

FOR IMMEDIATE RELEASE

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First Central Savings Bank Reports its Most profitable Quarter Since March 2022 with Net Income of \$2.8 Million (\$0.26 EPS)

Performance Highlights

- **Net Income:** Net income for the quarter ended September 30, 2025, was \$2.8 million, or \$0.26 per share, compared to \$919 thousand, or \$0.09 per share, recorded in the prior year quarter ended September 30, 2024.
- **Cash Net Income:** Cash net income for the quarter ended September 30, 2025, was \$3.2 million, or \$0.30 per share, compared to \$1.9 million or \$0.18 per share, recorded in the comparable 2024 quarter.
- **Net Interest Margin and Spread:** The Bank's net interest margin and spread for the current quarter was 3.30% and 2.44% compared to 2.80% and 1.89% in the prior year quarter
- **Non-Interest Income Growth:** Due to an increase in loan sale volume and loan sale premiums received for the quarter ended September 30, 2025, non-interest income increased by \$593 thousand or 31.4% from the prior year quarter and \$188 thousand or 8.2% on a linked quarter basis.
- **Net Interest Income:** Net interest income for the quarter ended September 30, 2025, was \$8.1 million an increase of \$1.3 million, or 19.1%, from the quarter ended September 30, 2024 and \$133 thousand, or 1.7%, from the quarter ended June 30, 2025.
- **Financial Performance Metrics:** Return on average assets and average stockholders' equity were 1.12% and 11.99%, respectively, for the quarter ended September 30, 2025, compared to 0.37% and 4.22% in the comparable quarter ended 2024.
- **Regulatory Capital:** The Bank's Tier 1 leverage ratio was 9.86% and the Total Risk based capital ratio was 15.39% at September 30, 2025, each above the regulatory minimum for a well-capitalized institution.
- **Strong and Stable Liquidity:** The Uninsured deposits base remains stable at 19.91% of total deposits. The Bank has significant available funding capacity to provide 202% coverage of our uninsured deposits.

Glen Cove, N.Y. – October 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 September 30, 2025.

Cash and GAAP Basis Earnings

The Bank's cash earnings were \$3.2 million, or \$0.30 per share, for the quarter ended September 30, 2025, which represents an increase of \$340 thousand, or 12.0%, on a linked quarter basis and an increase of \$1.3 million, or 67.1%, from the prior year quarter ended September 30, 2024.

On a GAAP basis, net income for the quarter ended September 30, 2025, was \$2.8 million, or \$0.26 per share, compared with net income of \$1.6 million, or \$0.15, from the prior linked quarter basis and net income of \$919 thousand, or \$0.09 per share, for the quarter ended September 30, 2024.

Joseph Pistilli, Executive Chairman of the Board noted, "In the third quarter of 2025, First Central continued to build shareholder value by generating strong earnings, primarily due to gains on non-conforming residential loan sales. In addition, we increased our book value from \$8.25 per share at September 30, 2024, to \$8.90 at September 30, 2025, an increase of \$0.65 or 7.9%. We remain cautiously optimistic about overall credit



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quality. While we expect to see some early signs of stress within certain segments of the commercial portfolio, these developments are consistent with the broader economic environment and are being closely monitored. 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, adding new branch locations in the metropolitan New York area, expanding SBA lending and many more business opportunities to enhance the FCSB approach and brand.”

Paul Hagan, President and Chief Operating Officer, reflected on the Bank’s results, “During the quarter ended September 30, 2025, the Bank substantially increased our net income as a result of higher net interest income from prior quarters and non-interest income as a result of additional loan sales. We expect our net interest margin to increase from additional rate cuts from the Federal Reserve as well as less competitive deposit pricing. We expect our overall profitability to continue to improve in calendar year 2025 and 2026 through 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. Management will continue to effectively manage non-interest expenses to improve profitability and provide for any potential credit quality issues.”

Balance Sheet

Total assets increased by \$27.8 million or 2.89% to \$992.8 million, from December 31, 2024 as the Bank continued to originate commercial and non-conforming loans while continuing to actively sell most of the non-conforming loans to the secondary market. The Bank originated \$77.2 million non-conforming loans and sold \$73.9 million of those loans during the quarter to generate significant non-interest income. As of September 30, 2025, the Bank has been able to generate a non-conforming loan pipeline of \$95.1 million with a weighted average interest rate of 6.98%.

Total deposits were \$854.2 million as of September 30, 2025, an increase of \$2.5 million, or 0.3%, from December 31, 2024. The Bank has been successful in maintaining non-interest-bearing deposits from our retail branches and through non-conforming loan originations. Year over year, non-interest-bearing deposits increased by \$10.3 million or 8.2% to \$135.8 million as of September 30, 2025, representing 15.9% of the total deposit base. Operating in highly competitive rate environment, the Bank has demonstrated the ability to maintain its core retail depositors while lowering deposit rates across all deposit products which improves the Bank’s interest rate risk profile.

Total borrowings at September 30, 2025 were \$25.0 million, with a weighted average cost of 3.67% compared to \$30 million and a weighted average cost of 4.06% at December 31, 2024, respectively.

