the report labels a special purpose flex/industrial property as an office building. In another instance, even the original loan balance - a matter of fact in the public record - was materially overstated by the report, leading the reader to draw an inaccurate conclusion regarding the current loan to value ratio.

The report reflects a fundamental misunderstanding of land and construction lending, assuming that all funds secured by mortgages or deeds of trust are advanced at the outset of the project. In a construction loan, construction funds are advanced as work is completed, following inspections by the Bank or the Bank's third-party engineers. This basic misunderstanding leads to substantial misstatements of Bank loan exposure on individual projects, in some instances overstating the Bank's current exposure to a project by well over 100%.

Certain segments of the Washington, D.C. affordable multifamily housing market are facing performance challenges - especially segments where landlords have been challenged to evict nonpaying tenants or properties for which they are unable to collect Housing Choice Voucher Program (HCVP) rents. These general market challenges are well-understood, driving a substantial revision to the rent laws in Washington in late 2025 (the so-called "RENTAL Act"). We will continue to work to resolve troubled loans when they arise, alone or in conjunction with our partners when we have financed projects jointly with affordable housing funds, and reserve appropriately. As stated in our securities filings with the FDIC, we place loans on nonaccrual status when loans are ninety days past due. In the event borrowers have substantial liquid reserves at the Bank and remain current on payments, we may assess and adjust the risk rating of the loan, but we would not move a loan to nonaccrual owing solely to delays in construction.

Our track record over thirty years of real estate lending, including substantial experience in construction, reflects an industry leading loss record, even in situations in which the Bank needed to exercise its remedies, foreclose and sell properties at auction, or take properties into OREO subsequently renovate and market them for sale. This loss record does not mean we are perfect, but that our loan structure and our collections practices have allowed us to minimize losses to the Bank and recover losses, if any, over time.