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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to

Commission File Number: 001-41255

Ponce Financial Group, Inc.
(Exact Name of Registrant as Specified in its Charter)

Maryland	**87-1893965**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
2244 Westchester Avenue	
Bronx, NY	**10462**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (718) 931-9000

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 (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 3, 2026, the registrant had 24,188,501 shares of common stock, $0.01 par value per share, outstanding.

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PART I—FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements.

Ponce Financial Group, Inc. and Subsidiaries

Consolidated Statements of Financial Condition (Unaudited)
September 30, 2026 and December 31, 2025
(Dollars in thousands, except share data)

	September 30, 2026 (unaudited)	December 31, 2025
ASSETS		
Cash and due from banks:		
Cash	$ 27,725	$ 28,511
Interest-bearing deposits	104,486	97,643
Total cash and cash equivalents	132,211	126,154
Available-for-sale securities, at fair value (Note 3)	79,475	92,196
Held-to-maturity securities, net of allowance for credit losses of $206 at September 30, 2026 and $236 at December 31, 2025; at amortized cost (fair value of $228,857 at September 30, 2026 and $268,875 at December 31, 2025) (Note 3)	241,176	272,982
Placement with banks	249	249
Mortgage loans held for sale, at fair value (Note 4)	3,701	3,388
Loans receivable, net of allowance for credit losses of $29,168 at September 30, 2026 and $25,449 at December 31, 2025 (Note 5)	3,081,101	2,599,258
Accrued interest receivable	21,624	17,905
Premises and equipment, net	10,924	15,638
Right of use assets (Note 6)	26,331	27,583
Federal Home Loan Bank of New York (FHLBNY) stock, at cost	34,064	29,309
Federal Reserve Bank of New York (FRBNY) stock, at cost	10,725	10,698
Deferred tax assets	25,770	11,501
Other assets	19,326	17,109
Total assets	$ 3,686,677	$ 3,223,970
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Deposits (Note 7)	$ 2,367,708	$ 2,046,635
Borrowings (Note 8)	696,100	596,100
Operating lease liabilities	28,171	29,353
Accrued interest payable	3,862	3,788
Other liabilities	12,576	6,545
Total liabilities	3,108,417	2,682,421
Commitments and contingencies (Note 10)		
Stockholders' Equity:		
Preferred stock, $0.01 par value; 100,000,000 shares authorized:		
Series A, senior non-cumulative perpetual, $1,000 per share liquidation preference, 225,000 shares issued and outstanding as of September 30, 2026 and December 31, 2025	225,000	225,000
Common stock, $0.01 par value; 200,000,000 shares authorized; 24,886,711 shares issued at both September 30, 2026 and December 31, 2025; 24,187,901 shares outstanding as of September 30, 2026 and 24,135,926 shares outstanding as of December 31, 2025	249	249
Treasury stock, at cost; 698,810 shares as of September 30, 2026 and 750,785 shares as of December 31, 2025	(5,738)	(6,164)
Additional paid-in-capital	211,317	208,604
Retained earnings	169,855	135,332
Accumulated other comprehensive loss (Note 13)	(12,645)	(10,820)
Unearned compensation ─ ESOP; 1,067,936 shares as of September 30, 2026 and 1,168,244 shares as of December 31, 2025	(9,778)	(10,652)
Total stockholders' equity	578,260	541,549
Total liabilities and stockholders' equity	$ 3,686,677	$ 3,223,970

The accompanying notes are an integral part of the consolidated financial statements (unaudited).

Ponce Financial Group, Inc. and Subsidiaries

Consolidated Statements of Operations (Unaudited)
Three and Nine Months Ended September 30, 2026 and 2025
(Dollars in thousands, except share data)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Interest and dividend income:				
Interest on loans receivable	$ 52,910	$ 41,486	$ 143,727	$ 118,913
Interest on deposits due from banks	901	978	2,625	3,453
Interest and dividend on securities and FHLBNY stock	3,693	4,383	11,466	14,338
Total interest and dividend income	57,504	46,847	157,818	136,704
Interest expense:				
Interest on certificates of deposit	7,313	6,553	20,513	21,689
Interest on other deposits	10,430	9,996	28,604	27,608
Interest on borrowings	5,772	5,050	16,425	15,530
Total interest expense	23,515	21,599	65,542	64,827
Net interest income	33,989	25,248	92,276	71,877
Provision for credit losses (Note 3) (Note 5)	3,219	1,364	7,023	2,705
Net interest income after provision for credit losses	30,770	23,884	85,253	69,172
Non-interest income:				
Service charges and fees	611	539	1,750	1,575
Brokerage commissions	—	8	—	12
Late and prepayment charges	232	385	1,096	1,612
Income on sale of mortgage loans	188	166	469	483
Income on sale of SBA loans	—	—	—	404
Grant income	—	429	—	857
Loss on real property held for sale	(1,166)	—	(1,166)	—
Other	985	(35)	2,270	990
Total non-interest income	850	1,492	4,419	5,933
Non-interest expense:				
Compensation and benefits	10,509	7,868	28,242	23,275
Occupancy and equipment	3,879	3,934	11,452	11,754
Data processing expenses	1,202	1,296	3,616	3,636
Direct loan expenses	89	155	397	784
Insurance and surety bond premiums	332	318	997	930
Office supplies, telephone and postage	147	170	492	514
Professional fees	1,305	1,409	4,121	4,140
Marketing and promotional expenses	144	184	562	533
Federal deposit insurance and regulatory assessment	495	266	1,312	1,273
Other operating expenses	1,134	1,018	3,420	3,536
Total non-interest expense	19,236	16,618	54,611	50,375
Income before income taxes	12,384	8,758	35,061	24,730
(Benefit) provision for income taxes	(5,865)	2,250	(306)	6,163
Net income	$ 18,249	$ 6,508	$ 35,367	$ 18,567
Dividends on preferred shares	281	281	844	844
Net income available to common stockholders	$ 17,968	$ 6,227	$ 34,523	$ 17,723
Earnings per common share (Note 9):				
Basic	$ 0.78	$ 0.27	$ 1.50	$ 0.78
Diluted	$ 0.76	$ 0.27	$ 1.47	$ 0.77
Weighted average common shares outstanding (Note 9):				
Basic	23,086,892	22,766,195	23,043,250	22,715,620
Diluted	23,650,370	23,135,448	23,496,728	22,992,655

The accompanying notes are an integral part of the consolidated financial statements (unaudited).

Ponce Financial Group, Inc. and Subsidiaries

Consolidated Statements of Comprehensive Income (Unaudited)
Three and Nine Months Ended September 30, 2026 and 2025
(In thousands)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income	$ 18,249	$ 6,508	$ 35,367	$ 18,567
Net change in unrealized gain on securities:				
Unrealized (loss) gain	(2,848)	1,852	(2,692)	4,711
Income tax effect	2,256	(391)	2,222	(1,000)
Valuation allowance reduction, net, for deferred tax asset in net income	(1,355)	—	(1,355)	—
Total other comprehensive (loss) income, net of tax	(1,947)	1,461	(1,825)	3,711
Total comprehensive income	16,302	7,969	33,542	22,278
Less: Dividends on preferred shares	281	281	844	844
Total comprehensive income available to common stockholders	$ 16,021	$ 7,688	$ 32,698	$ 21,434

The accompanying notes are an integral part of the consolidated financial statements (unaudited).

Ponce Financial Group, Inc. and Subsidiaries

Consolidated Statements of Stockholders' Equity (Unaudited)
Three and Nine Months Ended September 30, 2026 and 2025
(Dollars in thousands, except share data)

	Preferred Stock		Common Stock		Treasury Stock,	Additional Paid-in	Retained	Accumulated Other Comprehensive	Unallocated Common Stock	
	Shares	Amount	Shares	Amount	At Cost	Capital	Earnings	Loss	of ESOP	Total
Balance, December 31, 2025	225,000	$ 00	24,135,926	$ 249	$ (6,164)	$ 208,604	$ 135,332	$ (10,820)	$ (10,652)	$ 541,549
Net income	—	—	—	—	—	—	8,623	—	—	8,623
Preferred stock dividend	—	—	—	—	—	—	(281)	—	—	(281)
Other comprehensive income, net of tax	—	—	—	—	—	—	—	140	—	140
Release of restricted stock units	—	—	26,094	—	214	(214)	—	—	—	—
Exercise of stock options	—	—	25,881	—	212	10	—	—	—	222
ESOP shares committed to be released (33,436 shares)	—	—	—	—	—	267	—	—	291	558
Share-based compensation	—	—	—	—	—	552	—	—	—	552
Balance, March 31, 2026	225,000	225,000 $ 00	24,187,901	$ 249	$ (5,738)	$ 209,219	$ 143,674	$ (10,680)	$ (10,361)	$ 551,363
Net income	—	—	—	—	—	—	8,495	—	—	8,495
Preferred Stock Dividend	—	—	—	—	—	—	(282)	—	—	(282)
Other comprehensive loss, net of tax	—	—	—	—	—	—	—	(18)	—	(18)
ESOP shares committed to be released (33,436 shares)	—	—	—	—	—	375	—	—	292	667
Share-based compensation	—	—	—	—	—	745	—	—	—	745
Balance, June 30, 2026	225,000	225,000 $ 00	24,187,901	$ 249	$ (5,738)	$ 210,339	$ 151,887	$ (10,698)	$ (10,069)	$ 560,970
Net income	—	—	—	—	—	—	18,249	—	—	18,249
Preferred Stock Dividend	—	—	—	—	—	—	(281)	—	—	(281)
Other comprehensive loss, net of tax	—	—	—	—	—	—	—	(1,947)	—	(1,947)
ESOP shares committed to be released (33,436 shares)	—	—	—	—	—	375	—	—	291	666
Share-based compensation	—	—	—	—	—	603	—	—	—	603
Balance, September 30, 2026	225,000	225,000 $ 00	24,187,901	$ 249	$ (5,738)	$ 211,317	$ 169,855	$ (12,645)	$ (9,778)	$ 578,260

	Preferred Stock		Common Stock		Treasury Stock,	Additional Paid-in	Retained	Accumulated Other Comprehensive	Unallocated Common Stock	
	Shares	Amount	Shares	Amount	At Cost	Capital	Earnings	Loss	of ESOP	Total
Balance, December 31, 2024	225,000	225,000 $ 00	23,961,214	$ 249	$ (7,707)	$ 207,319	$ 107,754	$ (15,297)	$ (11,818)	$ 505,500
Net income	—	—	—	—	—	—	5,959	—	—	5,959
Preferred stock dividend	—	—	—	—	—	—	(281)	—	—	(281)
Other comprehensive income, net of tax	—	—	—	—	—	—	—	1,782	—	1,782
Release of restricted stock units	—	—	4,977	—	66	(66)	—	—	—	—
ESOP shares committed to be released (33,436 shares)	—	—	—	—	—	132	—	—	291	423
Share-based compensation	—	—	—	—	—	503	—	—	—	503
Balance, March 31, 2025	225,000	225,000 $ 00	23,966,191	$ 249	$ (7,641)	$ 207,888	$ 113,432	$ (13,515)	$ (11,527)	$ 513,886
Net income	—	—	—	—	—	—	6,100	—	—	6,100
Preferred Stock Dividend		—	—	—	—	—	(282)	—	—	(282)
Other comprehensive income, net of tax	—	—	—	—	—	—	—	468	—	468
Release of restricted stock units	—	—	18,609	—	237	(237)	—	—	—	—
ESOP shares committed to be released (33,436 shares)	—	—	—	—	—	171	—	—	292	463
Share-based compensation	—	—	—	—	—	453	—	—	—	453
Balance, June 30, 2025	225,000	225,000 $ 00	23,984,800	$ 249	$ (7,404)	$ 208,275	$ 119,250	$ (13,047)	$ (11,235)	$ 521,088
Net income	—	—	—	—	—	—	6,508	—	—	6,508
Preferred Stock Dividend				—	—	—	(281)	—	—	(281)
Other comprehensive income, net of tax	—	—	—	—	—	—	—	1,461	—	1,461
Exercise of stock options	—	—	16,325	—	134	(23)	—	—	—	111
ESOP shares committed to be released (33,436 shares)	—	—	—	—	—	200	—	—	291	491
Share-based compensation	—	—	—	—	—	457	—	—	—	457
Balance, September 30, 2025	225,000	225,000 $ 00	24,001,125	$ 249	$ (7,270)	$ 208,909	$ 125,477	$ (11,586)	$ (10,944)	$ 529,835

The accompanying notes are an integral part of the consolidated financial statements (unaudited).

Ponce Financial Group, Inc. and Subsidiaries

Consolidated Statements of Cash Flows (Unaudited)
Nine Months Ended September 30, 2026 and 2025
(In thousands)

	Nine Months Ended September 30,	
	2026	**2025**
Cash Flows From Operating Activities:		
Net income	$ 35,367	$ 18,567
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization of premiums/discounts on securities, net	(61)	(54)
Gain on sale of loans	(469)	(887)
Loss on real property held for sale	1,166	—
Provision for credit losses	7,023	2,705
Depreciation and amortization	3,629	3,578
ESOP compensation expense	1,979	1,573
Share-based compensation expense	1,899	1,413
Deferred income taxes	(13,402)	(1,328)
Changes in assets and liabilities:		
Decrease in mortgage loans held for sale, fair value	156	5,425
Increase in accrued interest receivable	(3,719)	(1,132)
Increase in other assets	(50)	(8,097)
Increase in accrued interest payable	74	660
Decrease in operating lease liabilities	(2,083)	(2,015)
Increase in other liabilities	3,849	245
Net cash provided by operating activities	35,358	20,653
Cash Flows From Investing Activities:		
Net (purchases) redemptions of FHLBNY stock	(4,755)	3,237
Net purchases of FRBNY stock	(27)	—
Proceeds from maturities, calls and principal repayments on securities	41,926	97,714
Proceeds from sale of loans	10,874	6,653
Net increase in loans	(497,675)	(212,638)
Purchases of premises and equipment	(95)	(1,013)
Net cash used in investing activities	(449,752)	(106,047)
Cash Flows From Financing Activities:		
Net increase in deposits	321,073	167,868
Net proceeds (repayment) from borrowings	100,000	(75,000)
Stock options exercised	222	110
Dividends paid on preferred stock	(844)	(844)
Net cash provided by financing activities	420,451	92,134
Net increase in cash and cash equivalents	6,057	6,740
Cash and cash equivalents at beginning of period	126,154	139,839
Cash and cash equivalents at end of period	$ 132,211	$ 146,579
Supplemental disclosures of cash flow information:		
Cash paid for interest on deposits and borrowings	$ 65,468	$ 64,167
Cash paid for income taxes, net of refunds	$ 11,110	$ 6,385
Operating lease assets in exchange for operating lease liabilities	$ 901	$ —

The accompanying notes are an integral part of the consolidated financial statements (unaudited).

Ponce Financial Group, Inc. and Subsidiaries
Notes to Consolidated Financial Statements (Unaudited)

Note 1. Nature of Business

Basis of Presentation and Consolidation:

Ponce Financial Group, Inc. (hereafter referred to as "we," "our," "us," "Ponce Financial Group, Inc.," or the "Company") is a financial holding company and the holding company of Ponce Bank, National Association ("Ponce Bank" or the "Bank"), a national bank. The Company's Consolidated Financial Statements presented herein have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

The Consolidated Financial Statements include the accounts of the Company and its wholly-owned subsidiary Ponce Bank. All significant intercompany transactions and balances have been eliminated in consolidation. For further information, refer to the audited Consolidated Financial Statements and Notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on March 13, 2026 (the "2025 Form 10-K").

Use of Estimates: In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities, as of the date of the consolidated statement of financial condition, and revenues and expenses for the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term relate to the determination of the allowance for credit losses, the valuation of real estate acquired in connection with foreclosures or in satisfaction of loans, the valuation of loans held for sale, the valuation of deferred tax assets and investment securities and the estimates relating to the valuation for share-based awards.

Segment Reporting: Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker (the "CODM") in deciding how to allocate resources to an individual segment and in assessing performance. The Company's Chief Executive Officer is the Company's CODM. The CODM reviews financial information presented on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance. As such, the Company has determined that it operates as one operating segment and one reportable segment.

Income Taxes. During the third quarter of 2026, the Company concluded that it is more likely than not that its New York State and New York City deferred tax assets will be realized and released the valuation allowance previously recorded against those assets. The release was recognized as a discrete income tax benefit of $10.5 million in the three and nine months ended September 30, 2026. In addition, the Company releases income tax effects recorded in accumulated other comprehensive income using the portfolio approach, under which the disproportionate tax effect is released only when the entire portfolio of available-for-sale securities is liquidated, sold or extinguished on an individual security basis as the related securities are sold, mature or are otherwise extinguished. During the three and nine months ended September 30, 2026, the Company recorded $1.4 million related to deferred tax assets on net unrealized losses on available-for-sale securities.

Note 2. Preferred Stock

On June 7, 2022 (the "Original Closing Date"), the Company issued 225,000 shares of the Company's Preferred Stock, par value $0.01 (the "Preferred Stock") for an aggregate purchase price equal to $225,000,000 in cash to the Treasury, pursuant to the Treasury's ECIP. Under the ECIP, Treasury provided investment capital directly to depository institutions that are CDFIs or MDIs or their holding companies, to provide loans, grants, and forbearance for small businesses, minority-owned businesses, and consumers, in low-income and underserved communities. No dividends accrued or were due for the first two years after issuance. For years three through ten, depending upon the level of qualified and/or deep impact lending made in targeted communities, as defined in the ECIP guidelines, dividends will be at an annual rate of either 2.0%, 1.25% or 0.5% and, thereafter, will be fixed at one of the foregoing rates. If we are unable to make qualified and/or deep impact loans at required levels, we will be required to pay dividends at the higher annual rates. Additionally, we may make qualified and/or deep impact loans that are riskier than we otherwise would in an effort to meet the lending requirements for the lower dividend rates and/or to qualify for the purchase option under the Repurchase Agreement (as described below).

Holders of Preferred Stock generally do not have any voting rights, with the exception of voting rights on certain matters as outlined in the Certificate of Designations. The Treasury is the holder of the Preferred Stock and a governmental entity, and the Treasury may hold interests that are different from a private investor in exercising its voting and other rights. In the event of a liquidation, dissolution or

winding up of the Company, the Preferred Stock will be entitled to a liquidation preference, subject to certain limitations, in the amount of the sum of $1,000 per share plus declared and unpaid dividends (without accumulation of undeclared dividends) on each share.

As a participant in the ECIP, the Company must comply with certain operating requirements. Specifically, the Company must adopt the Treasury's standards for executive compensation and luxury expenses for the period during which the Treasury holds equity issued under the ECIP. These restrictions may make it difficult to adequately compensate our management team, which could impact our ability to retain qualified management. Additionally, under the ECIP regulations, the Company cannot pay dividends or repurchase its common stock unless it meets certain income-based tests and has paid the required dividends on the Preferred Stock. In June 2024, the Company began paying dividends on its Preferred Stock, which dividends were $0.8 million and $0.8 million for the nine months ended September 30, 2026 and 2025, respectively.

On December 20, 2024, the Company entered into an ECIP Securities Purchase Option Agreement (the “Repurchase Agreement”) with Treasury. Pursuant to the Repurchase Agreement, Treasury has granted the Company an option to purchase all of the Preferred Stock during the Option Period, which is the first fifteen years following the Original Closing Date. The purchase price for the Preferred Stock pursuant to the purchase option is determined based on a formula equal to the present value of the Preferred Stock, calculated as set forth in the Repurchase Agreement, together with any accrued and unpaid dividends thereon, as of the closing date. Subject to variations in interest rates and the equity risk premium, which are components included in the purchase price calculation, the Company presently expects that the purchase price will be at a substantial discount from the face value of the Preferred Stock.

The purchase option may not be exercised unless and until at least one of the Threshold Conditions under the Repurchase Agreement has been met. The Threshold Conditions are as follows: during the ten years that follow the Original Closing Date (the “ECIP Period”) either (1) over any sixteen consecutive quarters, an average of at least 60% of the Company’s Total Originations, as defined pursuant to the terms of the ECIP, qualifies as “Deep Impact Lending,” as defined pursuant to the terms of the ECIP (the “Deep Impact Condition”); (2) over any twenty-four consecutive quarters, an average of at least 85% of the Company’s Total Originations qualifies as “Qualified Lending,” as defined pursuant to the terms of the ECIP (the “Qualified Lending Condition”); or (3) the Preferred Stock has a dividend rate of no more than 0.5%, which dividend rate is calculated pursuant to the ECIP and the terms thereof, at each of six consecutive Reset Dates, as defined in the ECIP.

The earliest possible date by which a Threshold Condition may be met is June 30, 2026, which is the end of the sixteenth consecutive quarter following the Original Closing Date. The Company has met the Threshold Conditions to exercise the purchase option as of June 30, 2026 because the Company has reported sixteen consecutive quarters for which it has met the Deep Impact Condition. The Preferred Stock currently has a dividend rate of 0.5%.

