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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 16, 2022

Ponce Financial Group, Inc.

(Exact name of Registrant as Specified in Its Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

001-41255
(Commission
File Number)

87-1893965
(IRS Employer
Identification No.)

2244 Westchester Avenue
Bronx, NY
(Address of Principal Executive Offices)

10462
(Zip Code)

Registrant's Telephone Number, Including Area Code: (718) 931-9000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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 \$0.01 per share	PDLB	The NASDAQ Stock Market, LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

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.

Item 8.01 Other Events

On March 16, 2022, Ponce Financial Group, Inc., as the successor by merger with PDL Community Bancorp, Inc., (the “Company”), the holding company for Ponce Bank, announced that it led NASDAQ’s market opening bell ringing ceremony on March 9, 2022. On the same day the Company made available the attached presentation of previously disclosed information.

A copy of the press release is filed as Exhibit 99.1 hereto and is incorporated herein by reference.

A copy of the presentation is filed as Exhibit 99.2 hereto and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

Exhibits

Exhibit Number	Description
99.1	Press release dated March 16, 2022
99.2	Presentation
104	Cover Page Interactive Data File (embedded within the Inline XBRL)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Ponce Financial Group, Inc.

Date: March 16, 2022

By: /s/ Carlos P. Naudon

Carlos P. Naudon

President and Chief Executive Officer

Ponce Financial Group, Inc. Celebrates the Initiation of Trading of its Shares with NASDAQ Market Opening Ceremony

New York (March 16, 2022): Ponce Financial Group, Inc., as the successor by merger with PDL Community Bancorp, (the “Company”) (NASDAQ:PDLB), the holding company for Ponce Bank, led NASDAQ’s market opening bell ringing ceremony on March 9, 2022. Chief Executive Officer Carlos P. Naudon and Executive Chairman of the Board of Directors Steven A. Tsavaris lead the NASDAQ bell ringing ceremony to mark Ponce Financial Group’s new future as a fully publicly-traded company.

President and Chief Executive Officer’s Comments

Speaking from the NASDAQ podium, the Company’s Chief Executive Officer, Carlos P. Naudon, stated that, “We embarked on our first-step mutual to stock conversion in 2017 and today we are proud to announce that we have completed our second-step conversion, raising over \$132 million in additional capital and making the Company now fully publicly traded. Our reorganization to completely stock form, combined with being one of the largest Minority Depository Institution’s and Community Development Financial Institution’s in the country, will allow us to further expand our services to the communities that we serve. We also recently announced our eligibility to participate in the U.S. Treasury’s Emergency Capital Investment Program, which makes us eligible for up to an additional \$186 million in capital. Our communities, made up largely of immigrants and people of color, have been disparately affected by the health and wealth gap that continues to exist today; we are pleased that our additional capital will further our ability to serve them and address this gap.”

Executive Chairman’s Comments

Steven A. Tsavaris, Executive Chairman, noted that “from our humble beginnings in the turbulent South Bronx over 60 years ago, we have survived and flourished. In 2021 we reached critical milestones: our strongest-ever capital position – and getting even stronger; our largest loan portfolio at \$1.3 billion; our impeccable asset quality; and, our improved loan origination capabilities. Now, as Ponce Financial Group, we will continue to responsibly deploy our capital.”

About Ponce Financial Group, Inc.

Ponce Financial Group, Inc., as the successor by merger with PDL Community Bancorp, is the holding company for Ponce Bank. Ponce Bank is a Minority Depository Institution, a Community Development Financial Institution, and a certified Small Business Administration lender. The Bank’s business primarily consists of taking deposits from the general public and to a lesser extent alternative funding sources and investing those deposits, together with funds generated from operations and borrowings, in mortgage loans, consisting of 1-4 family residences (investor-owned and owner-occupied), multifamily residences, nonresidential properties and construction and land, and, to a lesser extent, in business and consumer loans. The Bank also invests in securities, which consist of U.S. Government and federal agency securities and securities issued by government-sponsored or government-owned enterprises, as well as, mortgage-backed securities, corporate bonds and obligations, and Federal Home Loan Bank stock.

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. 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 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, adverse conditions in the capital and debt markets and the impact of such conditions on business activities; changes in interest rates; competitive pressures from other financial institutions; the effects of general economic conditions on a national basis or in the local markets in which Ponce Bank operates, including changes that adversely affect borrowers’ ability to service and repay Ponce Bank’s loans; the anticipated impact of the COVID-19 pandemic and Ponce Bank’s attempts at mitigation; changes in the value of securities in the investment portfolio; changes in loan default and charge-off rates; fluctuations in real estate values; the adequacy of loan loss reserves; decreases in deposit levels necessitating increased borrowing to fund loans and investments; operational risks including, but not limited to, cybersecurity, fraud and natural disasters; changes in government regulation; changes in accounting standards and practices; the risk that intangibles recorded in the financial statements will become impaired; demand for loans in Ponce Bank’s market area; Ponce Bank’s ability to attract and maintain deposits; risks related to the implementation of acquisitions, dispositions, and restructurings; the risk that Ponce Financial Group, Inc. 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 PDL Community Bancorp’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q as filed with the Securities and Exchange Commission (the “SEC”), which are available at the SEC’s website, www.sec.gov. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. Ponce Financial Group, Inc. 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 may be required by applicable law or regulation.

