

**FOR IMMEDIATE RELEASE**

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**First Central Savings Bank Reports Second Quarter 2025 Results Highlighted by Net Income of \$1.6 million (\$0.15 EPS), Net Interest Margin Expansion by 17 basis points on a linked quarter basis and Strong Non-Interest Income.**

**Performance Highlights**

- **Net Income:** Net income for the quarter ended June 30, 2025, was \$1.6 million, or \$0.15 per share, compared to \$1.2 million, or \$0.11 per share, recorded in the prior year quarter ended June 30, 2024.
- **Cash Net Income:** Cash net income for the quarter ended June 30, 2025, was \$2.8 million, or \$0.26 per share, compared to \$1.5 million or \$0.14 per share, recorded in the comparable 2024 quarter.
- **Net Interest Margin and Spread:** The Bank's net interest margin increased by 17 basis points to 3.30% during the quarter ended June 30, 2025, from 3.13% in the linked quarter ended March 31, 2025. The Bank's net interest spread increased to 2.42% during the quarter ended June 30, 2025, from 2.19% in the linked quarter ended March 31, 2025.
- **Non-Interest Income Growth:** Due to an increase in loan sale volume and loan sale premiums received for the quarter ended June 30, 2025, non-interest income increased by \$1.1 million or 94.3% from the prior year quarter and \$272 thousand or 15.2% on a linked quarter basis.
- **Net Interest Income:** Net interest income for the quarter ended June 30, 2025, was \$7.9 million an increase of \$1.1 million, or 16.6%, from the quarter ended June 30, 2024 and \$609 thousand, or 8.3%, from the quarter ended March 31, 2025.
- **Financial Performance Metrics:** Return on average assets and average stockholders' equity were 0.64% and 7.01%, respectively, for the quarter ended June 30, 2025, compared to 0.47% and 5.48% in the comparable 2024 quarter end.
- **Regulatory Capital:** The Bank's Tier 1 leverage ratio was 9.64% and the Total Risk based capital ratio was 15.11% at June 30, 2025, each above the regulatory minimum for a well-capitalized institution.
- **Strong and Stable Liquidity:** The Uninsured deposits base remains stable at 20.7% of total deposits. The Bank has significant available funding capacity to provide 202% coverage of our uninsured deposits.

Glen Cove, N.Y. – July 28, 2025 – Joseph Pistilli, Executive Chairman of the Board, of First Central Savings Bank ("FCSB", "the Bank") today reported continued performance achievements for the quarter ended June 30, 2025.

**Cash and GAAP Basis Earnings**

The Bank's cash earnings were \$2.8 million, or \$0.26 per share, for the quarter ended June 30, 2025, which represents an increase of \$748 thousand, or 36.1%, on a linked quarter basis and an increase of \$1.4 million, or 93.9%, from the prior year quarter ended June 30, 2024.

On a GAAP basis, net income for the quarter ended June 30, 2025, was \$1.6 million, or \$0.15 per share, compared with net income of \$1.8 million, or \$0.17, from the prior linked quarter basis and net income of \$1.2 million, or \$0.11 per share, for the quarter ended June 30, 2024.

Joseph Pistilli, Executive Chairman of the Board noted, "In the second quarter of 2025, First Central continued to build shareholder value by generating strong earnings, primarily due to gains on non-conforming residential loan sales and margin expansion. In addition, we increased our book value from \$8.09 per share at June 30, 2024, to \$8.59 at June 30, 2025, an increase of \$0.50 or 6.2%. We are cautiously optimistic about the credit quality of our loan portfolio, as it relates to the commercial loan sector, specifically to office space and multi-family as our exposure to this type of lending is limited. I am extremely proud of the management team and the Board of Directors that we have assembled at the Bank and the expertise they have in managing net interest income and asset quality during the current market conditions. Additionally, First Central Savings Bank has much to be excited about and the future is bright. We at the Bank are exploring new avenues of growth for 2026 such as adding additional capital, entering new vertical lines of business such as merchant services, new branch locations in the metropolitan area of New York and the north and south shore of Long Island, expanding SBA lending and many more business opportunities to enhance the FCSB approach."