The closing of the repurchase of the Preferred Stock, if consummated, would occur between thirty and ninety days following the satisfaction of all applicable conditions, including the Threshold Condition. In addition to the requirement that a Threshold Condition be met, the Repurchase Agreement requires that the Company meet certain other eligibility conditions in order to exercise the purchase option in the future, including compliance with the terms of the original ECIP purchase agreement and the terms of the Preferred Stock, maintaining qualification as either a CDFI or an MDI, and meeting other legal and regulatory criteria. Although the Company currently expects that it will satisfy all other necessary conditions, there can be no assurance if and when such repurchase will be consummated with Treasury.

The purchase option granted under the agreement is a freestanding financial instrument under GAAP. The Company analyzed the fair value of the repurchase option in accordance with ASC Topic 820 “Fair Value Measurements” and determined that the purchase option value is de minimis as of December 20, 2024, December 31, 2025 and September 30, 2026.

Ponce Financial Group, Inc. and Subsidiaries
Notes to Consolidated Financial Statements (Unaudited)

Note 3. Securities

The amortized cost, gross unrealized gains and losses, and fair value of securities at September 30, 2026 and December 31, 2025 are summarized as follows:

	September 30, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(in thousands)		
Available-for-Sale Securities:				
Corporate Bonds	$ 13,500	$ —	$ (367)	$ 13,133
Mortgage-Backed Securities:				
Collateralized Mortgage Obligations [1]	28,421	—	(5,455)	22,966
FHLMC Certificates	7,103	—	(961)	6,142
FNMA Certificates	46,826	—	(9,664)	37,162
GNMA Certificates	71	1	—	72
Total available-for-sale securities	$ 95,921	$ 1	$ (16,447)	$ 79,475
Held-to-Maturity Securities:				
Corporate Bonds	$ 7,500	$ 9	$ (132)	$ 7,377
Mortgage-Backed Securities:				
Collateralized Mortgage Obligations [1]	140,748	—	(7,182)	133,566
FHLMC Certificates	2,901	44	(160)	2,785
FNMA Certificates	80,536	—	(5,158)	75,378
SBA Certificates	9,697	54	—	9,751
Allowance for Credit Losses	(206)	—	—	—
Total held-to-maturity securities	$ 241,176	$ 107	$ (12,632)	$ 228,857

(1) Comprised of Federal Home Loan Mortgage Corporation ("FHLMC"), Federal National Mortgage Association ("FNMA") and Ginnie Mae ("GNMA") issued securities.

	December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
		(in thousands)		
Available-for-Sale Securities:				
U.S. Government Bonds	$ 2,999	$ —	$ (20)	$ 2,979
Corporate Bonds	13,501	—	(738)	12,763
Mortgage-Backed Securities:				
Collateralized Mortgage Obligations [1]	30,839	—	(4,493)	26,346
FHLMC Certificates	7,915	—	(790)	7,125
FNMA Certificates	50,620	—	(7,714)	42,906
GNMA Certificates	76	1	—	77
Total available-for-sale securities	$ 105,950	$ 1	$ (13,755)	$ 92,196
Held-to-Maturity Securities:				
Corporate Bonds	$ 7,500	$ 36	$ (138)	$ 7,398
Mortgage-Backed Securities:				
Collateralized Mortgage Obligations [1]	160,786	100	(2,876)	158,010
FHLMC Certificates	3,133	22	(119)	3,036
FNMA Certificates	90,868	53	(1,453)	89,468
SBA Certificates	10,931	32	—	10,963
Allowance for Credit Losses	(236)	—	—	—
Total held-to-maturity securities	$ 272,982	$ 243	$ (4,586)	$ 268,875

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(1) Comprised of FHLMC, FNMA and GNMA issued securities.

The Company's securities portfolio had 33 and 34 available-for-sale securities and 28 and 28 held-to-maturity securities at September 30, 2026 and December 31, 2025, respectively. There were no available-for-sale and held-to-maturity securities sold during the nine months ended September 30, 2026 and for the year ended December 31, 2025. There was one available-for-sale security in the amount of $3.0 million that matured during the nine months ended September 30, 2026. There were four available-for-sale securities in the total amount of $8.3 million and three held-to-maturity securities in the total amount of $50.0 million that matured or were called during the year ended December 31, 2025. The Company did not purchase any available-for-sale securities and held-to-maturity securities during the nine months ended September 30, 2026 and during the year ended December 31, 2025.

The following table presents the Company's gross unrealized losses and fair values of its securities, aggregated by the length of time the individual securities have been in a continuous unrealized loss position, at September 30, 2026 and December 31, 2025:

	September 30, 2026					
	Securities With Gross Unrealized Losses					
	Less Than 12 Months		12 Months or More		Total	Total
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
	(in thousands)					
Available-for-Sale Securities:						
Corporate Bonds	$ —	$ —	$ 13,133	$ (367)	$ 13,133	$ (367)
Mortgage-Backed Securities:						
Collateralized Mortgage Obligations	—	—	22,966	(5,455)	22,966	(5,455)
FHLMC Certificates	—	—	6,142	(961)	6,142	(961)
FNMA Certificates	—	—	37,162	(9,664)	37,162	(9,664)
Total available-for-sale securities	$ —	$ —	$ 79,403	$ (16,447)	$ 79,403	$ (16,447)
Held-to-Maturity Securities:						
Corporate Bonds	$ —	$ —	$ 5,368	$ (132)	$ 5,368	$ (132)
Mortgage-Backed Securities:						
Collateralized Mortgage Obligations	20,555	(559)	113,011	(6,623)	133,566	(7,182)
FHLMC Certificates	—	—	548	(160)	548	(160)
FNMA Certificates	2,927	(203)	72,451	(4,955)	75,378	(5,158)
Total held-to-maturity securities	$ 23,482	$ (762)	$ 191,378	$ (11,870)	$ 214,860	$ (12,632)

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	December 31, 2025					
	Securities With Gross Unrealized Losses					
	Less Than 12 Months		12 Months or More		Total	Total
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
	(in thousands)					
Available-for-Sale Securities:						
U.S. Government Bonds	$ —	$ —	$ 2,979	$ (20)	$ 2,979	$ (20)
Corporate Bonds	—	—	12,763	(738)	12,763	(738)
Mortgage-Backed Securities:						
Collateralized Mortgage Obligations	—	—	26,346	(4,493)	26,346	(4,493)
FHLMC Certificates	—	—	7,125	(790)	7,125	(790)
FNMA Certificates	—	—	42,906	(7,714)	42,906	(7,714)
Total available-for-sale securities	$ —	$ —	$ 92,119	$ (13,755)	$ 92,119	$ (13,755)
Held-to-Maturity Securities:						
Corporate Bonds	$ —	$ —	$ 5,362	$ (138)	$ 5,362	$ (138)
Mortgage-Backed Securities:						
Collateralized Mortgage Obligations	16,561	(50)	132,942	(2,826)	149,503	(2,876)
FHLMC Certificates	—	—	616	(119)	616	(119)
FNMA Certificates	—	—	85,670	(1,453)	85,670	(1,453)
Total held-to-maturity securities	$ 16,561	$ (50)	$ 224,590	$ (4,536)	$ 241,151	$ (4,586)

At September 30, 2026 and December 31, 2025, the Company had 32 and 33 available-for-sale securities and 23 and 21 held-to-maturity securities at September 30, 2026 and December 31, 2025, respectively, with gross unrealized loss positions. Management reviewed the financial condition of the entities underlying the securities at both September 30, 2026 and December 31, 2025. The unrealized losses related to the Company debt securities were issued by U.S. government-sponsored entities and agencies and corporate bonds. The Company does not believe that the debt securities that were in an unrealized loss position as of September 30, 2026 represents a credit loss impairment. The gross unrealized loss positions related to mortgage-backed securities and other obligations issued by the U.S. government agencies or U.S. government-sponsored enterprises carry the explicit and/or implicit guarantee of the U.S. government and have a long history of zero credit loss. Total gross unrealized losses were primarily attributable to changes in interest rates relative to when the investment securities were purchased and not due to the credit quality of the investment securities.

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Management reviewed the collectability of the corporate bonds taking into consideration of such factors as the financial condition of the issuers, reported regulatory capital ratios of the issuers, credit ratings, including ratings in effect as of the reporting date. Management believes the unrealized losses on the corporate bonds are primarily attributable to changes in the interest rates and not changes in the credit quality of the issuers of the corporate bonds.

The following is a summary of maturities of securities at September 30, 2026. Amounts are shown by contractual maturity. Because borrowers for mortgage-backed securities have the right to prepay obligations with or without prepayment penalties, at any time, these securities are included as a total within the table.

	September 30, 2026	
	Amortized Cost	Fair Value
	(in thousands)	
Available-for-Sale Securities:		
Corporate Bonds:		
Amounts maturing:		
Three months or less	$ —	$ —
More than three months through one year	—	—
More than one year through five years	7,000	6,686
More than five years through ten years	6,500	6,447
	13,500	13,133
Mortgage-Backed Securities	82,421	66,342
Total available-for-sale securities	$ 95,921	$ 79,475
Held-to-Maturity Securities:		
Corporate Bonds:		
Amounts maturing:		
Three months or less	$ —	$ —
More than three months through one year	—	—
More than one year through five years	—	—
More than five years through ten years	7,500	7,377
	7,500	7,377
Mortgage-Backed Securities	233,882	221,480
Allowance for Credit Losses	(206)	—
Total held-to-maturity securities	$ 241,176	$ 228,857

At September 30, 2026 and December 31, 2025, no securities were pledged as collateral for borrowing activities.

The following table presents the activity in the allowance for credit losses for held-to-maturity securities:

	For the Nine Months Ended September 30, 2026	For the Year Ended December 31, 2025
	(in thousands)	
Allowance for credit losses on securities at beginning of period	$ 236	$ 216
(Benefit) provision for credit losses	(30)	20
Allowance for credit losses on securities at end of period	$ 206	$ 236

At September 30, 2026 and December 31, 2025, the entire allowance for credit losses on securities was allocated to corporate bonds.

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Note 4. Mortgage Loans Held-for-Sale

The following table provides the fair value and contractual principal balance outstanding of mortgage loans held-for-sale accounted for under the fair value option:

	September 30, 2026	December 31, 2025
	(in thousands)	
Mortgage loans held-for-sale, at fair value	$ 3,701	$ 3,388
Mortgage loans held-for-sale, contractual principal outstanding	3,649	3,337
Fair value less unpaid principal balance	$ 52	$ 51

At September 30, 2026 and December 31, 2025, the Company had 8 loans and 10 loans in the amount of $3.7 million and $3.4 million, respectively, that were classified as held-for-sale and accounted for under the fair value option accounting guidance for financial assets and financial liabilities.

At September 30, 2026 and December 31, 2025, there were no mortgage loans held for sale, at fair value that were greater than 90 days past due and non-accrual with a substandard risk rating.

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Note 5. Loans Receivable, Net and Allowance for Credit Losses

Loans receivable, net at September 30, 2026 and December 31, 2025 are summarized as follows:

	September 30, 2026	December 31, 2025
	(in thousands)	
Mortgage loans:		
1-4 Family residential [1]	$ 413,064	$ 434,374
Multifamily residential	1,051,642	756,542
Nonresidential properties	557,449	526,210
Construction and land	1,016,809	854,096
Total mortgage loans	3,038,964	2,571,222
Nonmortgage loans:		
Business loans	75,852	53,063
Consumer loans	581	625
Total non-mortgage loans	76,433	53,688
Total loans, gross	3,115,397	2,624,910
Net deferred loan origination fees	(5,128)	(203)
Allowance for Credit Losses	(29,168)	(25,449)
Loans receivable, net	$ 3,081,101	$ 2,599,258

(1) Includes both investor owned and owner occupied 1-4 family residential properties combined, which were previously reported separately.

The Company's lending activities are conducted principally in metropolitan New York City. The Company primarily grants loans secured by real estate to individuals and businesses pursuant to an established credit policy applicable to each type of lending activity in which it engages. Although collateral provides assurance as a secondary source of repayment, the Company ordinarily requires the primary source of repayment to be based on the borrowers' ability to generate continuing cash flows. The Company also evaluates the collateral and creditworthiness of each customer. The credit policy provides that depending on the borrowers' creditworthiness and type of collateral, credit may be extended up to predetermined percentages of the market value of the collateral or on an unsecured basis. Real estate is the primary form of collateral. Other important forms of collateral are time deposits and marketable securities.

For disclosures related to the allowance for credit losses and credit quality, the Company does not have any disaggregated classes of loans below the segment level.

Credit-Quality Indicators: Internally assigned risk ratings are used as credit-quality indicators, which are reviewed by management on a quarterly basis.

The objectives of the Company's risk-rating system are to provide the Board of Directors and senior management with an objective assessment of the overall quality of the loan portfolio, to promptly and accurately identify loans with well-defined credit weaknesses so that timely action can be taken to minimize credit loss, to identify relevant trends affecting the collectability of the loan portfolio, to isolate potential problem areas and to provide essential information for determining the adequacy of the allowance for credit losses.

Below are the definitions of the internally assigned risk ratings:

- **Strong Pass** – Loans to a new or existing borrower collateralized at least 90 percent by an unimpaired deposit account at the Company.
- **Good Pass** – Loans to a new or existing borrower in a well-established enterprise in excellent financial condition with strong liquidity and a history of consistently high level of earnings, cash flow and debt service capacity.
- **Satisfactory Pass** – Loans to a new or existing borrower of average strength with acceptable financial condition, satisfactory record of earnings and sufficient historical and projected cash flow to service the debt.
- **Performance Pass** – Existing loans that evidence strong payment history but document less than average strength, financial condition, record of earnings, or projected cash flows with which to service the debt.
- **Special Mention** – Loans in this category are currently protected but show one or more potential weaknesses and risks which may inadequately protect collectability or borrower's ability to meet repayment terms at some future date if the weakness or weaknesses are not monitored or remediated.

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- **Substandard** – Loans that are inadequately protected by the repayment capacity of the borrower or the current sound net worth of the collateral pledged, if any. Loans in this category have well defined weaknesses and risks that jeopardize the repayment. They are characterized by the distinct possibility that some loss may be sustained if the deficiencies are not remediated.
- **Doubtful** – Loans that have all the weaknesses of loans classified as "Substandard" with the added characteristics that the weaknesses make collection or liquidation in full, on the basis of current existing facts, conditions, and values, highly questionable and improbable.

Loans within the top four categories above are considered pass rated, as commonly defined. Risk ratings are assigned as necessary to differentiate risk within the portfolio. Risk ratings are reviewed on an ongoing basis and revised to reflect changes in the borrowers' financial condition and outlook, debt service coverage capability, repayment performance, collateral value and coverage as well as other considerations.

The following tables summarize total loans by year of origination and internally assigned credit risk ratings:

	2026	2025	2024	2023	2022	2021 and Prior	Total
				(in thousands)			
September 30, 2026							
Mortgage Loans:							
1-4 Family residential							
Pass	$ 9,320	$ 5,691	$ 6,852	$ 40,509	$ 95,737	$ 244,607	$ 402,716
Special mention	—	743	—	833	—	2,607	4,183
Substandard	—	—	—	—	—	6,165	6,165
Total 1-4 Family residential	9,320	6,434	6,852	41,342	95,737	253,379	413,064
Multifamily residential							
Pass	369,368	136,068	73,332	66,419	154,187	231,518	1,030,892
Special mention	—	—	—	1,111	—	4,466	5,577
Substandard	—	—	—	8,271	—	6,902	15,173
Total Multifamily residential	369,368	136,068	73,332	75,801	154,187	242,886	1,051,642
Nonresidential properties							
Pass	84,552	149,034	73,997	27,879	70,481	151,506	557,449
Special mention	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—
Total Nonresidential properties	84,552	149,034	73,997	27,879	70,481	151,506	557,449
Construction and Land							
Pass	364,333	336,919	147,467	163,990	—	—	1,012,709
Special mention	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	4,100	4,100
Total Construction and land	364,333	336,919	147,467	163,990	—	4,100	1,016,809
Total mortgage loans	827,573	628,455	301,648	309,012	320,405	651,871	3,038,964
Nonmortgage Loans:							
Business loans							
Pass	7,652	41,937	15,670	5,565	102	2,796	73,722
Special mention	—	1,230	498	—	—	168	1,896
Substandard	—	199	31	—	4	—	234
Total Business loans	7,652	43,366	16,199	5,565	106	2,964	75,852
Consumer loans							
Pass	219	151	78	104	29	—	581
Special mention	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—
Total Consumer loans	219	151	78	104	29	—	581
Total nonmortgage loans	7,871	43,517	16,277	5,669	135	2,964	76,433
Total loans, gross	$ 835,444	$ 671,972	$ 317,925	$ 314,681	$ 320,540	$ 654,835	$ 3,115,397

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	2025	2024	2023	2022	2021	2020 and Prior	Total
				(in thousands)			
December 31, 2025							
Mortgage Loans:							
1-4 Family residential							
Pass	$ 3,843	$ 4,108	$ 43,110	$ 98,048	$ 53,740	$ 221,194	$ 424,043
Special mention	—	—	842	—	823	1,180	2,845
Substandard	—	—	—	—	2,302	5,184	7,486
Total 1-4 Family residential	3,843	4,108	43,952	98,048	56,865	227,558	434,374
Multifamily residential							
Pass	149,358	107,129	73,769	157,228	58,343	186,331	732,158
Special mention	—	4,462	1,121	—	4,332	1,357	11,272
Substandard	—	—	5,063	—	—	8,049	13,112
Total Multifamily residential	149,358	111,591	79,953	157,228	62,675	195,737	756,542
Nonresidential properties							
Pass	170,449	77,935	28,328	74,281	59,835	112,768	523,596
Special mention	—	—	—	2,614	—	—	2,614
Substandard	—		—	—	—	—	—
Total Nonresidential properties	170,449	77,935	28,328	76,895	59,835	112,768	526,210
Construction and Land							
Pass	279,271	143,515	358,926	56,297	—	—	838,009
Special mention	—	—	4,659	—	—	—	4,659
Substandard	—	—	—	—	3,180	8,248	11,428
Total Construction and land	279,271	143,515	363,585	56,297	3,180	8,248	854,096
Total mortgage loans	602,921	337,149	515,818	388,468	182,555	544,311	2,571,222
Nonmortgage Loans:							
Business loans							
Pass	26,618	17,183	6,421	105	457	1,609	52,393
Special mention	344	—	—	7	—	192	543
Substandard	—	37	—	12	78	—	127
Total Business loans	26,962	17,220	6,421	124	535	1,801	53,063
Consumer loans							
Pass	275	127	160	57	6	—	625
Special mention	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—
Total Consumer loans	275	127	160	57	6	—	625
Total nonmortgage loans	27,237	17,347	6,581	181	541	1,801	53,688
Total loans, gross	$ 630,158	$ 354,496	$ 522,399	$ 388,649	$ 183,096	$ 546,112	$ 2,624,910

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An aging analysis of loans, as of September 30, 2026 and December 31, 2025, is as follows:

	September 30, 2026						
	Current	30-59 Days Past Due	60-89 Days Past Due	90 Days or More Past Due	Total	Nonaccrual Loans	90 Days or More Accruing
	(in thousands)						
Mortgage loans:							
1-4 Family residential	$ 408,209	$ —	$ 1,605	$ 3,250	$ 413,064	$ 3,250	$ —
Multifamily residential	1,038,672	—	1,870	11,100	1,051,642	11,100	—
Nonresidential properties	557,449	—	—	—	557,449	—	—
Construction and land	1,012,709	—	—	4,100	1,016,809	4,100	—
Nonmortgage loans:							
Business	74,535	50	1,121	146	75,852	146	—
Consumer	581	—	—	—	581	—	—
Total	$ 3,092,155	$ 50	$ 4,596	$ 18,596	$ 3,115,397	$ 18,596	$ —

	December 31, 2025						
	Current	30-59 Days Past Due	60-89 Days Past Due	90 Days or More Past Due	Total	Nonaccrual Loans	90 Days or More Accruing
	(in thousands)						
Mortgage loans:							
1-4 Family residential	$ 420,591	$ 6,836	$ 2,110	$ 4,837	$ 434,374	$ 4,837	$ —
Multifamily residential	740,222	3,208	—	13,112	756,542	13,112	—
Nonresidential properties	524,446	1,764	—	—	526,210	—	—
Construction and land	845,849	—	—	8,247	854,096	8,247	—
Nonmortgage loans:							
Business	52,278	118	—	667	53,063	667	—
Consumer	625	—	—	—	625	—	—
Total	$ 2,584,011	$ 11,926	$ 2,110	$ 26,863	$ 2,624,910	$ 26,863	$ —

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The following schedules detail the composition of the allowance for credit losses on loans and the related recorded investment in loans as of and for the nine months ended September 30, 2026 and 2025, and as of and for the year ended December 31, 2025:

	For the Nine Months Ended September 30, 2026						
	Mortgage Loans				Nonmortgage Loans		
	1-4 Family Residential	Multifamily	Nonresidential	Construction and Land	Business	Consumer	Total for the Period
	(in thousands)						
Allowance for Credit Losses:							
Balance, beginning of period	$ 3,873	$ 9,041	$ 4,353	$ 6,149	$ 2,017	$ 16	$ 25,449
Provision charged to expense	1,109	529	579	2,110	630	1	4,958
Charge-offs	(5)	(65)	—	—	(1,175)	—	(1,245)
Recoveries	1	—	—	—	5	—	6
Balance, end of period	$ 4,978	$ 9,505	$ 4,932	$ 8,259	$ 1,477	$ 17	$ 29,168
Ending balance: individually evaluated for impairment	$ —	$ 42	$ —	$ —	$ 146	$ —	$ 188
Ending balance: collectively evaluated for impairment	4,978	9,463	4,932	8,259	1,331	17	28,980
Total	$ 4,978	$ 9,505	$ 4,932	$ 8,259	$ 1,477	$ 17	$ 29,168
Loans:							
Ending balance: individually evaluated for impairment	$ 3,250	$ 11,100	$ —	$ 4,100	$ 146	$ —	$ 18,596
Ending balance: collectively evaluated for impairment	409,814	1,040,542	557,449	1,012,709	75,706	581	3,096,801
Total	$ 413,064	$ 1,051,642	$ 557,449	$ 1,016,809	$ 75,852	$ 581	$ 3,115,397

	For the Three Months Ended September 30, 2026						
	Mortgage Loans				Nonmortgage Loans		
	1-4 Family Residential	Multifamily	Nonresidential	Construction and Land	Business	Consumer	Total for the Period
	(in thousands)						
Allowance for loan losses:							
Balance, beginning of period	$ 5,295	$ 9,532	$ 4,888	$ 6,414	$ 1,413	$ 12	$ 27,554
(Benefit) provision charged to expense	(312)	38	44	1,845	376	5	1,996
Charge-offs	(5)	(65)	—	—	(317)	—	(387)
Recoveries	—	—	—	—	5	—	5
Balance, end of period	$ 4,978	$ 9,505	$ 4,932	$ 8,259	$ 1,477	$ 17	$ 29,168

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	For the Nine Months Ended September 30, 2025						
	Mortgage Loans				Nonmortgage Loans		
	1-4 Family Residential	Multifamily	Nonresidential	Construction and Land	Business	Consumer	Total for the Period
				(in thousands)			
Allowance for loan losses:							
Balance, beginning of period	$ 5,932	$ 5,004	$ 2,697	$ 7,710	$ 1,113	$ 46	$ 22,502
(Benefit) provision charged to expense	(2,036)	3,119	812	(766)	1,836	(22)	2,943
Charge-offs	(38)	—	—	—	(644)	(3)	(685)
Recoveries	—	—	—	—	4	—	4
Balance, end of period	$ 3,858	$ 8,123	$ 3,509	$ 6,944	$ 2,309	$ 21	$ 24,764
Ending balance: individually evaluated for impairment	$ —	$ —	$ —	$ —	$ 880	$ —	$ 880
Ending balance: collectively evaluated for impairment	3,858	8,123	3,509	6,944	1,429	21	23,884
Total	$ 3,858	$ 8,123	$ 3,509	$ 6,944	$ 2,309	$ 21	$ 24,764
Loans:							
Ending balance: individually evaluated for impairment	$ 3,590	$ 14,202	$ —	$ 4,807	$ 880	$ —	$ 23,479
Ending balance: collectively evaluated for impairment	441,012	674,372	436,175	881,562	57,132	727	2,490,980
Total	$ 444,602	$ 688,574	$ 436,175	$ 886,369	$ 58,012	$ 727	$ 2,514,459

	For the Three Months Ended September 30, 2025						
	Mortgage Loans				Nonmortgage Loans		
	1-4 Family Residential	Multifamily	Nonresidential	Construction and Land	Business	Consumer	Total for the Period
				(in thousands)			
Allowance for loan losses:							
Balance, beginning of period	$ 3,683	$ 8,863	$ 3,294	$ 6,895	$ 1,345	$ 20	$ 24,100
Provision (benefit) charged to expense	175	(740)	215	49	1,164	1	864
Charge-offs	—	—	—	—	(200)	—	(200)
Recoveries	—	—	—	—	—	—	—
Balance, end of period	$ 3,858	$ 8,123	$ 3,509	$ 6,944	$ 2,309	$ 21	$ 24,764

	For the Year Ended December 31, 2025						
	Mortgage Loans				Nonmortgage Loans		
	1-4 Family Residential	Multifamily	Nonresidential	Construction and Land	Business	Consumer	Total for the Period
				(in thousands)			
Allowance for loan losses:							
Balance, beginning of year	$ 5,932	$ 5,004	$ 2,697	$ 7,710	$ 1,113	$ 46	$ 22,502
(Benefit) provision charged to expense	(1,990)	4,037	1,656	(1,561)	2,309	18	4,469
Charge-offs	(69)	—	—	—	(1,444)	(48)	(1,561)
Recoveries	—	—	—	—	39	—	39
Balance, end of year	$ 3,873	$ 9,041	$ 4,353	$ 6,149	$ 2,017	$ 16	$ 25,449
Ending balance: individually evaluated for impairment	$ —	$ —	$ —	$ —	$ 667	$ —	$ 667
Ending balance: collectively evaluated for impairment	3,873	9,041	4,353	6,149	1,350	16	24,782
Total	$ 3,873	$ 9,041	$ 4,353	$ 6,149	$ 2,017	$ 16	$ 25,449
Loans:							
Ending balance: individually evaluated for impairment	$ 4,837	$ 13,112	$ —	$ 8,247	$ 667	$ —	$ 26,863
Ending balance: collectively evaluated for impairment	429,537	743,430	526,210	845,849	52,396	625	2,598,047
Total	$ 434,374	$ 756,542	$ 526,210	$ 854,096	$ 53,063	$ 625	$ 2,624,910

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The following tables summarize gross charge-offs by vintage:

	2026	2025	2024	2023	2022	2021 and Prior	Total
				(in thousands)			
For the Nine Months Ended September 30, 2026							
1-4 Family residential	$ —	$ —	$ —	$ —	$ —	$ 5	$ 5
Multifamily residential	—	—	—	64	—	1	65
Business loans	—	31	512	394	24	214	1,175
Total charge-offs	$ —	$ 31	$ 512	$ 458	$ 24	$ 220	$ 1,245

	2025	2024	2023	2022	2021	2020 and Prior	Total
				(in thousands)			
For the Nine Months Ended September 30, 2025							
1-4 Family residential	$ —	$ —	$ —	$ —	$ —	$ 38	$ 38
Business loans	—	618	—	—	—	25	643
Consumer loans	—	—	3	—	—	—	3
Total charge-offs	$ —	$ 618	$ 3	$ —	$ —	$ 63	$ 684

Loans are evaluated for collectability when current information and events indicate that all amounts due may not be collectible according to the contractual terms of the related loan agreements. Loans are identified for individual evaluation by applying normal loan review procedures in accordance with the allowance for credit losses methodology. Management periodically assesses loans to determine whether they continue to share similar risk characteristics with their respective pools. Any loan that is, or will potentially be, no longer performing in accordance with the terms of the original loan contract is evaluated individually when it no longer shares similar risk characteristics with the pool.

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The following information relates to non-accrual loans as of and for the nine months ended September 30, 2026 and 2025 and as of and for the year ended December 31, 2025:

As of and For the Nine Months Ended September 30, 2026	Unpaid Principal Balance	Recorded Investment With No Allowance	Recorded Investment With Allowance	Total Recorded Investment	Related Allowance	Average Recorded Investment	Interest Income Recognized on a Cash Basis
				(in thousands)			
Mortgage loans:							
1-4 Family residential	$ 3,286	$ 3,250	$ —	$ 3,250	$ —	$ 4,510	$ 42
Multifamily residential	11,110	7,773	3,327	11,100	42	11,393	193
Nonresidential properties	—	—	—	—	—	—	—
Construction and land	4,100	4,100	—	4,100	—	6,112	717
Nonmortgage loans:							
Business	146	—	146	146	146	329	7
Consumer	—	—	—	—	—	—	—
Total	$ 18,632	$ 15,123	$ 3,473	$ 18,596	$ 188	$ 22,344	$ 959

As of and For the Nine Months Ended September 30, 2025	Unpaid Principal Balance	Recorded Investment With No Allowance	Recorded Investment With Allowance	Total Recorded Investment	Related Allowance	Average Recorded Investment	Interest Income Recognized on a Cash Basis
				(in thousands)			
Mortgage loans:							
1-4 Family residential	$ 3,589	$ 3,590	$ —	$ 3,590	$ —	$ 2,768	$ 97
Multifamily residential	13,862	14,202	—	14,202	—	11,491	292
Nonresidential properties	—	—	—	—	—	135	—
Construction and land	4,807	4,807	—	4,807	—	7,433	—
Nonmortgage loans:							
Business	880	—	880	880	880	417	35
Consumer	—	—	—	—	—	—	—
Total	$ 23,138	$ 22,599	$ 880	$ 23,479	$ 880	$ 22,244	$ 424

As of and for the Year Ended December 31, 2025	Unpaid Principal Balance	Recorded Investment With No Allowance	Recorded Investment With Allowance	Total Recorded Investment	Related Allowance	Average Recorded Investment	Interest Income Recognized on a Cash Basis
				(in thousands)			
Mortgage loans:							
1-4 Family residential	$ 4,819	$ 4,837	$ —	$ 4,837	$ —	$ 3,182	$ 209
Multifamily residential	12,731	13,112	—	13,112	—	11,815	390
Nonresidential properties	—	—	—	—	—	101	—
Construction and land	8,800	8,247	—	8,247	—	7,596	—
Nonmortgage loans:							
Business	667	—	667	667	667	467	10
Consumer	—	—	—	—	—	—	—
Total	$ 27,017	$ 26,196	$ 667	$ 26,863	$ 667	$ 23,161	$ 609

Collateral Dependent Loans

A loan is considered collateral dependent when the borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the operation or sale of the collateral.

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The Company had collateral dependent loans which were individually evaluated to determine expected credit losses as of the dates indicated.

	September 30, 2026		December 31, 2025	
	Collateral Dependent	Associated Allowance for Credit Losses	Collateral Dependent	Associated Allowance for Credit Losses
	(in thousands)			
1-4 Family residential	$ 3,250	$ —	$ 4,837	$ —
Multifamily residential	11,100	42	13,112	—
Construction and land	4,100	—	8,247	—
Total	$ 18,450	$ 42	$ 26,196	$ —

Loan Modifications to Borrowers Experiencing Financial Difficulty

The Company adopted Accounting Standards Update ("ASU") 2022-02 on January 1, 2023. Since adoption, the Company has modified one loan with borrowers experiencing financial difficulty. These modifications may include a reduction in interest rate, an extension in term, principal forgiveness and/or other than insignificant payment delay. At September 30, 2026 and December 31, 2025, there was one loan in the amount of $0.2 million with modifications to a borrower experiencing financial difficulty.

Prior to the adoption of ASU 2022-02 on January 1, 2023, the Company classified certain loans as troubled debt restructuring ("TDR") loans when credit terms to a borrower in financial difficulty were modified, in accordance with ASC 310-40. With the adoption of ASU 2022-02 as of January 1, 2023, the Company has ceased to recognize or measure for new TDRs but those existing at December 31, 2022 will remain until settled.

At September 30, 2026 and December 31, 2025, there were 13 and 14 troubled debt restructured loans totaling $3.5 million and $3.6 million, respectively, of which $3.0 million and $3.2 million are on accrual status at September 30, 2026 and December 31, 2025, respectively. There were no commitments to lend additional funds to borrowers whose loans have been modified in a troubled debt restructuring.

Off-Balance Sheet Credit Losses

Also included within the scope of the CECL standard are off-balance sheet loan commitments, which includes the unfunded portion of committed lines of credit and construction loans.

The Company estimates expected credit losses over the contractual period in which the company is exposed to credit risk through a contractual obligation to extend credit, unless that obligation is unconditionally cancellable by the Company. The allowance for credit losses on off-balance sheet exposures is adjusted as a provision for credit loss expense. The Company uses similar assumptions and risk factors that are developed for collectively evaluated financing receivables. This estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments to be funded over its estimated life.

At September 30, 2026 and December 31, 2025, the allowance for off-balance sheet credit losses was $4.2 million and $2.1 million, respectively, which is included in the "Other liabilities" on the Consolidated Statements of Financial Condition. During the three months ended September 30, 2026 and 2025, the Company had $1.2 million and $0.2 million charged for the provision for credit losses, respectively, and during the nine months ended September 30, 2026 and 2025, $2.1 million charged for the provision for credit losses and $0.2 million in benefit for credit losses, respectively, for off-balance items, which are included in "Provision for credit losses" in the Consolidated Statements of Operations.

Note 6. Leases

The Company has 16 operating leases for branches and office spaces (including headquarters) and six operating leases for equipment at both September 30, 2026 and December 31, 2025. Our leases have remaining lease terms ranging from less than one year to approximately 13.3 years, none of which has a renewal option reasonably certain of exercise, which has been reflected in the Company's calculation of lease terms. Certain leases have escalation clauses for operating expenses and real estate taxes. The Company's non-cancelable operating lease agreements expire through February of 2040.

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Supplemental balance sheet information related to leases was as follows:

	September 30, 2026	December 31, 2025
	(Dollars in thousands)	
Operating lease ROU assets	$ 26,331	$ 27,583
Operating lease liabilities	28,171	29,353
Weighted-average remaining lease term-operating leases	10.7 years	11.2 years
Weighted average discount rate-operating leases	5.1%	5.1%

The components of lease expense information related to leases were as follows:

		For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
		2026	2025	2026	2025
		(Dollars in thousands)			
Lease Cost					
Operating lease cost	Occupancy and equipment	$ 1,048	$ 1,070	$ 3,147	$ 3,242
Operating lease cost	Other operating expenses	1	3	8	7
Short-term lease cost	Other operating expenses	6	8	21	24
Variable lease cost	Occupancy and equipment	42	39	115	127
Total lease cost		$ 1,097	$ 1,120	$ 3,291	$ 3,400

The Company's minimum annual rental payments under the terms of the leases are as follows at September 30, 2026:

Years ended December 31:	Minimum Rental (in thousands)
Remainder of 2026	$ 1,026
2027	3,866
2028	3,808
2029	3,360
2030	3,423
Thereafter	21,157
Total Minimum payments required	36,640
Less: implied interest	8,469
Present value of lease liabilities	$ 28,171

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Note 7. Deposits

Deposits at September 30, 2026 and December 31, 2025 are summarized as follows:

	September 30, 2026	December 31, 2025
	(in thousands)	
Demand	$ 244,860	$ 208,250
Interest-bearing deposits:		
NOW/IOLA accounts	76,392	84,012
Money market accounts	898,719	779,532
Reciprocal deposits	188,016	152,630
Savings accounts	118,727	117,708
Total NOW, money market, reciprocal and savings	1,281,854	1,133,882
Certificates of deposit of $250K or more	202,702	202,500
Brokered certificates of deposits [1]	144,569	67,942
Listing service deposits [1]	994	4,150
Certificates of deposit less than $250K	492,729	429,911
Total certificates of deposit	840,994	704,503
Total interest-bearing deposits	2,122,848	1,838,385
Total deposits	$ 2,367,708	$ 2,046,635

(1) At September 30, 2026 and December 31, 2025, there were no individual listing service deposits amounting to $250,000 or more, and no individual brokered certificates of deposit amounting to $250,000 or more.

At September 30, 2026 scheduled maturities of certificates of deposit were as follows:

	(in thousands)
2026	$ 333,233
2027	442,987
2028	48,633
2029	10,260
2030	3,328
Thereafter	2,553
	$ 840,994

Overdrawn deposit accounts that have been reclassified to loans amounted to $0.1 million as of both September 30, 2026 and December 31, 2025.

Note 8. Borrowings

The Bank had outstanding term advances from the FHLBNY at September 30, 2026 and December 31, 2025 as indicated below.

FHLBNY Advances: As a member of the FHLBNY, the Bank has the ability to borrow from the FHLBNY based on a certain percentage of the value of the Bank's qualified collateral, as defined in the FHLBNY Statement of Credit Policy, at the time of the borrowing. In accordance with an agreement with the FHLBNY, the qualified collateral must be free and clear of liens, pledges and encumbrances.

The Bank had $646.1 million and $596.1 million of outstanding term advances from the FHLBNY at September 30, 2026 and December 31, 2025, respectively. The Bank had one overnight line of credit advance in the amount of $50.0 million from the FHLBNY at September 30, 2026 and no overnight line of credit advance from the FHLBNY at December 31, 2025.

FRBNY Advances: The Bank had no term and overnight line of credit advances outstanding from the FRBNY at September 30, 2026 and no term and overnight line of credit advances outstanding from the FRBNY at December 31, 2025.

Letters of Credit: The Bank had two unsecured lines of credit in the amount of $75.0 million with two correspondent banks for both periods at September 30, 2026 and December 31, 2025.

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Borrowed funds at September 30, 2026 and December 31, 2025 consist of the following and are summarized by maturity and call date below:

	September 30, 2026			December 31, 2025		
	Scheduled Maturity	Redeemable at Call Date	Weighted Average Rate	Scheduled Maturity	Redeemable at Call Date	Weighted Average Rate
	(Dollars in thousands)					
Overnight line of credit advance	$ 50,000	$ 50,000	4.21%	$ —	$ —	—%
FHLBNY Term advances ending:						
2026	$ 225,000	$ 225,000	4.13%	$ 225,000	$ 225,000	4.20%
2027	212,000	212,000	3.44	212,000	212,000	3.44
2028	109,100	109,100	3.74	109,100	109,100	3.74
2029	100,000	100,000	3.50	50,000	50,000	3.35
	$ 696,100	$ 696,100	3.77%	$ 596,100	$ 596,100	3.78%

Interest expense on advances totaled $5.8 million and $5.1 million for the three months ended September 30, 2026 and 2025, and $16.4 million and $15.5 million for the nine months ended September 30, 2026 and 2025, respectively.

Note 9. Earnings Per Common Share

The following table presents a reconciliation of the number of common shares used in the calculation of basic and diluted earnings per common share:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in thousands except share data)			
Net income available to common stockholders	$ 17,968	$ 6,227	$ 34,523	$ 17,723
Common shares outstanding for basic EPS:				
Weighted average common shares outstanding	24,187,901	24,000,948	24,177,446	23,983,560
Less: Weighted average unallocated Employee Stock Ownership Plan (ESOP) shares	1,101,009	1,234,753	1,134,196	1,267,940
Basic weighted average common shares outstanding	23,086,892	22,766,195	23,043,250	22,715,620
Basic earnings per common share	$ 0.78	$ 0.27	$ 1.50	$ 0.78
Potential dilutive common shares:				
Add: Dilutive effect of restricted stock units and stock options	563,478	369,253	453,478	277,035
Diluted weighted average common shares outstanding	23,650,370	23,135,448	23,496,728	22,992,655
Diluted earnings per common share	$ 0.76	$ 0.27	$ 1.47	$ 0.77

Common and equivalent shares resulting from the dilutive effect of outstanding stock options are calculated using the treasury stock method based on the average market price of the Company's common stock during the period.

For the three and nine months ended September 30, 2026, 129,500 and 163,833 average stock options, respectively, were excluded from the calculation of diluted earnings per share because their effect would have been anti-dilutive.

For the three and nine months ended September 30, 2025, 100,000 and 256,000 average stock options, respectively, were excluded from the calculation of diluted earnings per share because their effect would have been anti-dilutive.

Note 10. Commitments, Contingencies and Credit Risk

Financial Instruments With Off-Balance-Sheet Risk: In the normal course of business, financial instruments with off-balance-sheet risk may be used to meet the financing needs of customers. These financial instruments include commitments to extend credit and letters of

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credit. These instruments involve, to varying degrees, elements of credit risk and interest rate risk in excess of the amounts recognized on the Consolidated Statements of Financial Condition. The contractual amounts of these instruments reflect the extent of involvement in particular classes of financial instruments.

The contractual amounts of commitments to extend credit represent the amounts of potential accounting loss should the contract be fully drawn upon, the customer default, and the value of any existing collateral become worthless. The same credit policies are used in making commitments and contractual obligations as for on-balance-sheet instruments. Financial instruments whose contractual amounts represent credit risk at September 30, 2026 and December 31, 2025 are as follows:

	September 30, 2026	December 31, 2025
	(in thousands)	
Commitments to grant mortgage loans	$ 775,464	$ 395,388
Unfunded commitments under lines of credit	30,008	86,284
Total commitments	$ 805,472	$ 481,672

Commitments to Grant Mortgage Loans: Commitments to grant mortgage loans are agreements to lend to a customer as long as all terms and conditions are met as established in the contract. Commitments generally have fixed expiration dates or other termination clauses, and may require payment of a fee by the borrower. Since some of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Each customer's creditworthiness is evaluated on a case-by-case basis. The amount of collateral obtained, if deemed necessary upon extension of credit, is based on management's credit evaluation of the counterparty. Collateral held varies, but may include accounts receivable, inventory, property and equipment, residential real estate and income-producing commercial properties. Material losses are not anticipated as a result of these transactions.