Exhibit 99.2

NASDAQ: PDLB



Ponce Financial Group

Steven A. Tsavaris
Executive Chairman of the Board

Carlos P. Naudon
President & CEO

Frank Perez
Executive Vice President & CFO



Cautionary Statements

Forward Looking Statements

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Ponce Financial Group

- Ponce Financial Group, Inc. (the "Company"), a Maryland corporation, became the holding company of Ponce Bank, a federally chartered stock savings association on January 27, 2022 after successfully completing the conversion and reorganization of Ponce Bank Mutual Holding Company from the mutual to stock form of organization.
- PDL Community Bancorp, the predecessor of the Company had been approved as a Financial Holding Company. It is anticipated that the Company will also be a financial holding company.
- Our goal is to provide long-term value to our stakeholders, our stockholders, customers, employees and the communities we serve by executing a safe and sound business strategy that produces increasing value.
- We believe there is a significant opportunity for a minority, immigrant, low income, community-focused, minority-directed public institution to provide a full range of financial services to commercial and retail customers in our market area and communities of similar demographics.
- Ponce Bank is a leading Community Development Financial Institution and ranks among the largest and most housing-focused CDFI banks in the country.
- In our dealings with our stakeholders, we shall always follow ETHICAL principles in striving to be:

IntEgrious;
NurTuring;
TrustwortHy;
Fair;
Caring;
TrAnsparent; and
Sure to aLways do the "right thing."



Strategies and Focus

- Continue to expand our multifamily and nonresidential loans.*
- Continue leveraging our MDI/CDFI status.*
- Community lending programs.*
- Continue to increase core deposits, with an emphasis on low-cost commercial demand deposits, and add non-core funding sources.*
- Manage credit risk to maintain a low level of nonperforming assets.*
- Expand our employee base to support future growth.*
- Improving our digital presence and streamline the customer experience.*



Minority Depository Institution & Community Development Financial Institution



- We are a Minority Depository Institution (“MDI”) and a Community Development Financial Institution (“CDFI”). We are also an authorized direct lender under the Small Business Administration (“SBA”) program. As an MDI/CDFI and SBA lender combined with our pre-existing products, our commitment to continue to serve the communities that we have supported for over sixty years is greatly enhanced.
- We trace our roots as evidenced by our satisfactory Community Reinvestment Act rating, to the foundation in 1960 of the Ponce De Leon Federal Savings and Loan Association by Latino leaders concerned that the Bronx and its Latino population were being abandoned. True to its roots, we remain committed to ensuring that the disparate effects of the COVID-19 pandemic and the wealth and financial gaps present in minority communities are addressed in earnest.





Minority Depository Institution & Community Development Financial Institution

- We are cementing our Vision 2025, our roadmap to acquiring the resources needed to lead efforts to remediate the disparate effects of the COVID-19 pandemic and the wealth and financial gaps present in our communities and similar communities outside the New York City metropolitan area.
- We have been notified by the U.S. Department of Treasury (“Treasury”) that we are eligible to receive an investment as a result of the Emergency Capital Investment Program (“ECIP”) of up to \$185.6 million in exchange for the issuance by Ponce Financial Group of senior perpetual noncumulative preferred stock directly to Treasury on terms established by Treasury. The capital is designed to support the efforts of low-and-moderate income community financial institutions. Only MDIs and CDFIs were eligible to participate in the program. Under ECIP legislation we may apply to transfer the ownership funds to our Ponce De Leon Foundation. There is no cost to us for the first 2 years and includes rate reduction incentives after the 2 years with a cap of 2.00%.





CDFI Banking Industry Peer Group Report

As of September 30, 2021

- Among the 20 largest CDFI Banks by **Assets** (168 total), we are:
 - 9th in size
 - 2nd in DLI-HMDA (% of housing lending activities in LMI areas)
 - 6th in % of branches in LMI areas
 - 2nd in housing focus
- Among the 20 largest CDFI Banks by **Loans** (168 total), we are:
 - 4th in size
 - 2nd in DLI-HMDA
 - 5th in LMI branches
 - 2nd in housing focus
- Among the 20 largest CDFI Banks by **Deposits** (168 total), we are:
 - 10th in size
 - 2nd in DLI-HMDA
 - 7th in LMI branches
 - **1st in Housing focus**





CDBA Peer Scorecard Report

As of December 31, 2021

(185 Banks & Thrifts in Total)*

I. OVERVIEW

- 17th on overall peer group scorecard ranking

II. GROWTH RATES

- 12th on Assets Growth Rate YTD (%)
- 16th on Loans & Leases Growth Rate YTD (%)
- 14th on Deposits Growth Rate YTD (%)

III. PERFORMANCE

- 21st on Return on Average Assets (%)
- 22nd on Return on Average Equity (%)
- 17th on Net Interest Margin (%)
- 25th on Efficiency Ratio (%)

IV. CAPITAL ADEQUACY

- 21st on Tier 1 Risk-Based Capital Ratio (%)
- 22nd on Total Risk Based Capital Ratio (%)
- 22nd on Tier 1 Leverage Ratio (%)
- 10th on Total Bank Equity Capital (%)



* The CDBA Members group consists of 95 CDFI certified banks and thrifts and 6 non-CDFI members, and the Non-CDBA Members group consists of 90 CDFI certified banks and thrifts.