Paul Hagan, President and Chief Operating Officer, reflected on the Bank's results, "During the quarter ended June 30, 2025, the Bank expanded its net interest income and margin as a result of interest expense reductions. The cost of funds declined by 16 basis points during the second quarter of 2025. The pace of future deposit cost reductions will depend upon additional rate cuts from the Federal Reserve as well as competitor deposit pricing and their increased liquidity needs. We expect overall profitability to improve in the calendar year 2025 due to net interest margin expansion and increased loan sale income, however, we are very aware of potential credit quality deterioration, particularly in commercial and industrial loans that are present within our industry. During the quarter ended June 30, 2025, the Bank had a charge-off of \$1.1 million on a legacy loan. Had such charge-off not been recognized, the Bank would have had a double digit return on equity of 11.05% compared to the actual 7.01%. Management will continue to effectively manage non-interest expenses to improve profitability and provide for any potential credit quality issues."

## **Balance Sheet**

On a year-over-year basis, total assets grew by \$744 thousand, or 0.1%, driven by the Bank's loan originations offset by non-conforming loan sales of \$259.2 million during the period. Total assets for the quarter ended June 30, 2025, increased by \$3.1 million to \$986.7 million as the Bank continued to originate commercial and non-conforming loans while continuing to actively sell a portion of the non-conforming loans to the secondary market. The Bank sold \$67.1 million of non-conforming loans during the quarter. As of June 30, 2025, the Bank has been able to generate a non-conforming loan pipeline of \$93.3 million with a weighted average interest rate of 6.99%.

Total deposits were \$853.9 million as of June 30, 2025, an increase of \$24.9 million, or 3.0%, from December 31, 2024. The Bank has been successful in growing non-interest-bearing deposits from our retail branches and through non-conforming loan originations. Year over year, non-interest-bearing deposits increased by \$21.7 million or 19.2% to \$134.9 million as of June 30, 2025, representing 15.8% of the total deposit base. With the growth of the retail deposit base, the Bank was able to reduce its brokered deposit holdings by \$13.2 million, or 34.6%, and reduce borrowings by \$5.0 million, or 16.7%, to \$25.0 million when compared to December 31, 2024.

The Bank's overall average cost of funds was 3.12% for the quarter ended June 30, 2025, a decrease of 16 basis points from 3.28% from the prior linked quarter and a decrease of 59 bps compared to June 30, 2024. Three overnight rate cuts by the Federal Reserve totaling 100 bps in the fourth quarter of 2024 contributed to the Bank's ability to lower deposit costs. Management continues to be pro-active in securing lower rate certificates of deposit in the current interest rate environment to better position the interest-rate-risk profile of the Bank in anticipation of further interest rate reductions in 2025. Management believes this strategy will better protect and enhance future earnings as interest rates continue to decline, and our deposits reprice downward in the future.

## Loan Portfolio and Asset Quality

For the twelve-month period ended June 30, 2025, the Bank's loan portfolio grew by \$16.7 million, or 2.0%, with the growth concentrated primarily in non-conforming residential loans. Management continues to employ a strategy of concentrating its loan growth in these products, which provides the Bank with traditionally safe credit quality at acceptable credit spreads, greater liquidity and an enhanced interest-rate-risk profile. Over the past twelve months, originations of the non-conforming product amounted to \$344.5 million. At June 30, 2025, the entire non-conforming loan portfolio amounted to \$487.0 million, with an average loan balance of \$542.9 thousand and a weighted average loan-to-value ratio of 63.8%.

As a result of the Bank's robust non-conforming loan generation capabilities, the Bank had been able to generate additional income by strategically originating and selling its non-conforming loans to other financial institutions at premiums. The Bank expects that it will continue to originate, in the near term, for its own portfolio and, in the long term, for others, which will result in a continued increase in interest income while also realizing gains on sales of loans. For the six months ended June 30, 2025, the Bank earned \$3.9 million in premiums on loans sold, net of FASB 91 fees and costs.