Commitments to Sell Loans at Lock-in Rates: In order to assure itself of a marketplace to sell its loans, the Bank has agreements with investors who will commit to purchase loans at locked-in rates. The Bank has off-balance sheet market risk to the extent that the Bank does not obtain matching commitments from these investors to purchase the loans. This will expose the Bank to the lower of cost or market valuation environment.

Repurchases, Indemnifications and Premium Recaptures: Loans sold by the Bank under investor programs are subject to repurchase or indemnification if they fail to meet the origination criteria of those programs. In addition, loans sold to investors are also subject to repurchase or indemnifications if the loan is two or three months delinquent during a set period which usually varies from six months to a year after the loan is sold. There are no open repurchase or indemnification requests for loans sold as a correspondent lender or where the Company acted as a broker in the transaction as of September 30, 2026.

Unfunded Commitments Under Lines of Credit: Unfunded commitments under commercial lines of credit, revolving credit lines and overdraft protection agreements are commitments for possible future extension of credit to existing customers. These lines of credit are uncollateralized and usually contain a specified maturity date and, ultimately, may not be drawn upon to the total extent to which the Company is committed.

Unfunded Commitments with Oaktree: In December of 2021, the Bank committed to invest $5.0 million in Oaktree SBIC Fund, L.P. ("Oaktree"). As of September 30, 2026, the total unfunded commitment was $1.7 million.

Unfunded Commitments with Silvergate: In April of 2022, the Company committed to invest $5.2 million in EJF Silvergate Ventures Fund LP ("Silvergate"). As of September 30, 2026, the total unfunded commitment was $1.3 million.

Letters of Credit: Letters of credit are conditional commitments issued to guarantee the performance of a customer to a third party. These guarantees are primarily issued to support public and private borrowing arrangements. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. Letters of credit are largely cash secured.

Concentration by Geographic Location: Loans, commitments to extend credit and letters of credit have been granted to customers who are located primarily in the New York City metropolitan area. Generally, such loans most often are secured by residential properties. The loans are expected to be repaid from the borrowers' payment sources.

Legal Matters: The Company is involved in various legal proceedings which have arisen in the normal course of business. Management believes that resolution of these matters will not have a material effect on the Company’s financial condition or results of operations.

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Note 11. Fair Value

The following fair value hierarchy is used based on the lowest level of input significant to the fair value measurement. There are three levels of inputs that may be used to measure fair values:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2 – Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Significant unobservable inputs that reflect a company's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The Company used the following methods and significant assumptions to estimate fair value:

Cash and Cash Equivalents, Placement with Banks, Accrued Interest Receivable, and Accrued Interest Payable: The carrying amount is a reasonable estimate of fair value. These assets and liabilities are not recorded at fair value on a recurring basis.

Available-for-Sale Securities: These financial instruments are recorded at fair value in the consolidated financial statements on a recurring basis. Where quoted prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted prices are not available, then fair values are estimated by using pricing models (e.g., matrix pricing) or quoted prices of securities with similar characteristics and are classified within Level 2 of the valuation hierarchy. Examples of such instruments include government agency bonds and mortgage-backed securities. Level 3 securities are securities for which significant unobservable inputs are utilized. There were no changes in valuation techniques used to measure similar assets during the period.

FHLBNY Stock: FHLBNY stock is carried at cost and classified as restricted equity securities. As a member of the FHLBNY, the Company is required to purchase and hold this stock.

FRBNY Stock: FRBNY stock is carried at cost and classified as restricted equity securities. As a member of the FRBNY, the Company is required to purchase and hold this stock.

Loans Receivable: For variable rate loans, which reprice frequently and have no significant change in credit risk, carrying values are a reasonable estimate of fair values, adjusted for credit losses inherent in the portfolios. The fair value of fixed rate loans is estimated by discounting the future cash flows using estimated market rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities, adjusted for credit losses inherent in the portfolios. Individual assessed loans are valued using a present value discounted cash flow method, or the fair value of the collateral. Loans are not recorded at fair value on a recurring basis.

Mortgage Loans Held for Sale: Loans held for sale, at fair value, consists of loans originated for sale by the Bank and accounted for under the fair value option. These assets are valued using stated investor pricing for substantially equivalent loans as Level 2. In determining fair value, such measurements are derived based on observable market data, including whole-loan transaction pricing and similar market transactions adjusted for portfolio composition, servicing value and market conditions. Loans held for sale by the Bank are carried at fair value.

Under the fair value option, management has elected, on an instrument-by-instrument basis, fair value for substantially all forms of mortgage loans originated for sale on a recurring basis. As of September 30, 2026, the fair value carrying amount of mortgages held for sale measured under the fair value option was $3.7 million and the aggregate unpaid principal amounted to $3.6 million.

Other Real Estate Owned: Other real estate owned represents real estate acquired through foreclosure, and is recorded at fair value less estimated disposal costs on a nonrecurring basis. Fair value is based upon independent market prices, appraised values of the collateral or management's estimation of the value of the collateral. When the fair value of the collateral is based on an observable market price or a current appraised value, the asset is classified as Level 2. When an appraised value is not available or management determines the fair value of the collateral is further impaired below the appraised value and there is no observable market price, the asset is classified as Level 3.

Deposits: The fair values of demand deposits, savings, NOW and money market accounts equal their carrying amounts, which represent the amounts payable on demand at the reporting date. Fair values for fixed-term, fixed-rate certificates of deposit are estimated using a discounted cash flow calculation that applies market interest rates on certificates of deposit to a schedule of aggregated expected monthly maturities on such deposits. Deposits are not recorded at fair value on a recurring basis.

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FHLBNY Advances: The fair value of the advances is estimated using a discounted cash flow calculation that applies current market-based FHLBNY interest rates for advances of similar maturity to a schedule of maturities of such advances. These borrowings are not recorded at fair value on a recurring basis.

Off-Balance-Sheet Instruments: Fair values for off-balance-sheet instruments (lending commitments and standby letters of credit) are based on fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreements and the counterparties' credit standing. Off-balance-sheet instruments are not recorded at fair value on a recurring basis.

The following tables detail the assets that are carried at fair value and measured at fair value on a recurring basis as of September 30, 2026 and December 31, 2025, and indicate the level within the fair value hierarchy utilized to determine the fair value:

		September 30, 2026		
Description	Total	Level 1	Level 2	Level 3
		(in thousands)		
Available-for-Sale Securities, at fair value:				
Corporate bonds	$ 13,133	$ 787	$ 12,346	$ —
Mortgage-Backed Securities:				
Collateralized Mortgage Obligations	22,966	—	22,966	—
FHLMC Certificates	6,142	—	6,142	—
FNMA Certificates	37,162	—	37,162	—
GNMA Certificates	72	—	72	—
Mortgage Loans Held for Sale, at fair value	3,701	—	3,701	—
	$ 83,176	$ 787	$ 82,389	$ —

		December 31, 2025		
Description	Total	Level 1	Level 2	Level 3
		(in thousands)		
Available-for-Sale Securities, at fair value:				
U.S. Government Bonds	$ 2,979	$ 2,979	$ —	$ —
Corporate bonds	12,763	492	12,271	—
Mortgage-Backed Securities:				
Collateralized Mortgage Obligations	26,346	—	26,346	—
FHLMC Certificates	7,125	—	7,125	—
FNMA Certificates	42,906	—	42,906	—
GNMA Certificates	77	—	77	—
Mortgage Loans Held for Sale, at fair value	3,388	—	3,388	—
	$ 95,584	$ 3,471	$ 92,113	$ —

Management’s assessment and classification of an investment within a level can change over time based upon maturity or liquidity of the investment and would be reflected at the beginning of the quarter in which the change occurred.

The following tables detail the assets carried at fair value and measured at fair value on a nonrecurring basis as of September 30, 2026 and December 31, 2025 and indicate the fair value hierarchy utilized to determine the fair value:

	September 30, 2026			
	Total	Level 1	Level 2	Level 3
		(in thousands)		
Individually evaluated loans	$ 18,596	$ —	$ —	$ 18,596
Premises held for sale	$ 1,750	$ —	$ —	$ 1,750

	December 31, 2025			
	Total	Level 1	Level 2	Level 3
		(in thousands)		
Individually evaluated loans	$ 26,863	$ —	$ —	$ 26,863

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As of September 30, 2026 and December 31, 2025, the carrying values and estimated fair values of the Company's financial instruments were as follows:

	Carrying Amount	Fair Value Measurements			
		Level 1	Level 2	Level 3	Total
			(in thousands)		
September 30, 2026					
Financial assets:					
Cash and cash equivalents	$ 132,211	$ 132,211	$ —	$ —	$ 132,211
Available-for-sale securities, at fair value	79,475	787	78,688	—	79,475
Held-to-maturity securities, at amortized cost, net	241,176	—	228,857	—	228,857
Placement with banks	249	—	249	—	249
Mortgage loans held for sale, at fair value	3,701	—	3,701	—	3,701
Loans receivable, net	3,081,101	—	—	3,017,126	3,017,126
Accrued interest receivable	21,624	—	21,624	—	21,624
FHLBNY stock	34,064	34,064	—	—	34,064
FRBNY stock	10,725	—	10,725	—	10,725
Financial liabilities:					
Deposits:					
Demand deposits	244,860	244,860	—	—	244,860
Interest-bearing deposits	1,281,854	1,281,854	—	—	1,281,854
Certificates of deposit	840,994	—	836,764	—	836,764
Borrowings	696,100	—	687,317	—	687,317
Accrued interest payable	3,862	—	3,862	—	3,862

	Carrying Amount	Fair Value Measurements			
		Level 1	Level 2	Level 3	Total
			(in thousands)		
December 31, 2025					
Financial assets:					
Cash and cash equivalents	$ 126,154	$ 126,154	$ —	$ —	$ 126,154
Available-for-sale securities, at fair value	92,196	3,471	88,725	—	92,196
Held-to-maturity securities, at amortized cost	272,982	—	268,875	—	268,875
Placement with banks	249	—	249	—	249
Mortgage loans held for sale, at fair value	3,388	—	3,388	—	3,388
Loans receivable, net	2,599,258	—	—	2,577,298	2,577,298
Accrued interest receivable	17,905	—	17,905	—	17,905
FHLBNY stock	29,309	29,309	—	—	29,309
FRBNY stock	10,698	—	10,698	—	10,698
Financial liabilities:					
Deposits:					
Demand deposits	208,250	208,250	—	—	208,250
Interest-bearing deposits	1,133,882	1,133,882	—	—	1,133,882
Certificates of deposit	704,503	—	704,205	—	704,205
Borrowings	596,100	—	595,031	—	595,031
Accrued interest payable	3,788	—	3,788	—	3,788

The Company recognizes transfers between levels of the valuation hierarchy at the end of the applicable reporting periods. There were no transfers of Level 3 assets in the fair value hierarchy at September 30, 2026 and December 31, 2025.

Off-Balance-Sheet Instruments: Loan commitments on which the committed interest rate is less than the current market rate are insignificant at September 30, 2026 and December 31, 2025.

Ponce Financial Group, Inc. and Subsidiaries
Notes to Consolidated Financial Statements (Unaudited)

The fair value information about financial instruments are disclosed, whether or not recognized in the consolidated statements of financial condition, for which it is practicable to estimate that value. Accordingly, the aggregate fair value amounts presented do not represent the underlying value of the Company. The estimated fair value amounts for 2026 and 2025 have been measured as of their respective period-ends and have not been reevaluated or updated for purposes of these consolidated financial statements subsequent to those respective dates. As such, the estimated fair values of these financial instruments subsequent to the respective reporting dates may be different than amounts reported at each period.

The information presented should not be interpreted as an estimate of the fair value of the entire Company since a fair value calculation is only required for a limited portion of the Company's assets and liabilities. Due to the wide range of valuation techniques and the degree of subjectivity used in making the estimates, comparisons between the Company's disclosures and those of other banks may not be meaningful.

Note 12. Regulatory Capital Requirements

The Company and the Bank are subject to various regulatory capital requirements administered by the Federal Reserve Board, the OCC and the U.S. Department of Housing and Urban Development. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Company's operations and financial statements. Under the regulatory capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company must meet specific capital guidelines that involve quantitative measures of the Company's assets, liabilities and certain off-balance-sheet items as calculated under regulatory accounting practices. The Company's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

Quantitative measures established by regulation require the maintenance of minimum amounts and ratios (set forth in the table below) of total risk-based and Tier 1 capital to risk-weighted assets (as defined), common equity Tier 1 capital (as defined), and Tier 1 capital to adjusted total assets (as defined). As of September 30, 2026 and December 31, 2025, the applicable capital adequacy requirements specified below have been met.

The below minimum capital requirements exclude the capital conservation buffer required to avoid limitations on capital distributions including dividend payments and certain discretionary bonus payments to executive officers. The applicable capital buffer for the Bank was 8.98% at September 30, 2026 and 13.6% at December 31, 2025.

The most recent notification from the OCC categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Bank must maintain minimum total risk-based, common equity risk-based, Tier 1 risk-based and Tier 1 leverage ratios as set forth in the table below. There were no conditions or events since then of which management is aware that have changed the Bank's category.

The Company's and the Bank's actual capital amounts and ratios as of September 30, 2026 and December 31, 2025 as compared to regulatory requirements are as follows:

	Actual		For Capital Adequacy Purposes		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
	(Dollars in thousands)					
September 30, 2026						
Ponce Financial Group, Inc.						
Total Capital to Risk-Weighted Assets	$ 624,205	18.66%	$ 267,677	8.00%	$ 334,596	10.00%
Tier 1 Capital to Risk-Weighted Assets	590,817	17.66%	200,758	6.00%	267,677	8.00%
Common Equity Tier 1 Capital Ratio	365,817	10.93%	150,568	4.50%	217,487	6.50%
Tier 1 Capital to Total Assets	590,817	16.46%	143,576	4.00%	179,471	5.00%
Ponce Bank						
Total Capital to Risk-Weighted Assets	$ 566,305	16.98%	$ 266,781	8.00%	$ 333,477	10.00%
Tier 1 Capital to Risk-Weighted Assets	532,917	15.98%	200,086	6.00%	266,781	8.00%
Common Equity Tier 1 Capital Ratio	532,917	15.98%	150,064	4.50%	216,760	6.50%
Tier 1 Capital to Total Assets	532,917	14.85%	143,571	4.00%	179,464	5.00%

Ponce Financial Group, Inc. and Subsidiaries
Notes to Consolidated Financial Statements (Unaudited)

	Actual		For Capital Adequacy Purposes		To Be Well Capitalized Under Prompt Corrective Action Provisions	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
	(Dollars in thousands)					
December 31, 2025						
Ponce Financial Group, Inc.						
Total Capital to Risk-Weighted Assets	$ 579,833	23.00%	$ 201,663	8.00%	$ 252,079	10.00%
Tier 1 Capital to Risk-Weighted Assets	552,260	21.91%	151,247	6.00%	201,663	8.00%
Common Equity Tier 1 Capital Ratio	327,260	12.98%	113,436	4.50%	163,851	6.50%
Tier 1 Capital to Total Assets	552,260	17.27%	127,880	4.00%	159,850	5.00%
Ponce Bank						
Total Capital to Risk-Weighted Assets	$ 543,076	21.63%	$ 200,847	8.00%	$ 251,059	10.00%
Tier 1 Capital to Risk-Weighted Assets	515,502	20.53%	150,635	6.00%	200,847	8.00%
Common Equity Tier 1 Capital Ratio	515,502	20.53%	112,976	4.50%	163,188	6.50%
Tier 1 Capital to Total Assets	515,502	16.12%	127,945	4.00%	159,931	5.00%

As of September 30, 2026 and December 31, 2025, the Bank was in compliance with the applicable minimum capital requirements specified above.

Note 13. Accumulated Other Comprehensive Loss

The accumulated other comprehensive loss is as follows:

	September 30, 2026		
	December 31, 2025	Change	September 30, 2026
		(in thousands)	
Unrealized losses on available-for-sale securities, net	$ (10,820)	$ (1,825)	$ (12,645)
Total	$ (10,820)	$ (1,825)	$ (12,645)

Included in the $1.8 million change in accumulated other comprehensive loss were $2.7 million unrealized loss on securities, $2.2 million of income tax effect and $1.4 million in valuation allowance reduction, net, for deferred tax asset in net income.

	September 30, 2025		
	December 31, 2024	Change	September 30, 2025
		(in thousands)	
Unrealized losses on available-for-sale securities, net	$ (15,297)	$ 3,711	$ (11,586)
Total	$ (15,297)	$ 3,711	$ (11,586)

Note 14. Transactions with Related Parties

Directors, executive officers and non-executive officers of the Company have been customers of and have had transactions with the Bank, and it is expected that such persons will continue to have such transactions in the future. Aggregate loan transactions with related parties for the three and nine months ended September 30, 2026 and 2025 were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2026	2025	2026	2025
			(in thousands)	
Beginning balance	$ 6,527	$ 8,256	$ 9,092	$ 7,671
Originations	3,761	675	3,861	1,400
Payments	(180)	(43)	(2,845)	(183)
Ending balance	$ 10,108	$ 8,888	$ 10,108	$ 8,888

Ponce Financial Group, Inc. and Subsidiaries
Notes to Consolidated Financial Statements (Unaudited)

The Company held deposits in the amount of $8.6 million from directors and executive officers at both September 30, 2026 and December 31, 2025.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

General

Management's discussion and analysis of the financial condition at September 30, 2026 and December 31, 2025, and results of operations for the three and nine months ended September 30, 2026 and 2025, is intended to assist in understanding the financial condition and results of operations of Ponce Financial Group, Inc. (the "Company"). The information contained in this section should be read in conjunction with the unaudited financial statements and the notes thereto appearing in Part I, Item 1, of this quarterly report on Form 10-Q.

Overview

Our principal business is attracting retail deposits from the general public and investing those deposits together with funds generated from ongoing operations and borrowings, primarily in (1) loan originations for purchases and construction of multi-family residential properties, commercial business loans, commercial real estate mortgage loans, one-to-four family (including mixed-use properties, which are properties that contain both residential dwelling units and commercial units); (2) construction loans; (3) SBA loans; (4) mortgage-backed securities; and (5) U.S. government securities, corporate fixed-income securities and other marketable securities. We also originate certain other consumer loans including overdraft lines of credit. Our results of operations depend primarily on net interest income, which is the difference between the income earned on its interest-earning assets and the cost of our interest-bearing liabilities. We also generate non-interest income mainly from service charges and fees, late and prepayment charges, income on sale of mortgage loans and grant income. Our non-interest expense consists principally of employee compensation and benefits, occupancy and equipment costs, data processing expenses, direct loan expenses, professional fees, other operating expenses and income tax expense. Our results of operations can also be significantly affected by our periodic provision for credit losses.

Cautionary Note Regarding Forward-Looking Statements

This quarterly report contains forward-looking statements, which can be identified by the use of words such as "estimate," "project," "intend," "anticipate," "assume," "plan," "seek," "expect," "will," "may," "should," "indicate," "would," "believe," "contemplate," "continue," "target" and words of similar meaning. These forward-looking statements include, but are not limited to:

- statements of the Company's goals, intentions and expectations;
- statements regarding its business plans, prospects, growth and operating strategies;
- statements regarding the quality of its loan and investment portfolios; and
- estimates of the risks and future costs and benefits;

These forward-looking statements are based on current beliefs and expectations and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the Company's control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change.