Paycheck Protection Program 2020-21

- The Bank originated \$86 million of PPP loans in 2020 and \$175 million in 2021.
- PPP loans that meet SBA requirements may be forgiven in certain circumstances, are fully guaranteed by the SBA, and have an initial term of up to five years and earn an interest rate of 1% if not forgiven.





Environmental, Social, and Governance Focused Organization

PONCE RESPONSIBILITY HIGHLIGHTS			
<p>100% of Board of Directors and Executive Management is either native of or second generation of immigrants from foreign countries</p>	<p>Together with the Foundation we have donated over \$1 million to charitable organizations since 2017</p>	<p>Over 200 hours of volunteer time donated to non-profits in 2021</p>	<p>Originated over \$250 Million in PPP Loans to support small businesses during COVID-19</p>
<p>Overwhelming majority of staff are minority members</p>	<p>As of 2020 we are in a Paperless Work Environment</p>	<p>Over 70% of our lending activities occurred in low-and-moderate income communities</p>	<p>Did not furlough or layoff any employees during the COVID-19 pandemic and took steps to protect our employees and customers</p>
<p>Over 60% of our retail branches are located in low-and-moderate income communities</p>	<p>Partnered with Fintech companies to provide micro lending opportunities to both personal and business customers</p>	<p>Provided over 500 customers with pandemic related loan deferrals</p>	<p>Created a Financial Mastery Program through FDIC Money Smart Program to enhance individual's financial skills and economic backgrounds</p>





Community Sponsorships and Donations

Includes Sponsorships and Donations by the Company and the Ponce De Leon Foundation

American Cancer Society / Morris Heights Health Center / Urban Youth Alliance Int /
Castle Hill Little League / Iglesia Nuevo Amanecer La Hermosa / Phipps Neighborhood / InHisName United /
YMCA of Greater NY / Washington Heights BID / Unique People Services / Hostos Community College Foundation /
New Bronx Chamber of Commerce / Bronx Manhattan North Board of Realtors / Bronx Kings / Business Initiative Corporation /
Neighborhood Shop COVID Relief Program / BOEDC/ Bronx Tourism Council / Bronx County Bar Association /
NYS CDFI Coalition / Business Initiative Corporation / Bronx Overall Economic Development Corp / Unique People Services /
Hope Gathering / Buy Local East Harlem & Greet / LSA Covid Relief / Citivas / Union Settlement / La Fortaleza / Hope Community /
AHRC / Society of the Educational Arts / NYCHCC Women In Business / Riverdale Senior Services /
Urban Design Forum / Upper Manhattan Mental Health Center / Comite Noviembre /
RAICES Spanish Speaking Elderly Council / One Brooklyn Fund / MyTime Inc / Brooklyn Hospital Foundation /
Gay Men's Health Crisis Inc / CommonPoint Queens / Immaculate Conception Catholic Academy /
Hellenic Orthodox Community of Astoria / Greater Jamaica Development Corp / Queens Economic Development Corporation /
Immaculate Conception Catholic Academy / Pancyprian Association Inc / NJ Law Enforcement / Union City Music Project /
Queens Women's Chamber of Commerce / NJ Small Business Development Center at NJCU /
Forest Hills Chambers of Commerce / Greater NY Chamber of Commerce / NYSCDFI Coalition / Brooklyn Kings County /
Sharing and Caring Inc / Chamber Of Commerce of Washington Heights and Inwood in Manhattan /
Save Latin America / Hispanic Chamber of Commerce / BNI Down to Business / & MANY MORE





Strategic Partnerships





2nd Step Conversion and Offering

- We completed the 2nd step conversion from the mutual holding company corporate structure to the stock holding company corporate structure through an offering and exchange of existing shares of PDL Community Bancorp common stock for shares of Ponce Financial Group common stock.
- A total of 13,317,391 shares of Ponce Financial Group common stock were sold in the subscription offering at a price of \$10.00 per share.
- Each outstanding share of PDL Community Bancorp common stock owned by public shareholders as of the closing date was converted into the right to receive 1.3952 shares of Ponce Financial Group common stock in exchange for each share of PDL Community Bancorp common stock.
- Concurrent with the 2nd step conversion Mortgage World Bankers was transitioned from being a subsidiary of PDL Community Bancorp to a division of Ponce Bank.
- Reasons for the conversion and offering include:
 - *Support continued growth*
 - *Eliminate the uncertainties associated with the mutual holding company structure under federal regulations*
 - *Transition us to a more familiar and flexible organizational structure*
 - *Facilitate future mergers and acquisitions*
 - *Improve the liquidity of our shares of common stock*