The Bank's asset quality ratios remain adequate. At June 30, 2025, the loan portfolio had non-performing loans of \$8.8 million, or 1.03%, of total loans and 0.89% of total assets. The total allowance for credit losses at June 30, 2025, was \$9.2 million, or 1.08%, of total loans held for investment. As indicated in the prior quarter press release, one legacy ADC loan in the amount of \$7.1 million that went non-accrual during the quarter ended December 31, 2024, was sold to exit this borrowing relationship in April 2025 and \$1.1 million of the loan balance was charged off. The proceeds from the sale were reinvested into higher interest earnings assets.

## About First Central Savings Bank

With assets of \$986.7 million at June 30, 2025, First Central Savings Bank is a locally owned and operated community savings bank, focusing on highly personalized and efficient services and products responsive to local needs. Management and the Board of Directors are comprised of a select group of successful local businessmen who are committed to the success of the Bank by knowing and understanding the metro-New York area's financial needs and opportunities. Backed by state-of-the-art technology, First Central offers a full range of modern financial services. First Central employs a complete suite of consumer and commercial banking products and services, including multi-family and commercial mortgages, ADC and bridge loans, residential loans, middle market business loans and lines of credit. First Central also offers customers 24-hour ATM service with no fees attached, free checking with interest, mobile banking, the most advanced technologies in internet banking for our consumer and business customers, safe deposit boxes and much more. The Bank continues to roll out mobile banking software products as well as our "Zelle" money transfer product to our customers. First Central Savings Bank maintains its corporate office in Glen Cove, New York with an additional six branches throughout Queens New York, one branch in Nassau County, New York, and one branch in Suffolk County, New York.

First Central Savings Bank is a member of the Federal Deposit Insurance Corporation and is an Equal Housing/Equal Opportunity Lender. For further information, call 516-399-6010 or visit the Bank's state-of-the-art website at [www.myfcsb.com](http://www.myfcsb.com).

## Forward-Looking Statements

This release may contain certain "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, and may be identified by the use of such words as "may," "believe," "expect," "anticipate," "should," "plan," "estimate," "predict," "continue," and "potential" or the negative of these terms or other comparable terminology. Examples of forward-looking statements include, but are not limited to,

estimates with respect to the financial condition, results of operations and business of First Central Savings Bank. Any or all of the forward-looking statements in this release and in any other public statements made by First Central Savings Bank may turn out to be incorrect. They can be affected by inaccurate assumptions First Central Savings Bank might make or by known or unknown risks and uncertainties. Consequently, no forward-looking statement can be guaranteed. First Central Savings Bank does not intend to update any of the forward-looking statements after the date of this release or to conform these statements to actual events.

**First Central Savings Bank**  
**Statements of Condition - (unaudited)**  
(dollars in thousands)

	<u>6/30/2025</u>	<u>3/31/2025</u>	<u>6/30/2024</u>
<b>Assets</b>			
Cash and cash equivalents	\$ 46,274	\$ 35,928	\$ 48,140
Certificates of deposit	4,000	3,000	2,000
Investments available-for-sale	29,415	30,085	46,314
Investments held-to-maturity	3,000	1,000	1,000
Loans held-for-sale	23,895	17,187	17,310
Loans receivable	851,467	866,999	841,331
Less: allowance for credit losses	<u>(9,191)</u>	<u>(9,144)</u>	<u>(8,721)</u>
Loans, net	842,276	857,855	832,610
Other assets	<u>37,850</u>	<u>38,558</u>	<u>38,592</u>
<b>Total assets</b>	<u><u>\$ 986,710</u></u>	<u><u>\$ 983,613</u></u>	<u><u>\$ 985,966</u></u>
<b>Liabilities and stockholders' equity</b>			
Deposits	\$ 853,921	\$ 850,632	\$ 868,797
FHLB advances and other borrowings	25,000	25,000	14,500
Other liabilities	<u>16,327</u>	<u>18,125</u>	<u>16,547</u>
<b>Total liabilities</b>	895,248	893,757	899,844
Total stockholders' equity	<u>91,462</u>	<u>89,856</u>	<u>86,122</u>
<b>Total liabilities and stockholders' equity</b>	<u><u>\$ 986,710</u></u>	<u><u>\$ 983,613</u></u>	<u><u>\$ 985,966</u></u>