The Bank’s overall average cost of funds was 3.11% for the quarter ended September 30, 2025, a decrease of 1 basis point from 3.12% from the prior linked quarter and a decrease of 61 bps compared to September 30, 2024. Three overnight rate cuts by the Federal Reserve totaling 100 bps in the fourth quarter of 2024 and 25 bps in the current quarter contributed to the Bank’s ability to lower deposit costs while maintaining their retail deposit base. Management continues to be proactive in securing lower rate deposits in the current interest rate environment to improve the Bank’s interest-rate-risk profile in anticipation of further interest rate reductions in the fourth quarter of 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

Total loans as of September 30, 2025, increased by \$20.3 million or 2.38% to \$873.4 million from \$853.1 million at December 31, 2024. The growth is 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 \$343.4 million. At September 30, 2025, the entire non-conforming loan portfolio amounted to \$485.9 million, with an average loan balance of \$555.3 thousand and a weighted average loan-to-value ratio of 62.6%.

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 nine months ended September 30, 2025, the Bank earned \$6.1 million in premiums on loans sold, net of FASB 91 fees and costs.

The Bank's asset quality ratios remain adequate. At September 30, 2025, the loan portfolio had non-performing loans of \$8.4 million, or 0.98%, of total loans and 0.84% of total assets. The total allowance for credit losses at September 30, 2025, was \$9.4 million, or 1.09%, of total loans held for investment.

About First Central Savings Bank

With assets of \$992.8 million at September 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.

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>9/30/2025</u>	<u>6/30/2025</u>	<u>9/30/2024</u>
Assets			
Cash and cash equivalents	\$ 53,507	\$ 46,274	\$ 40,701
Certificates of deposit	4,000	4,000	2,000
Investments available-for-sale	29,371	29,415	31,679
Investments held-to-maturity	3,000	3,000	1,000
Loans held-for-sale	16,018	23,895	83,613
Loans receivable	857,345	851,467	799,076
Less: allowance for credit losses	(9,369)	(9,191)	(8,895)
Loans, net	<u>847,976</u>	<u>842,276</u>	<u>790,181</u>
Other assets	38,899	37,850	38,745
Total assets	<u>\$ 992,771</u>	<u>\$ 986,710</u>	<u>\$ 987,919</u>
Liabilities and stockholders' equity			
Deposits	\$ 854,199	\$ 853,921	\$ 851,646
FHLB advances and other borrowings	25,000	25,000	30,000
Other liabilities	18,794	16,327	18,421
Total liabilities	<u>897,993</u>	<u>895,248</u>	<u>900,067</u>
Total stockholders' equity	94,778	91,462	87,852
Total liabilities and stockholders' equity	<u>\$ 992,771</u>	<u>\$ 986,710</u>	<u>\$ 987,919</u>

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

	Quarter Ended 9/30/2025	Quarter Ended 9/30/2024	9 Months Ended 9/30/2025	9 Months Ended 9/30/2024
Total Interest income	\$ 14,939	\$ 14,972	\$ 43,935	\$ 44,011
Total interest expense	6,888	8,210	20,657	23,932
Net interest income	8,051	6,762	23,278	20,079
Provision for credit losses	197	950	1,593	1,257
Net interest income after provision for credit losses	7,854	5,812	21,685	18,822
Net gain on loans sold	2,198	1,536	6,050	3,800
Net gains on sale of securities	-	142	-	142
Other non-interest income	283	210	737	787
Total non-interest income	2,481	1,888	6,787	4,729
Compensation and benefits	3,963	3,663	11,923	11,006
Occupancy and equipment	929	936	2,869	2,760
Data processing	459	448	1,417	1,344
Federal insurance premium	153	174	511	505
Professional fees	349	360	1,057	1,057
Other	948	975	2,933	2,751
Total non-interest expense	6,801	6,556	20,710	19,423
Income before income taxes	3,534	1,144	7,762	4,128
Income tax expense	733	225	1,596	825
Net income	\$ 2,801	\$ 919	\$ 6,166	\$ 3,303
Basic earnings per share-GAAP basis	\$ 0.26	\$ 0.09	\$ 0.58	\$ 0.31
Diluted earnings per share-GAAP basis	\$ 0.26	\$ 0.09	\$ 0.58	\$ 0.31
Supplementary information:				
Net income	\$ 2,801	\$ 919	\$ 6,166	\$ 3,303
Add back non-cash items				
Provision for credit losses	197	950	1,593	1,257
Depreciation expense	257	260	783	770
Tax on add back of non-cash items	(94)	(238)	(489)	(405)
Cash net income	\$ 3,161	\$ 1,891	\$ 8,053	\$ 4,925
Basic earnings per share-GAAP basis	\$ 0.30	\$ 0.18	\$ 0.76	\$ 0.46
Diluted earnings per share-GAAP basis	\$ 0.30	\$ 0.18	\$ 0.76	\$ 0.46