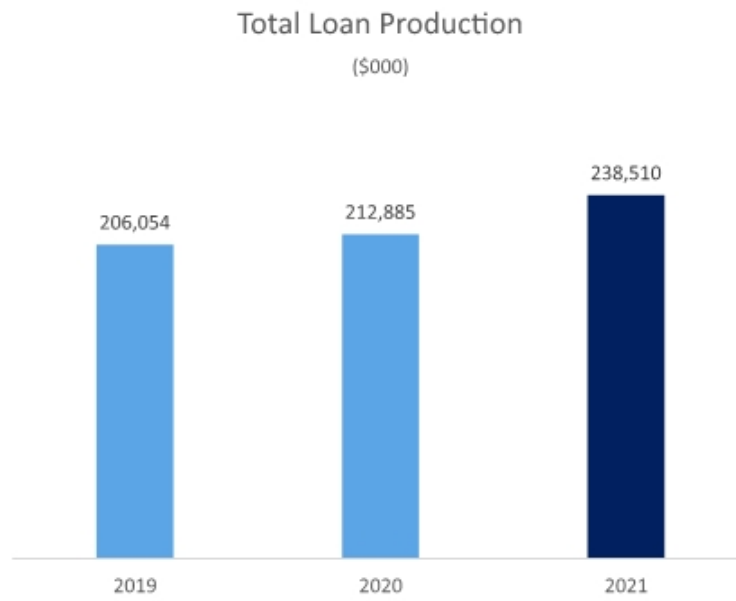


Mortgage World Bankers

- On July 10, 2020, we completed the acquisition of Mortgage World Bankers (“MWB”) for \$1.8 million, and as of January 26, 2022 is now operating as a division of Ponce Bank.
- The primary business of MWB is taking applications from the general public for residential mortgage loans, underwriting them to Ponce Banks’ and investors standards, closing and funding them and holding them until they are sold to investors.
- MWB primarily operated in the New York City metropolitan area and was permitted to do business in various states (New York, New Jersey, Pennsylvania, Florida and Connecticut). As a division of a federal bank, MWB may now operate in all fifty states, Puerto Rico, and United States territories without further licensing requirements.
- The acquisition of MWB was a strategic relationship that has aided in injecting vital sources of new capital into economically underserved areas by leveraging its loan production locations.



Mortgage World Bankers Loan Production*



* The loan originations are non-brokered.



Sale Leaseback Transactions

Property	Location	Date	Sales Price	Pretax Gain	Lease Term	Annual Rent	Annual Rent Increase
Union City Branch	3821 Bergenline Avenue, Union City, New Jersey	12/22/20	\$2.4 million	\$623,000	15 years	\$145,000	1.50%
Riverdale Branch	5560 Broadway, Bronx, New York	6/4/21	\$5.7 million	\$4.2 million	15 years	\$281,000	1.75%
Smith St Branch	169-174 Smith Street, Brooklyn, New York	8/10/21	\$4.0 million	\$3.7 million	17 years	\$200,000	1.50%
Headquarters and Westchester Ave Branch	2244 Westchester Avenue, Bronx, New York	8/30/21	\$16.1 million	\$8.7 million	17 years	\$926,100	1.75%
Jackson Heights Branch	37-60 82 nd Street, Jackson Heights, Queens, New York	12/16/21	\$11.8 million	\$3.2 million	17 years	\$530,000	2.00%



Corporate Headquarters and Office Locations



● CORPORATE HEADQUARTERS

Ponce Bank
2244 Westchester Ave.
Bronx, NY 10462

● Office Locations

New York

BRONX
170th Street
51 East 170th Street
Bronx, NY 10452

Riverdale
5560 Broadway
Bronx, NY 10463

Southern Boulevard
980 Southern Boulevard
Bronx, NY 10459

Westchester Avenue
2244 Westchester Ave.
Bronx, NY 10462

QUEENS

Astoria
34-05 Broadway
Astoria, NY 11106
32-75 Steinway St., Ste. 212
Long Island City, NY 11105