**First Central Savings Bank**  
**Statements of Income - (unaudited)**  
(dollars in thousands, except per share data)

	Quarter Ended 6/30/2025	Quarter Ended 6/30/2024	6 Months Ended 6/30/2025	6 Months Ended 6/30/2024
Total Interest income	\$ 14,717	\$ 14,854	\$ 28,996	\$ 29,039
Total interest expense	6,799	8,064	13,769	15,722
<b>Net interest income</b>	7,918	6,790	15,227	13,317
Provision for credit losses	1,303	117	1,396	307
<b>Net interest income after provision for credit losses</b>	6,615	6,673	13,831	13,010
Net gain on loans sold	2,062	843	3,852	2,264
Other non-interest income	231	337	454	577
<b>Total non-interest income</b>	2,293	1,180	4,306	2,841
Compensation and benefits	3,938	3,596	7,960	7,343
Occupancy and equipment	972	918	1,940	1,824
Data processing	476	452	958	896
Federal insurance premium	175	166	358	331
Professional fees	373	368	708	697
Other	993	907	1,985	1,776
<b>Total non-interest expense</b>	6,927	6,407	13,909	12,867
<b>Income before income taxes</b>	1,981	1,446	4,228	2,984
Income tax expense	404	290	863	600
<b>Net income</b>	<u>\$ 1,577</u>	<u>\$ 1,156</u>	<u>\$ 3,365</u>	<u>\$ 2,384</u>
Basic earnings per share-GAAP basis	\$ 0.15	\$ 0.11	\$ 0.32	\$ 0.22
Diluted earnings per share-GAAP basis	\$ 0.15	\$ 0.11	\$ 0.32	\$ 0.22
<b>Supplementary information:</b>				
Net income	\$ 1,577	\$ 1,156	\$ 3,365	\$ 2,384
<b>Add back non-cash items</b>				
Provision for credit losses	1,303	117	1,396	307
Depreciation expense	260	257	526	510
Tax on add back of non-cash items	(319)	(75)	(392)	(164)
<b>Cash net income</b>	<u>\$ 2,821</u>	<u>\$ 1,455</u>	<u>\$ 4,895</u>	<u>\$ 3,037</u>
Basic earnings per share-GAAP basis	\$ 0.26	\$ 0.14	\$ 0.46	\$ 0.29
Diluted earnings per share-GAAP basis	\$ 0.26	\$ 0.14	\$ 0.46	\$ 0.29

**First Central Savings Bank**  
**Statements of Income - (unaudited)**  
(dollars in thousands, except per share data)

	Quarter Ended 6/30/2025	Quarter Ended 3/31/2025	Quarter Ended 12/31/2024	Quarter Ended 9/30/2024
Total Interest income	\$ 14,717	\$ 14,279	\$ 14,599	\$ 14,972
Total interest expense	6,799	6,970	7,673	8,210
<b>Net interest income</b>	7,918	7,309	6,926	6,762
Provision for credit losses	1,303	93	1	950
<b>Net interest income after provision for credit losses</b>	6,615	7,216	6,925	5,812
Net gain on loans sold	2,062	1,790	2,649	1,536
Net gains on sale of securities	-	-	-	142
Other non-interest income	231	223	247	210
<b>Total non-interest income</b>	2,293	2,013	2,896	1,888
Compensation and benefits	3,938	4,022	4,355	3,663
Occupancy and equipment	972	968	912	936
Data processing	476	482	454	448
Federal insurance premium	175	183	161	174
Professional fees	373	335	291	360
Other	993	992	1,116	975
<b>Total non-interest expense</b>	6,927	6,982	7,289	6,556
<b>Income before income taxes</b>	1,981	2,247	2,532	1,144
Income tax expense	404	459	524	225
<b>Net income</b>	<u>\$ 1,577</u>	<u>\$ 1,788</u>	<u>\$ 2,008</u>	<u>\$ 919</u>
Basic earnings per share-GAAP basis	\$ 0.15	\$ 0.17	\$ 0.19	\$ 0.09
Diluted earnings per share-GAAP basis	\$ 0.15	\$ 0.17	\$ 0.19	\$ 0.09
<b>Supplementary information:</b>				
Net income	\$ 1,577	\$ 1,788	\$ 2,008	\$ 919
<b>Add back non-cash items</b>				
Provision for credit losses	1,303	93	1	950
Depreciation expense	260	266	261	260
Tax on add back of non-cash items	(319)	(73)	(54)	(238)
<b>Cash net income</b>	<u>\$ 2,821</u>	<u>\$ 2,074</u>	<u>\$ 2,216</u>	<u>\$ 1,891</u>
Basic earnings per share-GAAP basis	\$ 0.26	\$ 0.19	\$ 0.21	\$ 0.18
Diluted earnings per share-GAAP basis	\$ 0.26	\$ 0.19	\$ 0.21	\$ 0.18