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements:

- the risk that the repurchase of Ponce Financial Group, Inc.'s Preferred Stock issued under the ECIP may not be consummated on the anticipated timeline, on the anticipated terms, or at all;
- the scope, duration and severity of rising interest rates, and its effects on our business and operations, our customers, including their ability to make timely payments on loans, our service providers, and on the economy and financial markets in general;
- changes in U.S. trade policies, including the imposition of tariffs and retaliatory tariffs, and their related impacts on the economy;
- changes in consumer spending, borrowing and savings habits;
- general economic conditions that are worse than expected, particularly in connection with low or negative growth in the. economy as well as economic uncertainty (including from an economic slowdown or recession, the federal government shutdown, unemployment, or limited growth in consumer income or spending), either nationally or in the market areas;
- volatility in the financial services sector, including failures or rumors of failures of other depository institutions, along with actions taken by governmental agencies to address such turmoil, and the effects on the ability of depository institutions, including us, to attract and retain depositors and to borrow or raise capital;
- the Company's ability to manage market risk, credit risk and operational risk in the current economic environment;
- changes in the level and direction of loan delinquencies and write-offs and changes in estimates of the adequacy of the allowance for loan losses;
- the ability to access cost-effective funding;
- fluctuations in real estate values and real estate market conditions;
- demand for loans and deposits in the market areas;
- the Company's ability to implement and change its business strategies;
- competition among depository and other financial institutions;
- inflation and changes in the interest rate environment that reduce the Company's margins and yields, its mortgage banking revenues, the fair value of financial instruments or the level of loan originations, or increase the level of defaults, losses and prepayments on loans the Company have made and make;
- adverse changes in the securities or secondary mortgage markets;
- changes in laws or government regulations or policies affecting financial institutions, including changes in regulatory fees and capital requirements;
- monetary, fiscal and regulatory policies of the U.S. government, including policies of the U.S. Department of the Treasury and the Federal Reserve Board;
- the sufficiency of liquidity and changes in our capital position;
- adverse changes related to the businesses of our partners;
- changes in the quality or composition of the Company's loan or investment portfolios;
- technological changes that may be more difficult or expensive than expected; and cyber threats, attacks or events;
- the inability of third party providers to perform as expected;
- the Company's ability to enter new markets successfully and capitalize on growth opportunities;
- the Company's ability to successfully integrate into its operations, any assets, liabilities, customers, systems and management personnel the Company may acquire and management's ability to realize related revenue synergies and cost savings within expected time frames, and any goodwill charges related thereto;
- changes in accounting policies and practices, as may be adopted by the bank regulatory agencies, the Financial Accounting Standards Board, the Securities and Exchange Commission or the Public Company Accounting Oversight Board;
- the Company's ability to retain key employees;

- the Company's compensation expense associated with equity allocated or awarded to its employees;
- the potential adverse effects of unusual and infrequently occurring events, such as weather-related disasters, terrorist acts, geopolitical conflicts or public health events (such as pandemics), and of governmental and societal responses thereto; and
- changes in the financial condition, results of operations or future prospects of issuers of securities that the Company may own.

Additional factors that may affect the Company's results are discussed in our Annual Report on Form 10-K for the year ended December 31, 2025 under the heading "Risk Factors" filed with the Securities and Exchange Commission ("SEC") on March 13, 2026.

Because of these and other uncertainties, our actual future results may be materially different from the results indicated by these forward-looking statements. The Company is under no duty to and does not assume any obligation to update any forward-looking statements after the date they were made, whether as a result of new information, future events or otherwise.

Federal Economic Relief Funds To Aid Lending

Emergency Capital Investment Program

On June 7, 2022 (the "Original Closing Date"), the Company issued 225,000 shares of the Company's Preferred Stock, par value $0.01 (the "Preferred Stock") for an aggregate purchase price equal to $225,000,000 in cash to the Treasury, pursuant to the Treasury's ECIP. Under the ECIP, Treasury provided investment capital directly to depository institutions that are CDFIs or MDIs or their holding companies, to provide loans, grants, and forbearance for small businesses, minority-owned businesses, and consumers, in low-income and underserved communities. No dividends accrued or were due for the first two years after issuance. For years three through ten, depending upon the level of qualified and/or deep impact lending made in targeted communities, as defined in the ECIP guidelines, dividends will be at an annual rate of either 2.0%, 1.25% or 0.5% and, thereafter, will be fixed at one of the foregoing rates. If we are unable to make qualified and/or deep impact loans at required levels, we will be required to pay dividends at the higher annual rates. Additionally, we may make qualified and/or deep impact loans that are riskier than we otherwise would in an effort to meet the lending requirements for the lower dividend rates and/or to qualify for the purchase option under the Repurchase Agreement (as described below).

Holders of Preferred Stock generally do not have any voting rights, with the exception of voting rights on certain matters as outlined in the Certificate of Designations. The Treasury is the holder of the Preferred Stock and a governmental entity, and the Treasury may hold interests that are different from a private investor in exercising its voting and other rights. In the event of a liquidation, dissolution or winding up of the Company, the Preferred Stock will be entitled to a liquidation preference, subject to certain limitations, in the amount of the sum of $1,000 per share plus declared and unpaid dividends (without accumulation of undeclared dividends) on each share.

As a participant in the ECIP, the Company must comply with certain operating requirements. Specifically, the Company must adopt the Treasury's standards for executive compensation and luxury expenses for the period during which the Treasury holds equity issued under the ECIP. These restrictions may make it difficult to adequately compensate our management team, which could impact our ability to retain qualified management. Additionally, under the ECIP regulations, the Company cannot pay dividends or repurchase its common stock unless it meets certain income-based tests and has paid the required dividends on the Preferred Stock. In June 2024, the Company began paying dividends on its Preferred Stock, which dividends were $0.8 million and $0.8 million for the nine months ended September 30, 2026 and 2025, respectively.

On December 20, 2024, the Company entered into an ECIP Securities Purchase Option Agreement (the "Repurchase Agreement") with Treasury. Pursuant to the Repurchase Agreement, Treasury has granted the Company an option to purchase all of the Preferred Stock during the Option Period, which is the first fifteen years following the Original Closing Date. The purchase price for the Preferred Stock pursuant to the purchase option is determined based on a formula equal to the present value of the Preferred Stock, calculated as set forth in the Repurchase Agreement, together with any accrued and unpaid dividends thereon, as of the closing date. Subject to variations in interest rates and the equity risk premium, which are components included in the purchase price calculation, the Company presently expects that the purchase price will be at a substantial discount from the face value of the Preferred Stock.

The purchase option may not be exercised unless and until at least one of the Threshold Conditions under the Repurchase Agreement has been met. The Threshold Conditions are as follows: during the ten years that follow the Original Closing Date (the "ECIP Period") either (1) over any sixteen consecutive quarters, an average of at least 60% of the Company's Total Originations, as defined pursuant to the terms of the ECIP, qualifies as "Deep Impact Lending," as defined pursuant to the terms of the ECIP (the "Deep Impact Condition"); (2) over any twenty-four consecutive quarters, an average of at least 85% of the Company's Total Originations qualifies as "Qualified Lending," as defined pursuant to the terms of the ECIP (the "Qualified Lending Condition"); or (3) the Preferred Stock has a dividend rate of no more than 0.5%, which dividend rate is calculated pursuant to the ECIP and the terms thereof, at each of six consecutive Reset Dates, as defined in the ECIP.

The earliest possible date by which a Threshold Condition may be met is June 30, 2026, which is the end of the sixteenth consecutive quarter following the Original Closing Date. The Company has met the Threshold Conditions to exercise the purchase option because the Company has reported sixteen consecutive quarters for which it has met the Deep Impact Condition. The Preferred Stock currently has a dividend rate of 0.5%.

The closing of the repurchase of the Preferred Stock, if consummated, would occur between thirty and ninety days following the satisfaction of all applicable conditions, including the Threshold Condition. In addition to the requirement that a Threshold Condition be met, the Repurchase Agreement requires that the Company meet certain other eligibility conditions in order to exercise the purchase option in the future, including compliance with the terms of the original ECIP purchase agreement and the terms of the Preferred Stock, maintaining qualification as either a CDFI or an MDI, and meeting other legal and regulatory criteria. Although the Company currently expects that it will satisfy all other necessary conditions, there can be no assurance if and when such repurchase will be consummated with Treasury.

The Company believes that consummation of the repurchase of the Preferred Stock as contemplated by the Repurchase Agreement would be beneficial to its stockholders. As such, the Company expects to continue to emphasize its qualified Deep Impact Lending.

The purchase option granted under the agreement is a freestanding financial instrument under GAAP. The Company analyzed the fair value of the repurchase option in accordance with ASC Topic 820 “Fair Value Measurements” and determined that the purchase option value is de minimis as of December 20, 2024, December 31, 2025 and September 30, 2026.

CDFI Financial Assistance Award

On February 6, 2025, the Bank received a $1.3 million grant from the U.S. Treasury as part of the CDFI Financial Assistance Award Program. This award is given to CDFIs to support their operations and expand services in economically distressed communities.

Banking Development District and Community Bank Deposit Program

The Bank's Westchester Avenue Branch located at 2244 Westchester Avenue in the Castle Hill area of the Bronx was approved as a Banking Development District ("BDD"). New York State’s BDD Program, administered by the Department of Financial Services ("DFS"), supports the establishment of bank and credit union branches in areas across New York State where there is a demonstrated need for banking services. To encourage participation, approved BDD branches receive access to subsidized and market rate deposits from New York State. On July 30, 2024, the Bank's Westchester Avenue Branch received total program deposits of $35.0 million. On June 24, 2025, the Bank's Westchester Avenue Branch received $10.0 million from the New York City Department of Finance. On June 23, 2026, the Bank's Westchester Avenue Branch received an additional $10.0 million from the New York City Department of Finance resulting in a total BDD Program deposit of $55.0 million.

On February 4, 2026, the Bank's Inwood Branch location 3879 9th Avenue in the Inwood area of New York was approved as a BDD by the DFS. In April of 2026, the Bank's Inwood Branch received a program deposit of $35.0 million from DFS. On June 23, 2026, the Bank's Inwood Branch received $10.0 million from the New York City Department of Finance resulting in a total BDD Program deposit of $45.0 million.

In addition, on May 20, 2026, the Bank received $20.0 million from the Community Bank Deposit Program.

Westchester Avenue Branch Re-Design

On February 27, 2025, Ponce Bank officers and administrators and members of the public celebrated the Bank’s transformed Westchester Avenue Branch at its grand reopening. The transformed Branch is the result of the State-of-the-art Banking Technologies combined with Community Centric Banking that is customer friendly and supportive.

The transformation relaunched a process aimed at reinforcing the role of each banking branch as a "community hub" that attracts new depositors and business customers, but anchors Ponce Bank branches as community-centric destinations. The revitalization efforts include Open Tellers that invite a more consultative experience, managers located at a central hub of the branch, private space for sensitive conversations, and meeting spaces as well as open areas with teleconferencing and AV equipment to encourage community-wide gatherings.

Inwood, New York Branch

On September 16, 2025, Ponce Bank opened another branch at its new location 3879 9th Avenue, New York, NY 10034. With its ribbon cutting ceremony on October 6, 2025, the Bank noted that this new branch at this Inwood location will create opportunities for residents and small business owners in one of Manhattan's most vibrant and diverse neighborhoods.

Ponce Bank Conversion

On October 10, 2025, the Company's wholly-owned subsidiary, Ponce Bank (formerly a federally chartered stock savings association), completed its previously announced conversion to a national bank and commenced operations as Ponce Bank, National Association. In connection with the conversion of Ponce Bank, the Company also commenced operations as a bank holding company as of the same date. Further, the Company also became a financial holding company, which is an additional election that allows the Company to engage in activities that are financial in nature or incidental to a financial activity.

Ponce Bank sought to become a national bank in order to increase bank powers, including its eligibility to receive municipal deposits in New York. However, the Company and Ponce Bank do not expect any material changes in their core business as a result of the Company becoming a bank holding company and a financial holding company, and Ponce Bank becoming a national bank.

Critical Accounting Policies

Accounting estimates are necessary in the application of certain accounting policies and procedures and are particularly susceptible to significant change. Critical accounting policies are defined as those involving significant judgments and assumptions by management and that could have a material impact on the carrying value of certain assets, liabilities or on income under different assumptions or conditions. Management believes that the most critical accounting policy relates to the allowance for credit losses.

Allowance for credit losses in accordance with ASU 2016-13, Measurement of Credit Losses on Financial Instruments (Topic 326), was a critical accounting policy in the preparation of the consolidated financial statements as of and for the period ended September 30, 2026.

Allowance for credit loss. The ACL on loans is management's estimate of expected credit losses over the expected life of the loans at the reporting date. The ACL on loans is increased through a provision for credit losses (“PCL”) recognized in the Consolidated Statements of Operations and by recoveries of amounts previously charged off. The ACL on loans is reduced by charge-offs on loans. Loan charge-offs are recognized when Management believes the collectability of the principal balance outstanding is unlikely. Full or partial charge-offs on collateral-dependent individually analyzed loans are generally recognized when the collateral is deemed to be insufficient to support the carrying value of the loan.

Policies with respect to the methodology used to determine the allowance for credit losses is a critical accounting policy and estimate because of its importance to presentation of the Company's financial condition and results of operations and high level of subjectivity. The critical accounting policy involves a higher degree of complexity and requires management to make difficult and subjective judgments which often require assumptions or estimates about highly uncertain matters. The use of different judgments, assumptions, and estimates could result in material differences in the results of operations or financial condition. The allowance for credit losses policy and its application is reviewed periodically, and at least annually, with the Audit Committee of the Board of Directors.

If our loss rate factor was to increase 10 basis points, our reserve would increase by approximately $3.1 million. Likewise, if our loss rate factor was to decrease 10 basis points, our reserve would decrease by approximately $3.1 million.

The discussion and analysis of the financial condition and results of operations are based on the Company’s consolidated financial statements, which are prepared in conformity with GAAP. The preparation of these consolidated financial statements requires management to make estimates and assumptions affecting the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of income and expenses. The estimates and assumptions used are based on historical experience and various other factors and are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions, resulting in a change that could have a material impact on the carrying value of our assets and liabilities and our results of operations.

Deferred Tax Asset Valuation Allowance. Management has been actively monitoring and evaluating the realizability of the New York State and New York City deferred tax assets over multiple reporting periods. Given the significant impact of the loan subtraction modification and apportionment on New York financial taxable income, management determined that it was appropriate to defer any

decision regarding the release of the valuation allowance until the 2025 tax returns were filed and actual tax return data could be incorporated into the analysis, rather than relying on estimated amounts.

Following the filing of the 2025 tax returns in the third quarter of 2026, management updated its analysis to reflect actual filed return information and reassessed the realizability of the deferred tax assets. Based on this updated evaluation, management reached the conclusion outlined below.

After weighing all available positive and negative evidence in accordance with ASC 740, Management concluded that the positive evidence outweighs the negative evidence, particularly in light of the Company's sustained New York State and New York City taxable income, demonstration of utilization of net operating loss carryforwards, and projected future earnings.

Accordingly, Management determined that it is more likely than not that the Company will realize its New York State and New York City deferred tax assets as of September 30, 2026. As a result, the Company released the full valuation allowance previously recorded against its New York State and New York City deferred tax assets, including amounts related to both continuing operations and accumulated other comprehensive income ("AOCI"), in the third quarter 2026.

The valuation allowance release was measured based on the beginning-of-year deferred tax asset balances and recorded as a discrete benefit within income tax expense in continuing operations in the third quarter of 2026. This treatment is consistent with ASC 740-10-45-20, which requires that changes in valuation allowances resulting from changes in realizability assessments be recognized in continuing operations, even when the underlying deferred tax assets originated in AOCI.

For the three and nine months ended September 30, 2026, the Company recognized a $10.5 million valuation allowance release against its New York State and New York City deferred tax assets. The $10.5 million release includes $1.4 million related to deferred tax assets on unrealized losses on available-for-sale securities, which, in accordance with GAAP, was recognized in income tax expense rather than other comprehensive income.

Real Property Held for Sale

During the July 2026 meeting of the Board of Directors, management presented to the Board of Directors an offer that the Company had received to sell its Flushing office located at 135-12 Northern Boulevard. The Company had been working with a broker with an offer from a third party. Management believes that all the criteria has been met to move the real property from Premises and equipment to assets held for sale. For the three months ended September 30, 2026, the Company recognized a mark-to-market loss on real property held for sale of $1.2 million reported as non-interest income in the Consolidated Statement of Operations.

Company's Growth

The Company continues its relationship with Raisin Solutions US LLC ("Raisin"), a fintech that focuses on gathering deposits for financial institutions through the Internet. As of September 30, 2026 and December 31, 2025, the Company had $657.7 million and $643.9 million, respectively, in such deposits, which the Company classifies as core deposits.

Because the Company, through Ponce Bank, is an MDI and a CDFI, deposits made by other financial institutions may be treated as CRA credits by those depository institutions.

At December 31, 2018, the first year after our initial public offering, the Company had approximately $1.06 billion in assets, $918.5 million in loans, net of allowance for credit losses of $12.7 million, and $809.8 million in deposits. The Company has since grown to $3.69 billion in assets, $3.08 billion in loans, net of allowance for credit losses of $29.2 million, and $2.37 billion in deposits at September 30, 2026, all while investing in infrastructure, implementing digital banking and diversifying its product offering. Now, the Company believes that it is poised to enhance its presence, locally and in similar communities outside New York, as a leading CDFI and MDI financial institution holding company.

Asset Quality Ratios

The table below indicates the Key Metrics at or for the three months ended:

	At or for the Three Months Ended		
	September 30, 2026	December 31, 2025	September 30, 2025
Allowance for credit losses on loans as a percentage of total loans	0.94%	0.97%	0.98%
Allowance for credit losses on loans as a percentage of nonperforming loans [1]	156.85%	94.74%	88.88%
Net (charge-offs) recoveries to average outstanding loans [2]	(0.05%)	(0.13%)	(0.03%)
Non-performing assets as a percentage of total assets	0.50%	0.83%	0.88%

(1) Allowance for credit losses on loans as a percentage of nonperforming loans increased for the three months ended September 30, 2026 as a result of an increase in allowance for credit losses on loans to $29.2 million and a decrease in nonperforming loans to $18.6 million.

(2) Annualized.

Comparison of Financial Condition at September 30, 2026 and December 31, 2025

Total Assets. Total consolidated assets increased $462.7 million, or 14.4%, to $3.69 billion at September 30, 2026 from $3.22 billion at December 31, 2025. The increase in total assets is largely attributable to increases of $481.8 million in net loans receivable, $14.3 million in deferred tax assets, primarily as a result of a $10.5 million valuation allowance released, $6.1 million in cash and cash equivalents, $4.8 million in Federal Home Loan Bank of New York stock, $3.7 million in accrued interest receivable and $2.2 million in other assets, partially offset by decreases of $31.8 million in held-to-maturity securities, $12.7 million in available-for-sale securities, $4.7 million in premises and equipment, net, and $1.3 million in right of use assets. The $4.7 million decrease in premises and equipment, net was largely attributable to $1.8 million of real property that was reclassified to held for sale and is reflected in other assets in the Consolidated Statements of Financial Condition and a $1.2 million loss on real property that is reflected in total non-interest income in the Consolidated Statements of Operations.

Cash and Cash Equivalents. Cash and cash equivalents increased $6.1 million, or 4.8%, to $132.2 million at September 30, 2026, compared to $126.2 million at December 31, 2025. The increase in cash and cash equivalents was primarily the result of an increase of $321.1 million in net deposits, $100.0 million in net proceeds in borrowings, $41.9 million in proceeds from maturities and principal repayment on securities and $10.9 million from sale of loans. The increase in cash and cash equivalents was offset primarily by increases of $497.7 million in net loans, $4.8 million in net (purchases) redemption of FHLBNY stock and $3.7 million in accrued interest receivables.

Securities. The Company securities portfolio decreased $12.7 million, or 13.8%, to $79.5 million in available-for-sale at September 30, 2026 from $92.2 million at December 31, 2025 and decreased $31.8 million, or 11.7%, to $241.2 million in held-to-maturity at September 30, 2026 from $273.0 million at December 31, 2025. The decrease in the securities portfolio was primarily due to regular principal payments and the maturity of one available-for-sale security in the amount of $3.0 million.

Portfolio Maturities and Yields. The composition and maturities of the investment securities portfolio at September 30, 2026 are summarized in the following table. Maturities are based on the final contractual payment dates, and do not reflect the effect of scheduled principal repayments, prepayments, or early redemptions that may occur. Adjustable-rate mortgage-backed securities are included in the period in which interest rates are next scheduled to adjust. The weighted average yield is calculated based on the yield to maturity

weighted for the size of each debt security over the entire portfolio of debt securities. The weighted average yields on tax-exempt obligations have been computed on a tax-equivalent basis.