Forest Hills
100-20 Queens Boulevard
Forest Hills, NY 11375

Jackson Heights
37-60 82nd Street
Jackson Heights, NY 11372

Flushing
135-14 Northern Blvd., 2nd Fl.
Flushing, NY 11354

MANHATTAN

106th Street
207 East 106th Street
New York, NY 10029

Stuyvesant Town
319 1st Avenue
New York, NY 10003

BROOKLYN

Bensonhurst
2047 86th Street
Brooklyn, NY 11214

Flatlands
1500 Ralph Avenue
Brooklyn, NY 11234

Smith Street
169 Smith Street
Brooklyn, NY 11201

26-58 Coney Island Ave.
Brooklyn, NY 11223

New Jersey

Union City
3821 Bergenline Avenue
Union City, NJ 07087

Bergenfield
42 South Washington Ave.
Bergenfield, NJ 07621

Englewood Cliffs
375 Sylvan Ave., Ste. 4
Englewood Cliffs, NJ 07632



Balance Sheet at a Glance

Total Assets: \$1.65 Billion*

- 80% of which are loans

Total Loans: \$1.32 Billion*

- primarily residential properties

Total Deposits: \$1.20 Billion*

- up 17% for past 12 months

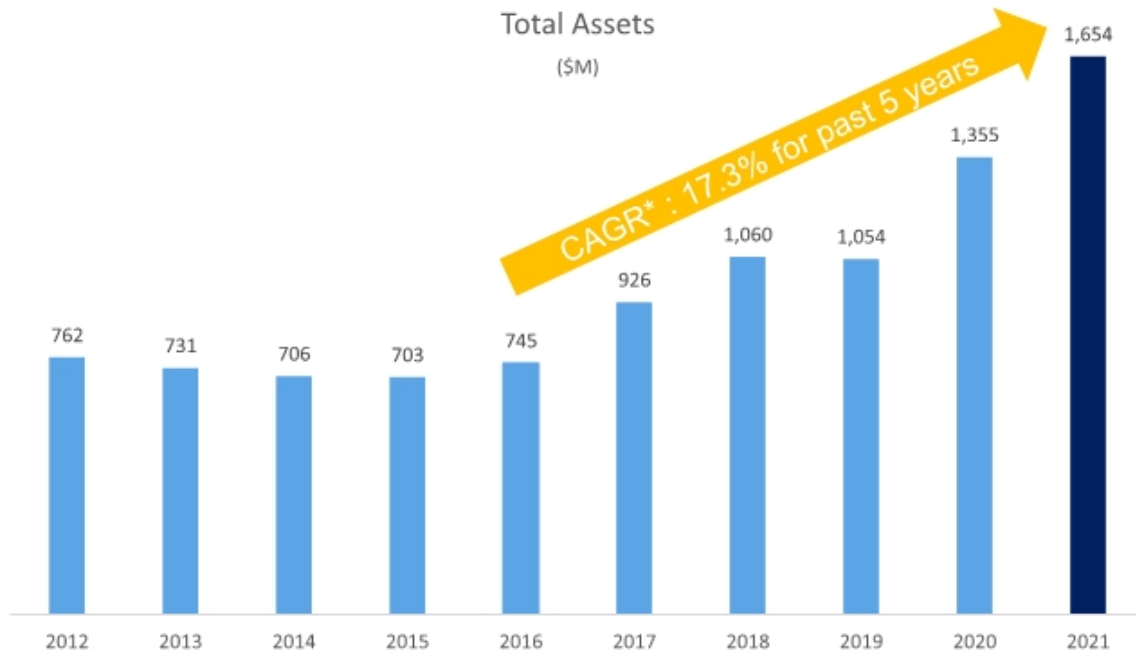
Total Market Capitalization: \$266 Million**

* As of December 31, 2021

** As of January 28, 2022



Strong Growth in Recent Years



* 2016 to 2021 Compound Annual Growth Rate
Source: S&P Capital IQ; Company provided documents



Relative Stock Performance in 2021*



* January 2021 to December 2021 Stock Relative Performance
Source: S&P Capital IQ



Outstanding Growth

for the Year Ended December 31, 2021

Growth	PDLB	Peers*
Asset Growth	22.01%	10.69%
Deposit Growth	17.01%	12.43%
Net Loan Growth	12.64%	1.24%
Net Income Growth	559.62%	57.77%

- Net interest income of \$58.8 million for 2021 increased \$16.9 million, or 40.2%, from 2020.
- Net interest margin was 4.13% in 2021, 44 bps increase from 3.69% in 2021.

* Source: S&P Capital IQ

Screening criteria includes 1. Primary Industry: Banking, 2. Geography: Northeast, Mid Atlantic, 3. Company Type: Public Company, 4. Company Status: Operating, 5. Total Assets: between \$1B and \$3B 6. Number of Branches: More than 8.



Strong Capital Position

Ratio	PDLB At 12/31/2021	Peers* At 12/31/2021	SNL U.S. BMI Banks Index At 12/31/2021
Total Risk-Based Capital Ratio	18.95%	16.44%	15.30%
Tier 1 Risk-Based Capital Ratio	17.70%	14.60%	13.16%
Common Equity Tier 1 Ratio	17.70%	15.51%	12.49%
Leverage Ratio	12.62%	9.10%	9.33%

* Source: S&P Capital IQ.
Screening criteria includes 1. Primary Industry: Banking, 2. Geography: Northeast, Mid Atlantic, 3. Company Type: Public Company, 4. Company Status: Operating, 5. Total Assets: between \$1B and \$3B 6. Number of Branches: More than 8.



Asset Quality

Ratio	PDLB At 12/31/2021	Peers* At 12/31/2021	SNL U.S. BMI Banks Index At 12/31/2021
NCOs/Average Loans	(0.18%)	0.02%	0.17%
NPAs/Total Assets	0.69%	0.53%	0.43%
NPLs/Total Loans	0.87%	0.66%	0.91%
ALLL/Total Loans	1.24%	1.39%	1.41%
ALLL/NPLs	142.90%	126.27%	148.90%

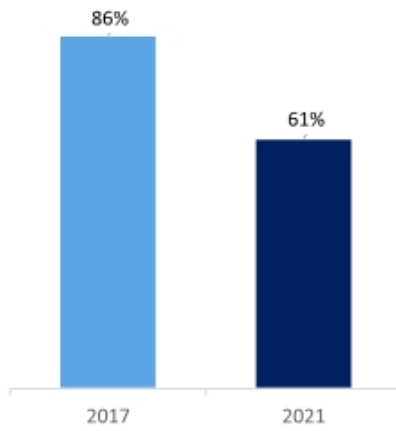
* Source: S&P Capital IQ.