**First Central Savings Bank**

**Selected Financial Data - (unaudited)**

(dollars in thousands, except per share data)

	Quarter Ended 6/30/2025	Quarter Ended 3/31/2025	Quarter Ended 12/31/2024	Quarter Ended 6/30/2024
<b>Asset quality:</b>				
Allowance for credit losses	\$ 9,191	\$ 9,144	\$ 8,787	\$ 8,721
Allowance for credit losses to total loans (1)	1.08%	1.05%	1.05%	1.04%
Non-performing loans	\$ 8,781	\$ 15,940	\$ 11,649	\$ 4,907
Net charge-off (recovery)	1,140	(92)	(41)	(66)
Non-performing loans/total loans (1)	1.03%	1.84%	1.39%	0.58%
Non-performing loans/total assets	0.89%	1.62%	1.21%	0.50%
Allowance for credit losses/non-performing loans	104.67%	57.37%	75.43%	177.73%
<b>Capital: (dollars in thousands)</b>				
Tier 1 capital	\$ 95,241	\$ 93,664	\$ 91,913	\$ 90,583
Tier 1 leverage ratio	9.64%	9.62%	9.36%	9.16%
Common equity tier 1 capital ratio	13.86%	13.38%	13.42%	13.35%
Tier 1 risk based capital ratio	13.86%	13.38%	13.42%	13.35%
Total risk based capital ratio	15.11%	14.63%	14.67%	14.60%
<b>Equity data</b>				
Common shares outstanding	10,648,345	10,648,345	10,648,345	10,648,345
Stockholders' equity	\$ 91,462	\$ 89,856	\$ 87,359	\$ 86,122
Book value per common share	8.59	8.44	8.20	8.09
Tangible common equity	91,462	89,856	87,359	86,122
Tangible book value per common share	8.59	8.44	8.20	8.09

(1) Calculation excludes loans held-for-sale

**First Central Savings Bank**  
**Selected Financial Data - (unaudited)**  
(dollars in thousands)

	<u>Quarter Ended</u> <u>6/30/2025</u>	<u>Quarter Ended</u> <u>3/31/2025</u>	<u>Quarter Ended</u> <u>12/31/2024</u>	<u>Quarter Ended</u> <u>6/30/2024</u>
<b>Other: (in thousands)</b>				
Average interest-earning assets	\$ 962,414	\$ 946,854	\$ 956,169	\$ 961,503
Average interest-bearing liabilities	733,943	720,391	736,731	765,606
Average deposits and borrowings	874,149	861,096	868,871	879,082
<b>Profitability:</b>				
Return on average assets	0.64% (3)	0.75%	0.82%	0.47%
Return on average equity	7.01% (3)	8.21%	9.08%	5.48%
Yield on average interest earning assets	6.13%	6.12%	6.07%	6.21%
Cost of average interest bearing liabilities	3.72%	3.92%	4.14%	4.24%
Cost of funds	3.12%	3.28%	3.51%	3.69%
Net interest rate spread (1)	2.42%	2.19%	1.93%	1.98%
Net interest margin (2)	3.30%	3.13%	2.88%	2.84%
Non-interest expense to average assets	2.83%	2.92%	2.97%	2.62%
Efficiency ratio	67.84%	74.80%	74.21%	80.40%

(1) Net interest rate spread represents the difference between the average yield on average interest-earning assets and the average cost of average interest-bearing liabilities

(2) Net interest margin represents net interest income divided by average interest earning assets

(3) ROA and ROE excluding a \$1.1 million charge-off of a legacy ADC loan as of June 30, 2025 would have been 1.01% and 11.05%