	One Year or Less		More than One Year through Five Years		More than Five Years through Ten Years		More than Ten Years		Total		
	Amortized Cost	Weighted Average Yield	Amortized Cost	Weighted Average Yield	Amortized Cost	Weighted Average Yield	Amortized Cost	Weighted Average Yield	Amortized Cost	Fair Value	Weighted Average Yield
						(Dollars in thousands)					
Available-for-Sale Securities:											
Corporate Bonds	$ —	—%	$ 7,000	6.61%	$ 6,500	3.90%	$ —	—%	$ 13,500	$ 13,133	5.31%
Mortgage-Backed Securities											
Collateralized Mortgage Obligations [1]	—	—	—	—	—	—%	28,421	1.46%	28,421	22,966	1.46%
FHLMC Certificates	—	—	—	—	7,103	1.15%	—	—%	7,103	6,142	1.15%
FNMA Certificates	—	—	—	—	6,943	1.53%	39,883	1.80%	46,826	37,162	1.76%
GNMA Certificates	—	—	—	—	—	—%	71	5.89%	71	72	5.89%
Total available-for-sale securities	$ —	—%	$ 7,000	6.61%	$ 20,546	2.15%	$ 68,375	1.66%	$ 95,921	$ 79,475	2.13%
Held-to-Maturity Securities:											
Corporate Bonds	$ —	—%	$ —	—%	$ 7,500	6.40%	$ —	—%	7,500	$ 7,377	6.40%
Mortgage-Backed Securities											
Collateralized Mortgage Obligations [1]	1,879	3.36%	—	—	—	—%	138,869	4.03%	140,748	133,566	4.02%
FHLMC Certificates	—	—	—	—	—	—%	2,901	4.78%	2,901	2,785	4.78%
FNMA Certificates	—	—	2,401	3.49%	3,130	3.38%	75,005	4.28%	80,536	75,378	4.22%
SBA Certificates	—	—	—	—	3,517	4.35%	6,180	4.52%	9,697	9,751	4.46%
Allowance for Credit Losses	—	—	—	—	—	—%	—	—%	(206)	—	—
Total held-to-maturity securities	$ 1,879	3.36%	$ 2,401	3.49%	$ 14,147	5.22%	$ 222,955	4.14%	$ 241,176	$ 228,857	4.19%

(1) Comprised of Federal Home Loan Mortgage Corporation ("FHLMC"), Federal National Mortgage Association ("FNMA") and Ginnie Mae ("GNMA") issued securities.

Gross Loans Receivable. The composition of gross loans receivable at September 30, 2026 and at December 31, 2025 and the percentage of each classification to total loans are summarized as follows:

	September 30, 2026		December 31, 2025		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Dollars	Percent
			(Dollars in thousands)			
Mortgage loans:						
1-4 Family residential [1]	$ 413,064	13.3%	$ 434,374	16.6%	(21,310)	(4.9%)
Multifamily residential	1,051,642	33.8%	756,542	28.8%	295,100	39.0%
Nonresidential properties	557,449	17.9%	526,210	20.1%	31,239	5.9%
Construction and land	1,016,809	32.6%	854,096	32.5%	162,713	19.1%
Total mortgage loans	3,038,964	97.5%	2,571,222	98.0%	467,742	18.2%
Non-mortgage loans:						
Business loans	75,852	2.4%	53,063	2.0%	22,789	42.9%
Consumer loans	581	—%	625	—%	(44)	(7.0%)
Total non-mortgage loans	76,433	2.5%	53,688	2.0%	22,745	42.4%
Total	$ 3,115,397	100.0%	$ 2,624,910	100.0%	$ 490,487	18.7%

(1) Includes both investor owned and owner occupied 1-4 family residential properties combined, which were previously reported separately.

Contractual Maturities. The following table sets forth the contractual maturities of the Bank's total loan portfolio, excluding mortgage loans held for sale, at September 30, 2026. Demand loans, loans having no stated repayment schedule or maturity, and overdraft loans are reported as being due in one year or less. The table presents contractual maturities and does not reflect repricing or the effect of prepayments. Actual maturities may differ.

	At September 30, 2026				
	One year or less	More than one year to five years	More than five to fifteen years	More than fifteen years	Total
			(in thousands)		
Mortgage loans:					
1-4 family residential	$ 2,969	$ 12,338	$ 167,028	$ 230,729	$ 413,064
Multifamily residential	182,981	184,931	426,184	257,546	1,051,642
Nonresidential properties	38,602	127,521	365,941	25,385	557,449
Construction and land	528,899	487,910	—	—	1,016,809
Total mortgage loans	753,451	812,700	959,153	513,660	3,038,964
Nonmortgage loans:					
Business loans	42,659	11,218	18,840	3,135	75,852
Consumer loans	104	477	—	—	581
Total nonmortgage loans	42,763	11,695	18,840	3,135	76,433
Total	$ 796,214	$ 824,395	$ 977,993	$ 516,795	$ 3,115,397

The following table sets forth the Bank's fixed and adjustable-rate loans at September 30, 2026 that are contractually due after September 30, 2027.

	Due After September 30, 2027		
	Fixed	Adjustable	Total
		(in thousands)	
Mortgage loans:			
1-4 family residential	$ 17,918	$ 392,177	410,095
Multifamily residential	39,646	829,015	868,661
Nonresidential properties	7,866	510,981	518,847
Construction and land	39,562	448,348	487,910
Total mortgage loans	104,992	2,180,521	2,285,513
Nonmortgage loans:			
Business loans	5,364	27,829	33,193
Consumer loans	465	12	477
Total nonmortgage loans	5,829	27,841	33,670
Total	$ 110,821	$ 2,208,362	$ 2,319,183

Based on current internal loan reviews, the Company believes that the quality of our underwriting, our weighted average loan-to-value ratio of 50.2% and our customer selection processes have served us well and provided us with a reliable base with which to maintain a well-protected loan portfolio.

Multifamily residential loans increased $295.1 million, or 39.0%, when compared to December 31, 2025. The majority of the increases in multifamily residential loans were from loans that were refinanced from construction and land loans to new permanent loan facilities.

Construction and land loans increased $162.7 million, or 19.1%, when compared to December 31, 2025. The $162.7 million increase in construction and land mortgage loans is related to a combination of funding of existing commitments prior to 2026 and new commitments, offset by loans that were refinanced from construction and land loans to new permanent loan facilities.

Our commitments to grant new mortgage loans increased by $380.1 million as of September 30, 2026 compared to December 31, 2025. See Note 10 ("Commitments, Contingencies and Credit Risk") of Notes to the Consolidated Financial Statements.

The Company had 83 construction and land mortgage loans with balances of $1.02 billion as indicated in the table above. Of those loans, 25 loans with aggregate balances of $439.6 million, or 43.2%, of the total, have a percentage of completion of 80% or more. Within those 25 loans there are 16 loans with balances of $262.0 million that are 100% completed and received their certificates of occupancy.

Commercial real estate loans, as defined by applicable banking regulations, include multifamily residential, nonresidential properties, and construction and land mortgage loans. At September 30, 2026 and December 31, 2025, approximately 2.3% and 3.1%, respectively, of the outstanding principal balance of the Bank’s commercial real estate mortgage loans were secured by owner-occupied

commercial real estate. Owner-occupied commercial real estate is similar in many ways to commercial and industrial lending in that these loans are generally made to businesses predominantly on the basis of the cash flows of the business rather than on valuation of the real estate.

Banking regulations have established guidelines relating to the amount of construction and land mortgage loans and investor- owned commercial real estate mortgage loans of 100% and 300% of total risk-based capital, respectively. Should a bank's ratios be in excess of these guidelines, banking regulations generally require an increased level of monitoring in these lending areas by bank management. The Bank's policy is to operate with up to a 350% ratio for construction and land mortgage loans and up to 550% for investor-owned commercial real estate mortgage loans. Both ratios are calculated by dividing certain types of loan balances for each of the two categories by the Bank's total risk-based capital. At September 30, 2026 and December 31, 2025, the Bank's construction and land mortgage loans as a percentage of total risk-based capital was 178.4% and 156.7%, respectively. Investor-owned commercial real estate mortgage loans as a percentage of total risk-based capital was 462.5% and 393.1% as of September 30, 2026 and December 31, 2025, respectively. At September 30, 2026, the Bank was above the 100% guidelines established by the banking regulations and under the 350% guidelines set by the Bank for construction and land mortgage loans and above the 300% guideline established by banking regulators but under the 550% guidelines set by the Bank for investor owned commercial real estate mortgage loans. Management believes that it has established the appropriate level of controls to monitor the Bank's lending in these areas.

Allocation of Allowance for Credit Losses. The table below presents a breakdown of the allowance for credit losses by loan class.

	September 30, 2026		December 31, 2025	
	Allowance for Credit Losses	Percent of Loans in Each Category to Total Loans	Allowance for Credit Losses	Percent of Loans in Each Category to Total Loans
	(in thousands)			
Mortgage loans:				
1-4 family residential	$ 4,978	13.3%	$ 3,873	16.6%
Multifamily residential	9,505	33.8%	9,041	28.8%
Nonresidential properties	4,932	17.9%	4,353	20.1%
Construction and land	8,259	32.6%	6,149	32.5%
Total mortgage loans	27,674	97.5%	23,416	98.0%
Nonmortgage loans:				
Business loans	1,477	2.4%	2,017	2.0%
Consumer loans	17	—%	16	—%
Total nonmortgage loans	1,494	2.5%	2,033	2.0%
Total	$ 29,168	100.0%	$ 25,449	100.0%

Loans Held For Sale. Loans held for sale, at fair value, at September 30, 2026 increased $0.3 million, or 9.2%, to $3.7 million from $3.4 million at December 31, 2025.

Deposits. The composition of deposits at September 30, 2026 and December 31, 2025 and changes in dollars and percentages are summarized as follows:

	September 30, 2026		December 31, 2025		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Dollars	Percent
	(Dollars in thousands)					
Demand	$ 244,860	10.4%	$ 208,250	10.2%	$ 36,610	17.6%
Interest-bearing deposits:						
NOW/IOLA accounts	76,392	3.2%	84,012	4.1%	(7,620)	(9.1%)
Money market accounts	898,719	38.0%	779,532	38.1%	119,187	15.3%
Reciprocal deposits	188,016	7.9%	152,630	7.5%	35,386	23.2%
Savings accounts	118,727	5.0%	117,708	5.8%	1,019	0.9%
Total NOW, money market, reciprocal and savings	1,281,854	54.1%	1,133,882	55.4%	147,972	13.1%
Certificates of deposit of $250K or more	202,702	8.6%	202,500	9.9%	202	0.1%
Brokered certificates of deposit [1]	144,569	6.1%	67,942	3.3%	76,627	112.8%
Listing service deposits [1]	994	—%	4,150	0.2%	(3,156)	(76.0%)
Certificates of deposit less than $250K	492,729	20.8%	429,911	21.0%	62,818	14.6%
Total certificates of deposit	840,994	35.5%	704,503	34.4%	136,491	19.4%
Total interest-bearing deposits	2,122,848	89.6%	1,838,385	89.8%	284,463	15.5%
Total deposits	$ 2,367,708	100.0%	$ 2,046,635	100.0%	$ 321,073	15.7%

(1) At September 30, 2026 and December 31, 2025, there were no individual listing service deposits amounting to $250,000 or more, and no individual brokered certificates of deposit amounting to $250,000 or more.

When wholesale funding is necessary to complement the Company's core deposit base, management determines which source is best suited to address both liquidity risk and interest rate risk in line with management objectives. The Company's Interest Rate Risk Policy imposes limitations on overall wholesale funding and noncore funding reliance. The overall reliance on wholesale funding and noncore funding were within those policy limitations as of September 30, 2026 and December 31, 2025. The Management Asset/Liability Committee generally meets on a monthly basis to review funding needs, if any, and to ensure the Company operates within the approved limitations.

The following table sets forth the average balance and weighted average rate of deposits for the periods indicated.

	For the Nine Months Ended September 30,					
	2026			2025		
	Average Balance	Percent	Weighted Average Rate	Average Balance	Percent	Weighted Average Rate
	(Dollars in thousands)					
Deposit type:						
NOW/IOLA	$ 76,737	3.5%	0.69%	$ 73,034	3.6%	0.64%
Money market	1,029,534	46.4%	3.65%	884,115	43.5%	4.11%
Savings	120,029	5.4%	0.10%	118,656	5.8%	0.09%
Certificates of deposit	752,638	33.9%	3.64%	754,531	37.2%	3.84%
Interest-bearing deposits	1,978,938	89.2%	3.32%	1,830,336	90.2%	3.60%
Non-interest bearing demand	239,239	10.8%	—%	199,978	9.8%	—%
Total deposits	$ 2,218,177	100.0%	2.96%	$ 2,030,314	100.0%	3.25%

The following table presents the time deposits with balances exceeding the $250,000 Federal Deposits Insurance Corporation ("FDIC") insurance limit by maturity at September 30, 2026.

Maturity Period:	(in thousands)
Three months or less	$ 75,002
Over three months through six months	66,652
Over six months through one year	40,301
More than one year	20,747
Total	$ 202,702

At September 30, 2026, the portion of uninsured deposits in excess of $250,000 FDIC insurance limit was $471.1 million.

Borrowings. The Bank had outstanding borrowings at September 30, 2026 and December 31, 2025 of $646.1 million and $596.1 million in term advances from the FHLBNY. The Bank had one overnight line of credit advance in the amount of $50.0 million from the FHLBNY at September 30, 2026 and no overnight line of credit advance from the FHLBNY at December 31, 2025. Additionally, the Bank had two unsecured lines of credit in the amount of $75.0 million with two correspondent banks for both periods at September 30, 2026 and December 31, 2025. The Bank did not have any term and overnight line of credit advances from the FRBNY at September 30, 2026 and December 31, 2025.

Stockholders' Equity. The Company's consolidated stockholders' equity increased $36.7 million, or 6.8%, to $578.3 million as of September 30, 2026 from $541.5 million as of December 31, 2025. The $36.7 million increase in stockholders' equity was largely attributable to $35.4 million in net income, $1.9 million impact to additional paid in capital as a result of share-based compensation, $1.9 million from release of ESOP shares and $0.2 million from exercise of stock options, offset by $1.8 million in other comprehensive loss and $0.8 million related to the dividend paid on preferred shares during the nine months ended September 30, 2026.

Comparison of Results of Operations for the Three Months Ended September 30, 2026 and 2025

The discussion of the Company's results of operations for the three months ended September 30, 2026 and 2025 are presented below. The results of operations for interim periods may not be indicative of future results.

Overview. Net income available to common stockholders was $18.0 million for the three months ended September 30, 2026 compared to net income available to common stockholders of $6.2 million for the three months ended September 30, 2025. Earnings per basic share was $0.78 and diluted share was $0.76 for the three months ended September 30, 2026 compared to earnings per basic and diluted share of $0.27 for the three months ended September 30, 2025. The $11.7 million increase of net income available to common stockholders from the three months ended September 30, 2025, was due to an increase of $8.7 million in net interest income and a benefit of $8.1 million for income taxes as a result of a $10.5 million valuation allowance release, offset by increases of $2.6 million in non-interest expense and $1.9 million in provision for credit losses and a decrease of $0.6 million in non-interest income. Net income for the three months ended September 30, 2026 and 2025, which excludes $0.3 million and $0.3 million, respectively, in dividends on preferred shares, were $18.2 million and $6.5 million, respectively.

The following table presents the results of operations for the periods indicated:

	For the Three Months Ended September 30,		Increase (Decrease)	
	2026	2025	Dollars	Percent
	(Dollars in thousands)			
Interest and dividend income	$ 57,504	$ 46,847	$ 10,657	22.8%
Interest expense	23,515	21,599	1,916	8.9%
Net interest income	33,989	25,248	8,741	34.6%
Provision for credit losses	3,219	1,364	1,855	136.0%
Net interest income after provision for credit losses	30,770	23,884	6,886	28.8%
Non-interest income	850	1,492	(642)	(43.0%)
Non-interest expense	19,236	16,618	2,618	15.8%
Income before income taxes	12,384	8,758	3,626	41.4%
(Benefit) provision for income taxes	(5,865)	2,250	(8,115)	(360.7%)
Net income	$ 18,249	$ 6,508	$ 11,741	180.4%
Dividends on preferred shares	281	281	—	—%
Net income available to common stockholders	$ 17,968	$ 6,227	$ 11,741	188.6%
Earnings per common share:				
Basic	$ 0.78	$ 0.27	$ 0.51	188.9%
Diluted	$ 0.76	$ 0.27	$ 0.49	181.5%

Interest and Dividend Income. Interest and dividend income increased $10.7 million, or 22.8%, to $57.5 million for the three months ended September 30, 2026 from $46.8 million for the three months ended September 30, 2025. Interest income on loans receivable, which is the Company's primary source of income, increased $11.4 million, or 27.5%, to $52.9 million for the three months ended September 30, 2026 from $41.5 million for the three months ended September 30, 2025.

Total interest and dividend income on securities, FHLBNY stock and deposits due from banks decreased $0.8 million or 14.3%, to $4.6 million for the three months ended September 30, 2026 from $5.4 million for the three months ended September 30, 2025. The decrease was primarily attributable to decreases of $0.8 million in interest on securities and $0.1 million in interest on deposits due from banks, offset by an increase of $0.2 million in dividend on FHLBNY and FRBNY stocks.

The following table presents interest income on loans receivable for the periods indicated:

	For the Three Months Ended September 30,		Change	
	2026	2025	Amount	Percent
	(Dollars in thousands)			
1-4 Family residential	$ 7,162	$ 6,649	$ 513	7.7%
Multifamily residential	15,729	11,436	4,293	37.5%
Nonresidential properties	9,964	6,646	3,318	49.9%
Construction and land	18,116	15,100	3,016	20.0%
Business loans	1,927	1,636	291	17.8%
Consumer loans	12	19	(7)	(36.8%)
Total interest income on loans receivable	$ 52,910	$ 41,486	$ 11,424	27.5%

The following table presents interest and dividend income on securities and FHLBNY stock and deposits due from banks for the periods indicated:

	For the Three Months Ended September 30,		Change	
	2026	2025	Amount	Percent
	(Dollars in thousands)			
Interest on deposits due from banks	$ 901	$ 978	$ (77)	(7.9%)
Interest on securities	3,067	3,913	(846)	(21.6%)
Dividend on FHLBNY and FRBNY stocks	626	470	156	33.2%
Total interest and dividend income	$ 4,594	$ 5,361	$ (767)	(14.3%)

Interest Expense. Interest expense increased $1.9 million, or 8.9%, to $23.5 million for the three months ended September 30, 2026 from $21.6 million for the three months ended September 30, 2025.

The following table presents interest expense for the periods indicated:

	For the Three Months Ended September 30,		Change	
	2026	2025	Amount	Percent
	(Dollars in thousands)			
Certificates of deposit	$ 7,313	$ 6,553	$ 760	11.6%
Money market	10,254	9,831	423	4.3%
Savings	31	28	3	10.7%
NOW/IOLA	145	137	8	5.8%
Borrowings	5,772	5,050	722	14.3%
Total interest expense	$ 23,515	$ 21,599	$ 1,916	8.9%

Net Interest Income. Net interest income increased $8.7 million, or 34.6%, to $34.0 million for the three months ended September 30, 2026 from $25.2 million for the three months ended September 30, 2025. The $8.7 million increase in net interest income for the three months ended September 30, 2026 compared to the three months ended September 30, 2025 was attributable to an increase of $10.7 million in total interest and dividend income primarily due to increases in average loans receivable, offset by an increase of $1.9 million in interest expense.

Net interest rate spread increased by 60 basis points to 3.11% for the three months ended September 30, 2026 from 2.51% for the three months ended September 30, 2025. The increase in the net interest rate spread for the three months ended September 30, 2026 compared to the three months ended September 30, 2025 was primarily due to an increase in the average yields on interest-earning assets of 41 basis points to 6.53% for the three months ended September 30, 2026 from 6.12% for the three months ended September 30, 2025, and a decrease in the average rates paid on interest-bearing liabilities of 19 basis points to 3.42% for the three months ended September 30, 2026 from 3.61% for the three months ended September 30, 2025.

Net interest margin increased 56 basis points for the three months ended September 30, 2026, to 3.86% from 3.30% for the three months ended September 30, 2025.

Non-Interest Income. Non-interest income decreased $0.6 million, or 43.0%, to $0.9 million for the three months ended September 30, 2026 from $1.5 million for the three months ended September 30, 2025. The $0.6 million decrease in non-interest income for the three months ended September 30, 2026 compared to the three months ended September 30, 2025 was largely attributable to a loss of $1.2 million on real property held for sale recognized in the third quarter of 2026, $0.4 million in grant income recognized in the third quarter of 2025 and a decrease of $0.2 million in late and prepayment charges, offset by an increase of $1.0 million in other non-interest income, which includes a $0.4 million gain from the Company’s investment in Oaktree and Silvergate funds.

The following table presents non-interest income for the periods indicated:

	For the Three Months Ended September 30,		Change	
	2026	2025	Amount	Percent
	(Dollars in thousands)			
Service charges and fees	$ 611	$ 539	$ 72	13.4%
Brokerage commissions	—	8	(8)	(100.0%)
Late and prepayment charges	232	385	(153)	(39.7%)
Income on sale of mortgage loans	188	166	22	13.3%
Grant income	—	429	(429)	(100.0%)
Loss on real property held for sale	(1,166)	—	(1,166)	— %
Other	985	(35)	1,020	*
Total non-interest income	$ 850	$ 1,492	$ (642)	(43.0%)

* represents more than 100%.

Non-Interest Expense. Non-interest expense increased $2.6 million, or 15.8%, to $19.2 million for the three months ended September 30, 2026 from $16.6 million for the three months ended September 30, 2025. The $2.6 million increase in non-interest expense was mainly attributable to an increase of $2.6 million in compensation and benefits as a result of new hires.