Screening criteria includes 1. Primary Industry: Banking, 2. Geography: Northeast, Mid Atlantic, 3. Company Type: Public Company, 4. Company Status: Operating, 5. Total Assets: between \$1B and \$3B 6. Number of Branches: More than 8.



Improving Efficiency

Efficiency Ratio

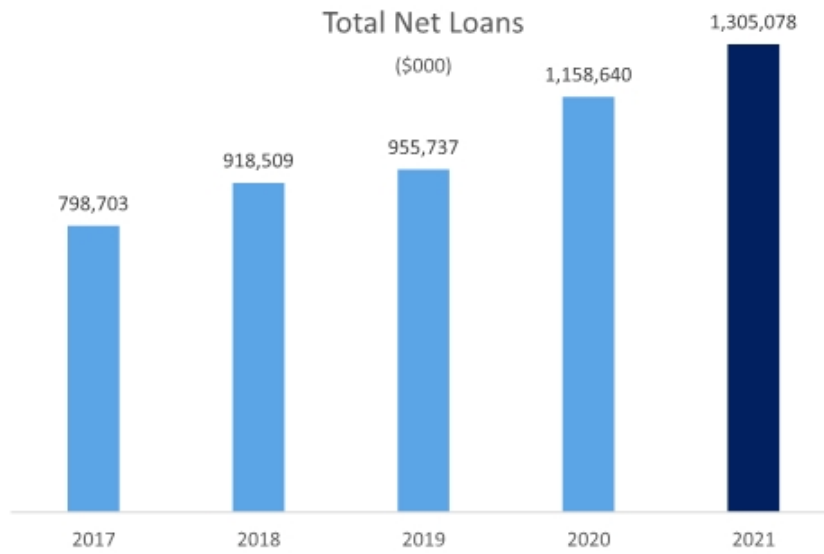


Highlights:

- Significant improvement in the efficiency ratio
- Dropped from 86% in 2017 to 61% in 2021



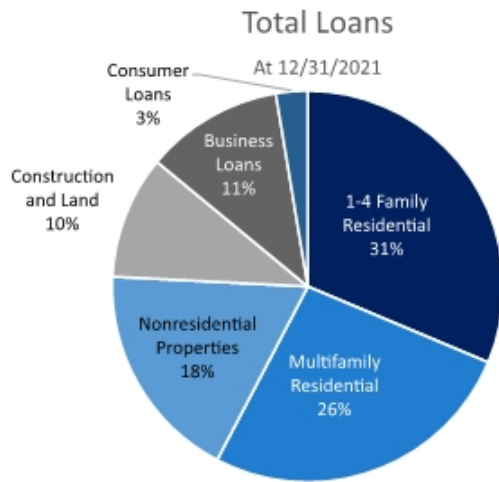
Loan Growth



- Total Net Loans have grown by \$506 million or 63% since end of 2017 and \$146 million or 13% in 2021



Loans



Total Net Loans: \$1.3 billion

- Majority of portfolio focused on lower-risk multi-family loans with low LTVs
- Consistent lending strategy
- Low risk credit culture and business strategy has resulted in superior asset quality through past credit cycles
- Interest income on loans increased by \$13.1 million, or 25%, from \$52.4 million in 2020 to \$65.5 million in 2021
- Average yield on loan portfolio: 4.99%
- \$8.0 million loan deferrals as of December 31, 2021

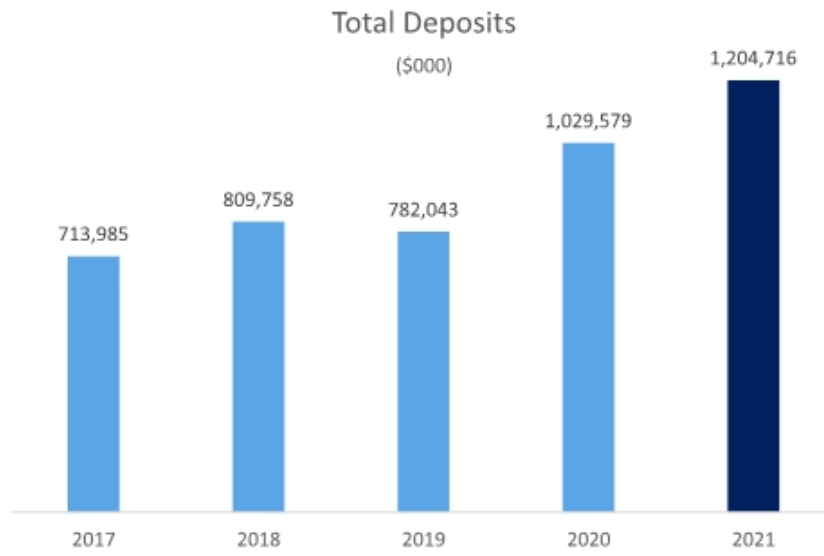
LTV

At 12/31/2021

	Amount (\$M)	Percent of Total Loans	WA-LTV
Mortgage loans:			
1-4 family residential	414	31.3%	56.9%
Multifamily residential	348	26.3%	54.1%
Nonresidential properties	240	18.1%	48.3%
Construction and land	135	10.2%	58.9%
Total mortgage loans	1,137	86.0%	54.5%