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

	Quarter Ended 9/30/2025	Quarter Ended 6/30/2025	Quarter Ended 3/31/2025	Quarter Ended 12/31/2024
Total Interest income	\$ 14,939	\$ 14,717	\$ 14,279	\$ 14,599
Total interest expense	6,888	6,799	6,970	7,673
Net interest income	8,051	7,918	7,309	6,926
Provision for credit losses	197	1,303	93	1
Net interest income after provision for credit losses	7,854	6,615	7,216	6,925
Net gain on loans sold	2,198	2,062	1,790	2,649
Other non-interest income	283	231	223	247
Total non-interest income	2,481	2,293	2,013	2,896
Compensation and benefits	3,963	3,938	4,022	4,355
Occupancy and equipment	929	972	968	912
Data processing	459	476	482	454
Federal insurance premium	153	175	183	161
Professional fees	349	373	335	291
Other	948	993	992	1,116
Total non-interest expense	6,801	6,927	6,982	7,289
Income before income taxes	3,534	1,981	2,247	2,532
Income tax expense	733	404	459	524
Net income	\$ 2,801	\$ 1,577	\$ 1,788	\$ 2,008
Basic earnings per share-GAAP basis	\$ 0.26	\$ 0.15	\$ 0.17	\$ 0.19
Diluted earnings per share-GAAP basis	\$ 0.26	\$ 0.15	\$ 0.17	\$ 0.19
Supplementary information:				
Net income	\$ 2,801	\$ 1,577	\$ 1,788	\$ 2,008
Add back non-cash items				
Provision for credit losses	197	1,303	93	1
Depreciation expense	257	260	266	261
Tax on add back of non-cash items	(94)	(319)	(73)	(54)
Cash net income	\$ 3,161	\$ 2,821	\$ 2,074	\$ 2,216
Basic earnings per share-GAAP basis	\$ 0.30	\$ 0.26	\$ 0.19	\$ 0.21
Diluted earnings per share-GAAP basis	\$ 0.30	\$ 0.26	\$ 0.19	\$ 0.21

First Central Savings Bank

Selected Financial Data - (unaudited)

(dollars in thousands, except per share data)

	Quarter Ended	Quarter Ended	Quarter Ended	Quarter Ended
	9/30/2025	6/30/2025	3/31/2025	9/30/2024
Asset quality:				
Allowance for credit losses	\$ 9,369	\$ 9,191	\$ 9,144	\$ 8,895
Allowance for credit losses to total loans (1)	1.09%	1.08%	1.05%	1.11%
Non-performing loans	\$ 8,361	\$ 8,781	\$ 15,940	\$ 4,850
Net charge-off (recovery)	0	1,140	(92)	776
Non-performing loans/total loans (1)	0.98%	1.03%	1.84%	0.61%
Non-performing loans/total assets	0.84%	0.89%	1.62%	0.49%
Allowance for credit losses/non-performing loans	112.06%	104.67%	57.37%	183.40%
Capital: (dollars in thousands)				
Tier 1 capital	\$ 98,042	\$ 95,241	\$ 93,664	\$ 91,502
Tier 1 leverage ratio	9.86%	9.64%	9.62%	9.26%
Common equity tier 1 capital ratio	14.14%	13.86%	13.38%	13.20%
Tier 1 risk based capital ratio	14.14%	13.86%	13.38%	13.20%
Total risk based capital ratio	15.39%	15.11%	14.63%	14.45%
Equity data				
Common shares outstanding	10,648,345	10,648,345	10,648,345	10,648,345
Stockholders' equity	\$ 94,778	\$ 91,462	\$ 89,856	\$ 87,852
Book value per common share	8.90	8.59	8.44	8.25
Tangible common equity	94,778	91,462	89,856	87,852
Tangible book value per common share	8.90	8.59	8.44	8.25

(1) Calculation excludes loans held-for-sale

First Central Savings Bank

Selected Financial Data - (unaudited)

(dollars in thousands)

	Quarter Ended 9/30/2025	Quarter Ended 6/30/2025	Quarter Ended 3/31/2025	Quarter Ended 9/30/2024
Other: (in thousands)				
Average interest-earning assets	\$ 968,888	\$ 962,414	\$ 946,854	\$ 961,624
Average interest-bearing liabilities	743,760	733,943	720,391	759,152
Average deposits and borrowings	877,534	874,149	861,096	877,100
Profitability:				
Return on average assets	1.12%	0.64% (3)	0.75%	0.37%
Return on average equity	11.99%	7.01% (3)	8.21%	4.22%
Yield on average interest earning assets	6.12%	6.13%	6.12%	6.19%
Cost of average interest bearing liabilities	3.67%	3.72%	3.92%	4.30%
Cost of funds	3.11%	3.12%	3.28%	3.72%
Net interest rate spread (1)	2.44%	2.42%	2.19%	1.89%
Net interest margin (2)	3.30%	3.30%	3.13%	2.80%
Non-interest expense to average assets	2.73%	2.83%	2.92%	2.65%
Efficiency ratio	64.57%	67.84%	74.80%	77.05%

(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%