The following table presents non-interest expense for the periods indicated:

	For the Three Months Ended September 30,		Change	
	2026	2025	Amount	Percent
	(Dollars in thousands)			
Compensation and benefits	$ 10,509	$ 7,868	$ 2,641	33.6%
Occupancy and equipment	3,879	3,934	(55)	(1.4%)
Data processing expenses	1,202	1,296	(94)	(7.3%)
Direct loan expenses	89	155	(66)	(42.6%)
Insurance and surety bond premiums	332	318	14	4.4%
Office supplies, telephone and postage	147	170	(23)	(13.5%)
Professional fees	1,305	1,409	(104)	(7.4%)
Marketing and promotional expenses	144	184	(40)	(21.7%)
Federal deposit insurance and regulatory assessment	495	266	229	86.1%
Other operating expenses	1,134	1,018	116	11.4%
Total non-interest expense	$ 19,236	$ 16,618	$ 2,618	15.8%

Income Tax Provision. The Company had a benefit for income taxes of $5.9 million for the three months ended September 30, 2026 compared to a provision for income taxes of $2.3 million for the three months ended September 30, 2025. For the three months ended September 30, 2026, the Company recognized a $10.5 million valuation allowance release against its New York State and New York City deferred tax assets.

Average Balance Sheets

The following table sets forth average outstanding balances, average yields and rates, and certain other information for the periods indicated. No tax-equivalent yield adjustments have been made, as the effects would be immaterial. Average balances are derived from average daily balances. Non-accrual loans were included in the computation of average balances. The yields set forth below include the effect of deferred fees, discounts, and premiums that are amortized or accreted to interest income or interest expense.

	For the Three Months Ended September 30,					
	2026			2025		
	Average Outstanding Balance	Interest	Average Yield/Rate [1]	Average Outstanding Balance	Interest	Average Yield/Rate [1]
	(Dollars in thousands)					
Interest-earning assets:						
Loans [2]	$ 3,025,085	52,910	6.94%	$ 2,499,268	$ 41,486	6.59%
Securities [3]	332,919	3,067	3.65%	418,513	3,913	3.71%
Other [4]	133,827	1,527	4.53%	119,262	1,448	4.82%
Total interest-earning assets	3,491,831	57,504	6.53%	3,037,043	46,847	6.12%
Non-interest-earning assets	97,667			96,095		
Total assets	$ 3,589,498			$ 3,133,138		
Interest-bearing liabilities:						
NOW/IOLA	$ 76,801	$ 145	0.75%	$ 78,526	$ 137	0.69%
Money market	1,109,784	10,254	3.67%	958,277	9,831	4.07%
Savings	119,109	31	0.10%	119,159	28	0.09%
Certificates of deposit	794,477	7,313	3.65%	698,019	6,553	3.72%
Total deposits	2,100,171	17,743	3.35%	1,853,981	16,549	3.54%
Borrowings	624,361	5,772	3.67%	521,100	5,050	3.84%
Total interest-bearing liabilities	2,724,532	23,515	3.42%	2,375,081	21,599	3.61%
Non-interest-bearing liabilities:						
Non-interest-bearing demand	251,823	—		199,922	—	
Other non-interest-bearing liabilities	43,730	—		31,406	—	
Total non-interest-bearing liabilities	295,553	—		231,328	—	
Total liabilities	3,020,085	23,515		2,606,409	21,599	
Total equity	569,413			526,729		
Total liabilities and total equity	$ 3,589,498		3.42%	$ 3,133,138		3.61%
Net interest income		$ 33,989			$ 25,248	
Net interest rate spread [5]			3.11%			2.51%
Net interest-earning assets [6]	$ 767,299			$ 661,962		
Net interest margin [7]			3.86%			3.30%
Average interest-earning assets to interest-bearing liabilities			128.16%			127.87%

(1) Annualized where appropriate.

(2) Loans include loans and mortgage loans held for sale, at fair value.

(3) Securities include available-for-sale securities and held-to-maturity securities.

(4) Includes FHLBNY demand account and FHLBNY stock dividends and FRBNY demand deposits.

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

(6) Net interest-earning assets represent total interest-earning assets less total interest-bearing liabilities.

(7) Net interest margin represents net interest income divided by average total interest-earning assets.

Rate/Volume Analysis

The following table presents the effects of changing rates and volumes on the Company's net interest income for the periods indicated. The volume column shows the effects attributable to changes in volume (changes in volume multiplied by prior rate). The rate column shows the effects attributable to changes in rate (changes in rate multiplied by prior volume). The total column represents the sum of the prior columns. For purposes of this table, changes attributable to both rate and volume, which cannot be segregated, have been allocated proportionately based on the changes due to rate and the changes due to volume.

	For the Three Months Ended September 30, 2026 vs. 2025		
	Increase (Decrease) Due to		Total Increase (Decrease)
	Volume	Rate	
	(In thousands)		
Interest-earning assets:			
Loans [1]	$ 8,728	$ 2,696	$ 11,424
Securities [2]	(800)	(46)	(846)
Other	177	(98)	79
Total interest-earning assets	8,105	2,552	10,657
Interest-bearing liabilities:			
NOW/IOLA	(3)	11	8
Money market	1,554	(1,131)	423
Savings	—	3	3
Certificates of deposit	906	(146)	760
Total deposits	2,457	(1,263)	1,194
Borrowings	1,001	(279)	722
Total interest-bearing liabilities	3,458	(1,542)	1,916
Change in net interest income	$ 4,647	$ 4,094	$ 8,741

(1) Loans include loans and mortgage loans held for sale, at fair value.
(2) Securities include available-for-sale securities and held-to-maturity securities.

Comparison of Results of Operations for the Nine Months Ended September 30, 2026 and 2025

The discussion of the Company's results of operations for the nine months ended September 30, 2026 and 2025 are presented below. The results of operations for interim periods may not be indicative of future results.

Overview. Net income available to common stockholders was $34.5 million for the nine months ended September 30, 2026 compared to net income available to common stockholders of $17.7 million for the nine months ended September 30, 2025. Earnings per basic share was $1.50 and diluted share was $1.47 for the nine months ended September 30, 2026 compared to earnings per basic share of $0.78 and diluted share of $0.77 for the nine months ended September 30, 2025. The $16.8 million increase of net income available to common stockholders from the nine months ended September 30, 2025, was due to an increase of $20.4 million in net interest income and a benefit of $6.5 million for income taxes as a result of a $10.5 million valuation allowance release, offset by increases of $4.3 million in provision for credit losses and $4.2 million in non-interest expense and a decrease of $1.5 million in non-interest income. Net income for the nine months ended September 30, 2026 and 2025 which excludes $0.8 million and $0.8 million, respectively, in dividends on preferred shares, were $35.4 million and $18.6 million, respectively.

The following table presents the results of operations for the periods indicated:

	For the Nine Months Ended September 30,		Increase (Decrease)	
	2026	2025	Dollars	Percent
	(Dollars in thousands)			
Interest and dividend income	$ 157,818	$ 136,704	$ 21,114	15.5%
Interest expense	65,542	64,827	715	1.1%
Net interest income	92,276	71,877	20,399	28.4%
Provision (benefit) for credit losses	7,023	2,705	4,318	159.6%
Net interest income after provision (benefit) for credit losses	85,253	69,172	16,081	23.3%
Non-interest income	4,419	5,933	(1,514)	(25.5%)
Non-interest expense	54,611	50,375	4,236	8.4%
Income before income taxes	35,061	24,730	10,331	41.8%
(Benefit) provision for income taxes	(306)	6,163	(6,469)	(105.0%)
Net income	35,367	18,567	16,800	90.5%
Dividends on preferred shares	844	844	—	—%
Net income available to common stockholders	$ 34,523	$ 17,723	$ 16,800	94.8%
Earnings per common share:				
Basic	$ 1.50	$ 0.78	$ 0.72	92.3%
Diluted	$ 1.47	$ 0.77	$ 0.70	90.9%

Interest and Dividend Income. Interest and dividend income increased $21.1 million, or 15.5%, to $157.8 million for the nine months ended September 30, 2026 from $136.7 million for the nine months ended September 30, 2025. Interest income on loans receivable, which is the Company's primary source of income, increased $24.8 million, or 20.9%, to $143.7 million for the nine months ended September 30, 2026 from $118.9 million for the nine months ended September 30, 2025.

Total interest and dividend income on securities, FHLBNY stock and deposits due from banks decreased $3.7 million, or 20.8%, to $14.1 million for the nine months ended September 30, 2026 from $17.8 million for the nine months ended September 30, 2025. The decrease was primarily attributable to decreases of $3.2 million in interest on securities and $0.8 million in interest on deposits due from banks, offset by an increase of $0.3 million in dividend on FHLBNY and FRBNY stocks.

The following table presents interest income on loans receivable for the periods indicated:

	For the Nine Months Ended September 30,		Change	
	2026	2025	Amount	Percent
	(Dollars in thousands)			
1-4 Family residential	$ 20,434	$ 20,910	$ (476)	(2.3%)
Multifamily residential	40,917	30,751	10,166	33.1%
Nonresidential properties	28,032	18,060	9,972	55.2%
Construction and land	48,418	45,351	3,067	6.8%
Business loans	5,889	3,779	2,110	55.8%
Consumer loans	37	62	(25)	(40.3%)
Total interest income on loans receivable	$ 143,727	$ 118,913	$ 24,814	20.9%

The following table presents interest and dividend income on securities and FHLBNY stock and deposits due from banks for the periods indicated:

	For the Nine Months Ended September 30,		Change	
	2026	2025	Amount	Percent
	(Dollars in thousands)			
Interest on deposits due from banks	$ 2,625	$ 3,453	$ (828)	(24.0%)
Interest on securities	9,474	12,680	(3,206)	(25.3%)
Dividend on FHLBNY and FRBNY stocks	1,992	1,658	334	20.1%
Total interest and dividend income	$ 14,091	$ 17,791	$ (3,700)	(20.8%)

Interest Expense. Interest expense increased $0.7 million, or 1.1%, to $65.5 million for the nine months ended September 30, 2026 from $64.8 million for the nine months ended September 30, 2025.

The following table presents interest expense for the periods indicated:

	For the Nine Months Ended September 30,		Change	
	2026	2025	Amount	Percent
	(Dollars in thousands)			
Certificates of deposit	$ 20,513	$ 21,689	$ (1,176)	(5.4%)
Money market	28,120	27,172	948	3.5%
Savings	87	84	3	3.6%
NOW/IOLA	397	352	45	12.8%
Borrowings	16,425	15,530	895	5.8%
Total interest expense	$ 65,542	$ 64,827	$ 715	1.1%

Net Interest Income. Net interest income increased $20.4 million, or 28.4%, to $92.3 million for the nine months ended September 30, 2026 from $71.9 million for the nine months ended September 30, 2025. The $20.4 million increase in net interest income for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025 was attributable to an increase of $21.1 million in total interest and dividend income primarily due to increases in average loans receivable, offset by an increase of $0.7 million in interest expense.

Net interest rate spread increased by 57 basis points to 2.96% for the nine months ended September 30, 2026 from 2.39% for the nine months ended September 30, 2025. The increase in the net interest rate spread for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025 was primarily due to an increase in the average yields on interest-earning assets of 31 basis points to 6.36% for the nine months ended September 30, 2026 from 6.05% for the nine months ended September 30, 2025, and a decrease in the average rates paid on interest-bearing liabilities of 26 basis points to 3.40% for the nine months ended September 30, 2026 from 3.66% for the nine months ended September 30, 2025.

Net interest margin increased 54 basis points for the nine months ended September 30, 2026, to 3.72% from 3.18% for the nine months ended September 30, 2025.

Non-Interest Income. Non-interest income decreased $1.5 million, or 25.5%, to $4.4 million for the nine months ended September 30, 2026 from $5.9 million for the nine months ended September 30, 2025. The $1.5 million decrease in non-interest income for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025 was largely attributable to $1.2 million loss on real property held for sale, $0.8 million in grant income that was recognized during the nine months ended September 30, 2025, decreases of $0.5 million in late and prepayment charges and $0.4 million in income on sale of SBA loans, offset by increases of $1.3 million in other non-interest income and $0.2 million in service charges and fees.

The following table presents non-interest income for the periods indicated:

	For the Nine Months Ended September 30,		Change	
	2026	2025	Amount	Percent
	(Dollars in thousands)			
Service charges and fees	$ 1,750	$ 1,575	$ 175	11.1%
Brokerage commissions	—	12	(12)	(100.0%)
Late and prepayment charges	1,096	1,612	(516)	(32.0%)
Income on sale of mortgage loans	469	483	(14)	(2.9%)
Income on sale of SBA loans	—	404	(404)	(100.0%)
Grant income	—	857	(857)	(100.0%)
Loss on real property held for sale	(1,166)	—	(1,166)	— %
Other	2,270	990	1,280	129.3%
Total non-interest income	$ 4,419	$ 5,933	$ (1,514)	(25.5%)

Non-Interest Expense. Non-interest expense increased $4.2 million, or 8.4%, to $54.6 million for the nine months ended September 30, 2026 from $50.4 million for the nine months ended September 30, 2025. The $4.2 million increase in non-interest expense was mainly attributable to an increase of $5.0 million in compensation and benefits as a result of new hires, partially offset by decreases of $0.4 million in direct loan expenses, $0.3 million in occupancy and equipment and $0.1 million in other non-interest expense.

The following table presents non-interest expense for the periods indicated:

	For the Nine Months Ended September 30,		Change	
	2026	2025	Amount	Percent
	(Dollars in thousands)			
Compensation and benefits	$ 28,242	$ 23,275	$ 4,967	21.3%
Occupancy and equipment	11,452	11,754	(302)	(2.6%)
Data processing expenses	3,616	3,636	(20)	(0.6%)
Direct loan expenses	397	784	(387)	(49.4%)
Insurance and surety bond premiums	997	930	67	7.2%
Office supplies, telephone and postage	492	514	(22)	(4.3%)
Professional fees	4,121	4,140	(19)	(0.5%)
Marketing and promotional expenses	562	533	29	5.4%
Federal deposit insurance and regulatory assessment	1,312	1,273	39	3.1%
Other operating expenses	3,420	3,536	(116)	(3.3%)
Total non-interest expense	$ 54,611	$ 50,375	$ 4,236	8.4%

Income Tax Provision. The Company had a benefit for income taxes of $0.3 million for the nine months ended September 30, 2026 compared to a provision for income taxes of $6.2 million for the nine months ended September 30, 2025. For the nine months ended September 30, 2026, the Company recognized a $10.5 million valuation allowance release against its New York State and New York City deferred tax assets.

Average Balance Sheets

The following table sets forth average outstanding balances, average yields and rates, and certain other information for the periods indicated. No tax-equivalent yield adjustments have been made, as the effects would be immaterial. Average balances are derived from average daily balances. Non-accrual loans were included in the computation of average balances. The yields set forth below include the effect of deferred fees, discounts, and premiums that are amortized or accreted to interest income or interest expense.

	For the Nine Months Ended September 30,					
	2026			2025		
	Average Outstanding Balance	Interest	Average Yield/Rate [1]	Average Outstanding Balance	Interest	Average Yield/Rate [1]
	(Dollars in thousands)					
Interest-earning assets:						
Loans [2]	$ 2,836,725	143,727	6.77%	$ 2,439,280	$ 118,913	6.52%
Securities [3]	346,223	9,474	3.66%	445,130	12,680	3.81%
Other [4]	136,792	4,617	4.51%	135,600	5,111	5.04%
Total interest-earning assets	3,319,740	157,818	6.36%	3,020,010	136,704	6.05%
Non-interest-earning assets	96,477			103,059		
Total assets	$ 3,416,217			$ 3,123,069		
Interest-bearing liabilities:						
NOW/IOLA	$ 76,737	$ 397	0.69%	$ 73,034	$ 352	0.64%
Money market	1,029,534	28,120	3.65%	884,115	27,172	4.11%
Savings	120,029	87	0.10%	118,656	84	0.09%
Certificates of deposit	752,638	20,513	3.64%	754,531	21,689	3.84%
Total deposits	1,978,938	49,117	3.32%	1,830,336	49,297	3.60%
Borrowings	594,800	16,425	3.69%	536,851	15,530	3.87%
Total interest-bearing liabilities	2,573,738	65,542	3.40%	2,367,187	64,827	3.66%
Non-interest-bearing liabilities:						
Non-interest-bearing demand	239,239	—		199,978	—	
Other non-interest-bearing liabilities	44,440	—		37,206	—	
Total non-interest-bearing liabilities	283,679	—		237,184	—	
Total liabilities	2,857,417	65,542		2,604,371	64,827	
Total equity	558,800			518,698		
Total liabilities and total equity	$ 3,416,217		3.40%	$ 3,123,069		3.66%
Net interest income		$ 92,276			$ 71,877	
Net interest rate spread [5]			2.96%			2.39%
Net interest-earning assets [6]	$ 746,002			$ 652,823		
Net interest margin [7]			3.72%			3.18%
Average interest-earning assets to interest-bearing liabilities			128.99%			127.58%

(1) Annualized where appropriate.

(2) Loans include loans and mortgage loans held for sale, at fair value.

(3) Securities include available-for-sale securities and held-to-maturity securities.

(4) Includes FHLBNY demand account and FHLBNY stock dividends and FRBNY demand deposits.

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

(6) Net interest-earning assets represent total interest-earning assets less total interest-bearing liabilities.

(7) Net interest margin represents net interest income divided by average total interest-earning assets.

Rate/Volume Analysis

The following table presents the effects of changing rates and volumes on the Company's net interest income for the periods indicated. The volume column shows the effects attributable to changes in volume (changes in volume multiplied by prior rate). The rate column shows the effects attributable to changes in rate (changes in rate multiplied by prior volume). The total column represents the sum of the prior columns. For purposes of this table, changes attributable to both rate and volume, which cannot be segregated, have been allocated proportionately based on the changes due to rate and the changes due to volume.

	For the Nine Months Ended September 30, 2026 vs. 2025		
	Increase (Decrease) Due to		Total Increase (Decrease)
	Volume	Rate	
	(In thousands)		
Interest-earning assets:			
Loans (1)	$ 19,375	$ 5,439	$ 24,814
Securities (2)	(2,817)	(389)	(3,206)
Other	45	(539)	(494)
Total interest-earning assets	16,603	4,511	21,114
Interest-bearing liabilities:			
NOW/IOLA	18	27	45
Money market	4,469	(3,521)	948
Savings	1	2	3
Certificates of deposit	(54)	(1,122)	(1,176)
Total deposits	4,434	(4,614)	(180)
Borrowings	1,676	(781)	895
Total interest-bearing liabilities	6,110	(5,395)	715
Change in net interest income	$ 10,493	$ 9,906	$ 20,399

(1) Loans include loans and mortgage loans held for sale, at fair value.
(2) Securities include available-for-sale securities and held-to-maturity securities.

Credit Quality

Total non-performing assets and accruing modifications to borrowers experiencing financial difficulty were $21.8 million at September 30, 2026 compared to $30.2 million at December 31, 2025 and $32.4 million at September 30, 2025.

During the three months ended September 30, 2026, a provision for credit loss of $3.2 million on loans was recorded, consisting of $2.0 million charged on the funded portion and $1.2 million charged on the unfunded portion on loans. During the three months ended September 30, 2025, a provision for credit loss of $1.4 million on loans was recorded, consisting of $0.9 million charged on the funded portion on loans and $0.5 million charged on the unfunded portion on loans.

During the nine months ended September 30, 2026, a provision for credit loss of $7.0 million on loans was recorded, consisting of $4.9 million charged on the funded portion and $2.1 million charged on the unfunded portion on loans. During the nine months ended September 30, 2025, a credit loss provision of $2.7 million on loans was recorded, consisting of $2.9 million charged on the funded portion on loans and offset by $0.2 million benefit on the unfunded portion on loans.

Management of Market Risk

General. The most significant form of market risk is interest rate risk because, as a financial institution, the majority of the Bank's assets and liabilities are sensitive to changes in interest rates. Therefore, a principal part of our operations is to manage interest rate risk and limit the exposure of its financial condition and results of operations to changes in market interest rates. The Bank's Asset/Liability Committee ("ALCO") is responsible for evaluating the interest rate risk inherent in the Bank's assets and liabilities, for determining the level of risk that is appropriate, given the business strategy, operating environment, capital, liquidity and performance objectives, and for managing this risk consistent with policies and guidelines approved by the Board of Directors. The Bank currently utilizes a third-party modeling solution that is prepared on a quarterly basis, to evaluate its sensitivity to changing interest rates, given the Bank's

business strategy, operating environment, capital, liquidity and performance objectives, and for managing this risk consistent with the guidelines approved by the Board of Directors.