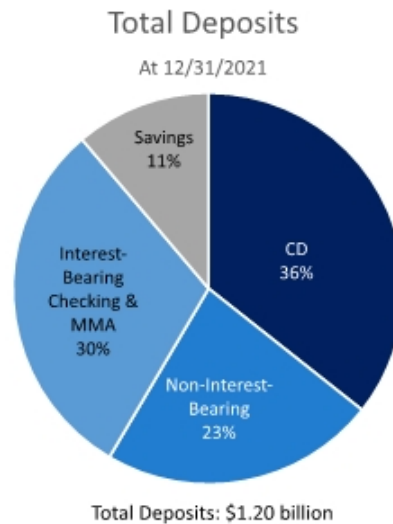
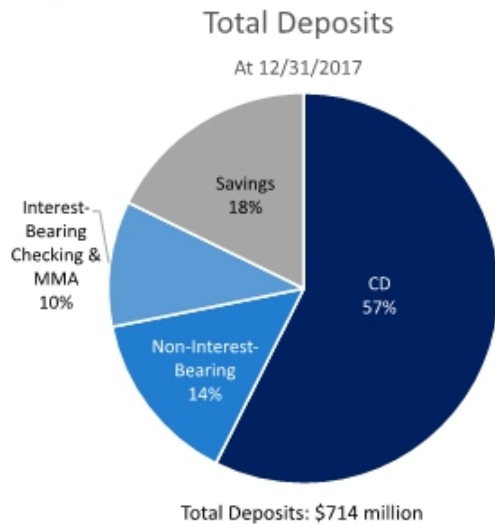
Deposit Growth



- Total deposits increased \$491 million or 69% since 2017 and \$175 million or 17% in 2021



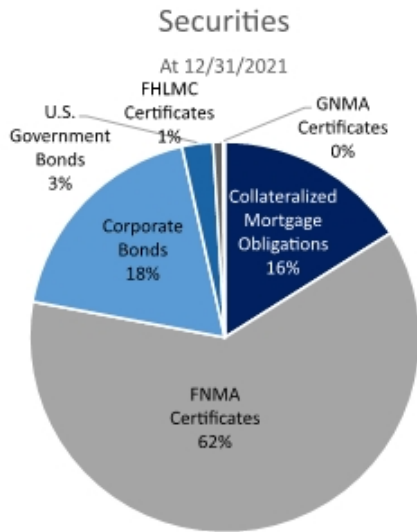
Increase in Low Cost Deposits



- Increase in non-interest-bearing deposits was a main driver increasing from \$103 million as of December 2017 to \$275 million as of December 2021
- Shift in deposit composition while increasing total deposits
- Percentage of CDs has decreased from 58% to 36% while percentage of non-interest-bearing deposits has increased from 14% to 23%
- Cost of interest-bearing deposits dropped by 56bps from 1.19% in 2020 to 0.63% in 2021

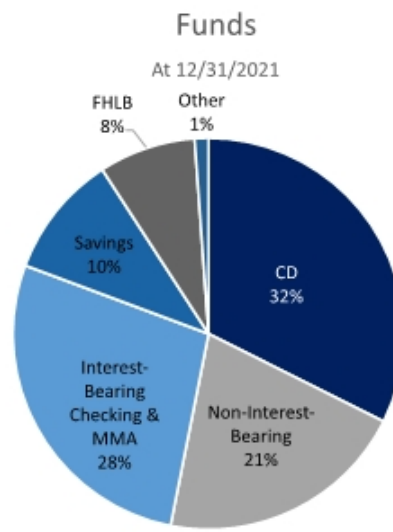


Securities and Funding Composition



Total Securities: \$114.3 million

- Weighted average coupon yield is 2.04%
- Increased by 494% since 12/31/2020
- Consists primarily of Mortgage Backed Securities



Total Funding: \$1.33 billion

- Significant increase in non-interest-bearing deposits
- Cost of interest-bearing liabilities decreased by 51bps from 1.31% in 2020 to 0.80% in 2021



Appendix



Executive Officers

Steven A. Tsavaris	Carlos P. Naudon	Frank Perez
Executive Chairman of the Board	President, CEO & Director	Executive VP & CFO
<ul style="list-style-type: none"> • first-generation Greek-American • serves as Executive Chairman and Director of Ponce Financial Group and Ponce Bank • joined Ponce De Leon Federal Bank as an Executive Vice President in 1995, became President in 1999, and was made Chief Executive Officer in 2011 • served as Chairman and Chief Executive Officer of Ponce Bank Mutual Holding Company 	<ul style="list-style-type: none"> • native of Chile • serves as President, Chief Executive Officer and Director of Ponce Financial Group and Ponce Bank • served as President of Ponce Bank since 2015 • served as Director at Open Solutions Inc. and was Independent Director at VeruTEK Technologies, Inc. Mr. Naudon was a Partner in the law firm of Allister & Naudon • member of the New York State Bar Association, the New York City Hispanic Chamber of Commerce and other professional associations 	<ul style="list-style-type: none"> • native of Puerto Rico • serves as Chief Financial Officer and Executive Vice President of Ponce Financial Group and Ponce Bank • served as Executive Vice President and Chief Financial Officer of First Volunteer Bank • served as Executive Vice President and Chief Financial Officer of First Federal Savings Bank from May 2012 to January 2015 • served as Executive Vice President and Chief Financial Officer and Principal Accounting Officer of Tennessee Commerce Bancorp Inc. from July 2008 to January 2012



Directors

James C. Demetriou	William Feldman
<ul style="list-style-type: none">• native of Cyprus• has served as a director since 2009• a member of the Board of Directors of the Ponce De Leon Foundation• the President and Chief Executive Officer of First Management Corp., a property management company located in Astoria, New York, established in 1985 with a portfolio of over 130 residential, cooperative, condominium and commercial buildings• a partner in the accounting firm, J. Demetriou & Co., established in 1970. In addition, Mr. Demetriou has been a New York licensed real estate broker and sponsoring broker of Archway Realty, Inc., in Astoria, New York since 1985• the President and Founder of Foxx Capital Funding, Inc. a New York licensed mortgage broker established in 1999	<ul style="list-style-type: none">• native of Cuba• has served as a director since 1993• a member of the Board of Directors of the Ponce De Leon Foundation• has been investing in and managing commercial and residential real estate properties in the New York metropolitan area for over 30 years and currently manages 12 properties, with ownership interests varying between 12.5% and 50.0%, held by The Feldman Living Trust• Until 2018, Mr. Feldman served as the President of the Southern Boulevard Business Improvement District, a not-for-profit entity whose mission is to increase the economic growth and stability of the Southern Boulevard shopping area. Mr. Feldman currently serves as a member of its Board of Directors• Prior to 2013, Mr. Feldman owned several men's clothing stores



Directors

Nick R. Lugo	Julio Gurman	Maria Alvarez
<ul style="list-style-type: none">• native of Puerto Rico• has served as a director since 1999 and serves as Vice Chairman of the Board of Directors• a member of the Board of Directors of the Ponce De Leon Foundation• an investor in real estate properties located in the New York area and holds these investments in several limited liability companies• the President of Nick Lugo Travel Corp., which he founded in 1980• the owner and publisher of LaVoz Hispana, a weekly newspaper• founded in 2006 the New York City Hispanic Chamber of Commerce and serves as its Chairman and President• a Director of the Southern Boulevard Business Improvement District	<ul style="list-style-type: none">• native of Cuba• has served as a director since 1994• an investor in and manager of commercial and residential real estate properties in the New York metropolitan area• co-investor/manager of the same 12 properties as Mr. Feldman and Mr. Lugo	<ul style="list-style-type: none">• native of Puerto Rico• has served as a director since 2019• a member of the Board of Directors of the Ponce De Leon Foundation• has been the Executive Director of the New York State-Wide Senior Action Council, Inc. since 2010• Since 2008, Ms. Alvarez has also been the Executive Director of the Brooklyn-wide Interagency Council on Aging Educational Fund, Inc



Peer Group

Entity Name	Ticker	Total Assets (\$000)	Number of Branches	Latest Fiscal Quarter Reported*
Ponce Financial Group	PDLB	1,665,577	14	12/31/2021
Solvay Bank Corp.	SOBS	1,123,635	9	9/30/2021
Pathfinder Bancorp, Inc.	PBHC	1,285,177	10	12/31/2021
Salisbury Bancorp, Inc.	SAL	1,529,184	14	12/31/2021
Lyons Bancorp Inc.	LYBC	1,630,000	16	12/31/2021
The Adirondack Trust Company	ADKT	1,698,702	13	12/31/2021
PCSB Financial Corporation	PCSB	1,888,121	16	12/31/2021
Norwood Financial Corp.	NWFL	2,068,504	30	12/31/2021
Orange County Bancorp, Inc.	OBT	2,142,583	14	12/31/2021
Citizens Financial Services, Inc.	CZFS	2,143,863	31	12/31/2021
Evans Bancorp, Inc.	EVBN	2,210,640	21	12/31/2021
Citizens & Northern Corporation	CZNC	2,327,648	29	12/31/2021
Chemung Financial Corporation	CHMG	2,418,788	30	12/31/2021
BCB Bancorp, Inc.	BCBP	2,967,528	29	12/31/2021

* Source: S&P Capital IQ

Screening criteria includes 1. Primary Industry: Banking, 2. Geography: Northeast, Mid Atlantic, 3. Company Type: Public Company, 4. Company Status: Operating, 5. Total Assets: between \$1B and \$3B 6. Number of Branches: More than 8.



Investor Information

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Thank you.