Net Interest Income Simulation Models. Management utilizes a respected, sophisticated third party designed asset liability modeling software that measures the Bank's earnings through simulation modeling. Earning assets, interest-bearing liabilities and off-balance sheet financial instruments are combined with forecasts of interest rates for the next 12 months and are combined with other factors in order to produce various earnings simulations over that same 12-month period. To limit interest rate risk, the Bank has policy guidelines for earnings risk which seek to limit the variance of net interest income under instantaneous changes to interest rates. As of September 30, 2026, in the event of an instantaneous upward and downward change in rates from management's interest rate forecast over the next twelve months, assuming a static balance sheet, the following estimated changes are calculated:

Rate Shift [1]	Net Interest Income Year 1 Forecast	Year 1 Change from Level
	(Dollars in thousands)	
+400	$ 122,836	(10.97%)
+300	126,530	(8.29%)
+200	130,358	(5.52%)
+100	134,119	(2.79%)
Level	137,975	— %
-100	140,308	1.69%
-200	143,058	3.68%
-300	145,661	5.57%
-400	148,934	7.94%

(1) Assumes an instantaneous uniform change in interest rates at all maturities.

Although an instantaneous and severe shift in interest rates was used in this analysis to provide an estimate of exposure under these scenarios, management believes that a gradual shift in interest rates would have a more modest impact. Further, the earnings simulation model does not take into account factors such as future balance sheet growth, changes in product mix, changes in yield curve relationships, and changing product spreads that could alter any potential adverse impact of changes in interest rates.

The behavior of the deposit portfolio in the baseline forecast and in alternate interest rate scenarios set out in the table above is a key assumption in the projected estimates of net interest income. The projected impact on net interest income in the table above assumes no change in deposit portfolio size or mix from the baseline forecast in alternative rate environments. In higher rate scenarios, any customer activity resulting in the replacement of low-cost or non-interest-bearing deposits with higher-yielding deposits or market-based funding would reduce the benefit in those scenarios.

At September 30, 2026, the earnings simulation model indicated that the Bank was in compliance with the Board of Directors approved Interest Rate Risk Policy.

Economic Value of Equity Model. While earnings simulation modeling attempts to determine the impact of a changing rate environment to net interest income, the Economic Value of Equity Model ("EVE") measures estimated changes to the economic values of assets, liabilities and off-balance sheet items as a result of interest rate changes. Economic values are determined by discounting expected cash flows from assets, liabilities and off-balance sheet items, which establishes a base case EVE. Rates are then shocked as prescribed by the Interest Rate Risk Policy to measure the sensitivity in EVE values for each of those shocked rate scenarios versus the base case. The Interest Rate Risk Policy sets limits for those sensitivities. At September 30, 2026, the EVE modeling calculated the following estimated changes in EVE due to instantaneous upward and downward changes in rates:

Change in Interest Rates (basis points) [1]	Estimated EVE [2]	Estimated Increase (Decrease) in EVE		EVE as a Percentage of Present Value of Assets [3]	
		Amount	Percent	EVE Ratio [4]	Increase (Decrease) (basis points)
		(Dollars in thousands)			
+400	$ 466,678	$ (118,350)	(20.23%)	13.78%	(2,023)
+300	493,572	(91,456)	(15.63%)	14.36%	(1,563)
+200	522,599	(62,429)	(10.67%)	14.98%	(1,067)
+100	553,547	(31,481)	(5.38%)	15.63%	(538)
Level	585,028	—	— %	16.26%	—
-100	613,361	28,333	4.84%	16.77%	484
-200	644,371	59,343	10.14%	17.31%	1,014
-300	675,171	90,143	15.41%	17.80%	1,541
-400	718,604	133,576	22.83%	18.52%	2,283

(1) Assumes an instantaneous uniform change in interest rates at all maturities.

(2) EVE is the discounted present value of expected cash flows from assets, liabilities and off-balance sheet contracts.

(3) Present value of assets represents the discounted present value of incoming cash flows on interest-earning assets.

(4) EVE Ratio represents EVE divided by the present value of assets.

Although an instantaneous and severe shift in interest rates was used in this analysis to provide an estimate of exposure under these scenarios, management believes that a gradual shift in interest rates would have a more modest impact. Since EVE measures the discounted present value of cash flows over the estimated lives of instruments, the change in EVE does not directly correlate to the degree that earnings would be impacted over a shorter time horizon (i.e., the current year). Further, EVE does not take into account factors such as future balance sheet growth, changes in product mix, changes in yield curve relationships, and changing product spreads that could alter the adverse impact of changes in interest rates.

At September 30, 2026, the EVE model indicated that the Bank was in compliance with the Board of Directors' approved Interest Rate Risk Policy.

Most Likely Earnings Simulation Models. Management also analyzes a most-likely earnings simulation scenario that projects the expected change in rates based on a forward yield curve adopted by management using expected balance sheet volumes forecasted by management. Separate growth assumptions are developed for loans, investments, deposits, etc. Other interest rate scenarios analyzed by management may include delayed rate shocks, yield curve steepening or flattening, or other variations in rate movements to further analyze or stress the balance sheet under various interest rate scenarios. Each scenario is evaluated by management and weighted to determine the most likely result. These processes assist management to better anticipate financial results and, as a result, management may determine the need to review other operating strategies and tactics which might enhance results or better position the balance sheet to reduce interest rate risk going forward.

Each of the above analyses may not, on its own, be an accurate indicator of how net interest income will be affected by changes in interest rates. Income associated with interest-earning assets and costs associated with interest-bearing liabilities may not be affected uniformly by changes in interest rates. In addition, the magnitude and duration of changes in interest rates may have a significant impact on net interest income. For example, although certain assets and liabilities may have similar maturities or periods of repricing, they may react in different degrees to changes in market interest rates. Interest rates on certain types of assets and liabilities fluctuate in advance of changes in general market rates, while interest rates on other types may lag behind changes in general market rates. In addition, certain assets, such as adjustable rate mortgage loans, have features (generally referred to as interest rate caps and floors) which limit changes in interest rates. Prepayment and early withdrawal levels also could deviate significantly from those assumed in calculating the maturity of certain instruments. The ability of many borrowers to service their debts also may decrease during periods of rising interest rates. The ALCO Committee reviews each of the above interest rate sensitivity analyses along with several different interest rate scenarios as part of its responsibility to provide a satisfactory, consistent level of profitability within the framework of established liquidity, loan, investment, borrowing and capital policies.

Management's model governance, model implementation and model validation processes and controls are subject to review in the Bank's regulatory examinations to ensure they are in compliance with the most recent regulatory guidelines and industry and regulatory practices. Management utilizes a respected, sophisticated third party designed asset liability modeling software to help ensure implementation of management's assumptions into the model are processed as intended in a robust manner. That said, there are numerous assumptions regarding financial instrument behaviors that are integrated into the model. The assumptions are formulated by combining observations gleaned from the Bank's historical studies of financial instruments and the best estimations of how, if at all, these instruments may behave in the future given changes in economic conditions, technology, etc. These assumptions may prove to be inaccurate. Additionally, given the large number of assumptions built into Bank's asset liability modeling software, it is difficult, at best, to compare its results to other banks.

The ALCO Committee may determine that the Company should over time become more or less asset or liability sensitive depending on the underlying balance sheet circumstances and its conclusions regarding interest rate fluctuations in future periods.

On September 18, 2024, the Federal Reserve announced that the target range for the federal funds rate decreased by 50 basis points to 4.75% to 5.00% effective on September 19, 2024. It marked the first rate cut in over four years and signaled a shift in strategy aimed at bolstering the economy and preventing a rise in unemployment. In November 2024, the Federal Reserve lowered the target range by 25 basis points to 4.50% to 4.75% and in December 2024 another 25 basis points to 4.25% to 4.50%. The Federal Reserve reduced the federal funds rate by 25 basis points each in September 2025, October 2025 and December 2025, resulting in the federal funds rate range of 3.50% to 3.75%. At its January 2026, March 2026, April 2026, June 2026 and July 2026 meetings, the Federal Reserve kept its interest rate steady at 3.50% to 3.75%. On September 16, 2026, the Federal Reserve increased the federal funds rate by 25 basis points to 3.75% to 4.00%. Our net interest income may be negatively impacted if the demand for loans decreases due to the

higher rates, alone or in tandem with higher inflation, or it may be negatively impacted if we fail to appropriately time adjustments to our funding costs and the rates we earn on our loans.

GAP Analysis. In addition, management analyzes interest rate sensitivity by monitoring the Bank's interest rate sensitivity "gap." The interest rate sensitivity gap is the difference between the amount of interest-earning assets maturing or repricing within a specific time period and the amount of interest bearing-liabilities maturing or repricing within that same time period. A gap is considered positive when the amount of interest rate sensitive assets maturing or repricing during a period exceeds the amount of interest rate sensitive liabilities maturing or repricing during the same period, and a gap is considered negative when the amount of interest rate sensitive liabilities maturing or repricing during a period exceeds the amount of interest rate sensitive assets maturing or repricing during the same period.

The following table sets forth the Company's interest-earning assets and its interest-bearing liabilities at September 30, 2026, which are anticipated to reprice or mature in each of the future time periods shown based upon certain assumptions. The amounts of assets and liabilities shown which reprice or mature during a particular period were determined in accordance with the earlier of term to repricing or the contractual maturity of the asset or liability. The table sets forth an approximation of the projected repricing of assets and liabilities at September 30, 2026, on the basis of contractual maturities, anticipated prepayments and scheduled rate adjustments. The loan amounts in the table reflect principal balances expected to be redeployed and/or repriced as a result of contractual amortization and as a result of contractual rate adjustments on adjustable-rate loans.

	September 30, 2026 Time to Repricing							
	Zero to 90 Days	Zero to 180 Days	Zero Days to One Year	Zero Days to Five Years	Five Years Plus	Total Earning Assets & Costing Liabilities	Non Earning Assets & Non Costing Liabilities	Total
	(Dollars in thousands)							
Assets:								
Interest-bearing deposits in banks	$ 104,486	$ 104,486	$ 104,486	$ 104,486	$ —	$ 104,486	$ 27,725	$ 132,211
Securities [1]	23,726	38,141	61,613	178,243	158,046	336,289	(15,638)	320,651
Placement with banks	—	—	—	249	—	249	—	249
Net loans (includes LHFS)	826,164	1,183,815	1,608,620	2,999,566	112,329	3,111,895	(27,093)	3,084,802
FHLBNY stock	34,064	34,064	34,064	34,064	—	34,064	—	34,064
FRBNY stock	10,725	10,725	10,725	10,725	—	10,725	—	10,725
Other assets	—	—	—	—	—	—	103,975	103,975
Total	$ 999,165	$ 1,371,231	$ 1,819,508	$ 3,327,333	$ 270,375	$ 3,597,708	$ 88,969	$ 3,686,677
Liabilities:								
Non-maturity deposits	$ 111,348	$ 222,696	$ 445,392	$ 1,207,142	$ 345,039	1,552,181	$ (25,467)	$ 1,526,714
Certificates of deposit	333,232	490,287	739,025	840,877	—	840,877	117	840,994
Borrowings	275,000	275,000	487,000	696,100	—	696,100	—	696,100
Other liabilities	—	—	—	—	—	—	44,609	44,609
Total liabilities	719,580	987,983	1,671,417	2,744,119	345,039	3,089,158	19,259	3,108,417
Capital	—	—	—	—	—	—	578,260	578,260
Total liabilities and capital	$ 719,580	$ 987,983	$ 1,671,417	$ 2,744,119	$ 345,039	$ 3,089,158	$ 597,519	$ 3,686,677
Asset/liability gap	$ 279,585	$ 383,248	$ 148,091	$ 583,214	$ (74,664)	$ 508,550		
Gap/total assets ratio	7.58%	10.40%	4.02%	15.82%	-2.03%	13.79%		

(1) Includes available-for-sale securities and held-to-maturity securities.

The following table sets forth the Company's interest-earning assets and its interest-bearing liabilities at December 31, 2025, which are anticipated to reprice or mature in each of the future time periods shown based upon certain assumptions. The amounts of assets and liabilities shown which reprice or mature during a particular period were determined in accordance with the earlier of term to repricing or the contractual maturity of the asset or liability. The table sets forth an approximation of the projected repricing of assets and liabilities at December 31, 2025, on the basis of contractual maturities, anticipated prepayments and scheduled rate adjustments. The loan amounts in the table reflect principal balances expected to be redeployed and/or repriced as a result of contractual amortization and as a result of contractual rate adjustments on adjustable-rate loans.

	December 31, 2025 Time to Repricing							
	Zero to 90 Days	Zero to 180 Days	Zero Days to One Year	Zero Days to Five Years	Five Years Plus	Total Earning Assets & Costing Liabilities	Non Earning Assets & Non Costing Liabilities	Total
	(Dollars in thousands)							
Assets:								
Interest-bearing deposits in banks	$ 97,643	$ 97,643	$ 97,643	$ 97,643	$ —	$ 97,643	$ 28,511	$ 126,154
Securities [1]	27,429	37,828	63,963	235,594	143,993	379,587	(14,409)	365,178
Placement with banks	—	—	—	249	—	249	—	249
Net loans (includes LHFS)	784,821	1,022,289	1,454,001	2,568,380	53,141	2,621,521	(18,875)	2,602,646
FHLBNY stock	29,309	29,309	29,309	29,309	—	29,309	—	29,309
FRBNY stock	10,698	10,698	10,698	10,698	—	10,698	—	10,698
Other assets	—	—	—	—	—	—	89,736	89,736
Total	$ 949,900	$ 1,197,767	$ 1,655,614	$ 2,941,873	$ 197,134	$ 3,139,007	$ 84,963	$ 3,223,970
Liabilities:								
Non-maturity deposits	$ 79,323	$ 158,647	$ 317,295	$ 975,246	$ 375,933	$ 1,351,179	$ (9,047)	$ 1,342,132
Certificates of deposit	283,828	450,633	594,370	704,503	—	704,503	—	704,503
Borrowings	75,000	75,000	225,000	596,100	—	596,100	—	596,100
Other liabilities	—	—	—	—	—	—	39,686	39,686
Total liabilities	438,151	684,280	1,136,665	2,275,849	375,933	2,651,782	30,639	2,682,421
Capital	—	—	—	—	—	—	541,549	541,549
Total liabilities and capital	$ 438,151	$ 684,280	$ 1,136,665	$ 2,275,849	$ 375,933	$ 2,651,782	$ 572,188	$ 3,223,970
Asset/liability gap	$ 511,749	$ 513,487	$ 518,949	$ 666,024	$ (178,799)	$ 487,225		
Gap/total assets ratio	15.87%	15.93%	16.10%	20.66%	-5.55%	15.11%		

(1) Includes available-for-sale securities and held-to-maturity securities.

Certain shortcomings are inherent in the methodologies used in the above interest rate risk measurements. Modeling changes require making certain assumptions that may or may not reflect the manner in which actual yields and costs respond to changes in market interest rates. In this regard, the net interest income and EVE tables presented assume that the composition of the interest-sensitive assets and liabilities existing at the beginning of a period remains constant over the period being measured and assumes that a particular change in interest rates is reflected uniformly across the yield curve regardless of the duration or repricing of specific assets and liabilities. Accordingly, although the net interest income and EVE tables provide an indication of the interest rate risk exposure at a particular point in time, such measurements are not intended to and do not provide a precise forecast of the effect of changes in market interest rates on net interest income and EVE and will differ from actual results. Furthermore, although certain assets and liabilities may have similar maturities or periods to repricing, they may react in different degrees to changes in market interest rates. Additionally, certain assets, such as adjustable-rate loans, have features that restrict changes in interest rates both on a short-term basis and over the life of the asset.

In the event of changes in interest rates, prepayment and early withdrawal levels would likely deviate significantly from those assumed in calculating the gap table.

Interest rate risk calculations also may not reflect the fair values of financial instruments. For example, decreases in market interest rates can increase the fair values of loans, deposits and borrowings.

Liquidity and Capital Resources

Liquidity describes the ability to meet the financial obligations that arise in the ordinary course of business. Liquidity is primarily needed to meet the borrowing and deposit withdrawal requirements of the Company's customers and to fund current and future planned expenditures.

Although maturities and scheduled amortization of loans and securities are predictable sources of funds, deposit flows and loan prepayments are greatly influenced by market interest rates, economic conditions, and competition. The most liquid assets are cash and interest-bearing deposits in banks. The levels of these assets are dependent on operating, financing, lending, and investing activities during any given period. The Bank had $646.1 million and $596.1 million of outstanding term advances from FHLBNY at September 30, 2026 and December 31, 2025, respectively. The Bank had one overnight line of credit advance in the amount of $50.0 million from the FHLBNY at September 30, 2026 and no overnight line of credit advance from the FHLBNY at December 31, 2025.

Net cash provided by operating activities was $35.4 million and $20.7 million for the nine months ended September 30, 2026 and 2025, respectively. Net cash used in investing activities, which consists primarily of disbursements for loan originations, net purchase and redemption of FHLBNY stock, purchase of FRB stock and purchase of equipment offset by principal collections on loans and proceeds from maturities, calls and principal repayments on securities was ($449.8) million and ($106.0) million for the nine months ended September 30, 2026 and 2025, respectively. Net cash provided by financing activities, consisting of activities in borrowing, deposit accounts, dividends paid on preferred stock and exercises of stock options, was $420.5 million and $92.1 million for the nine months ended September 30, 2026 and 2025, respectively.

At September 30, 2026 and December 31, 2025, all regulatory capital requirements were met, resulting in the Company and the Bank being categorized as well capitalized. Management is not aware of any conditions or events that would change this categorization.

Material Cash Requirements

Commitments. As a financial services provider, the Company routinely is a party to various financial instruments with off-balance-sheet risks, such as commitments to extend credit and unused lines of credit. Although these contractual obligations represent the Company's future cash requirements, a significant portion of commitments to extend credit may expire without being drawn upon. Such commitments are subject to the same credit policies and approval process accorded to loans originated. At September 30, 2026 and December 31, 2025, the Company had outstanding commitments to originate loans and extend credit of $805.5 million and $481.7 million, respectively.

It is anticipated that the Company will have sufficient funds available to meet its current lending commitments. Certificates of deposit that are scheduled to mature in 2026 totaled $333.2 million. Management expects that a substantial portion of the maturing time deposits will be renewed. However, if a substantial portion of these deposits are not retained, the Company may utilize FHLBNY advances, FRBNY advances, unsecured credit lines with correspondent banks, or raise interest rates on deposits to attract new accounts, which may result in higher levels of interest expense.

Contractual Obligations. In the ordinary course of its operations, the Company enters into certain contractual obligations. Such obligations include data processing services, operating leases for premises and equipment, agreements with respect to borrowed funds and deposit liabilities. There have been no material changes in the Company's material cash requirements under its contractual obligations as discussed in its most recent annual report on Form 10-K.

Dividend on Preferred Stock. Pursuant to the terms of its Preferred Stock, the Company is required to pay a quarterly dividend on its Preferred Stock, beginning during the quarter ended June 30, 2024. The floor dividend rate is 0.50% and the ceiling dividend rate is 2.00%, based on achievement of certain qualified lending targets. For any quarterly dividends through June 15, 2027, the Company is required to pay quarterly dividends on the Preferred Stock at a rate of 0.50%. In June 2024, the Company began paying dividends on its Preferred Stock, which dividends were $0.8 million for both the nine months ended September 30, 2026 and 2025.

Other Material Cash Requirements. In addition to contractual obligations, the Company's material cash requirements also includes compensation and benefits expenses for its employees, which were $28.2 million for the nine months ended September 30, 2026. The Company also has material cash requirements for occupancy and equipment expenses, excluding depreciation and amortization of $1.5 million, related to rental expenses, general maintenance and cleaning supplies, guard services, software licenses and other miscellaneous expenses, which were $9.9 million for the nine months ended September 30, 2026.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The information required by this item is included in Part I, Item 2 of this report under "Management of Market Risk".

Item 4. Controls and Procedures.

An evaluation was performed under the supervision and with the participation of the Company's management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) or Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended) as of September 30, 2026. Based on that evaluation, the Company's management, including the Chief Executive Officer and the Chief Financial Officer, concluded that the Registrant's disclosure controls and procedures were effective.

During the three months ended September 30, 2026, there were no changes in the Company's internal controls over financial reporting that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

The Company is not involved in any pending legal proceedings as a plaintiff or a defendant other than routine legal proceeding occurring in the ordinary course of business. At September 30, 2026, the Company was not involved in any legal proceedings the outcome of which management believes would be material to its financial condition or results of operations.

Item 1A. Risk Factors.

In addition to the other information set forth in this Quarterly Report, you should carefully consider the risk factors and other cautionary statements described under the heading “Item 1A. Risk Factors” included in our 2025 Form 10-K and the risk factors and other cautionary statements contained in our other SEC filings, which could materially affect our businesses, financial condition or future results. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or future results. There have been no material changes in our Risk Factors from those disclosed in Item 1A of our 2025 Form 10-K or our other SEC filings.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None

Item 3. Defaults Upon Senior Securities.

None

Item 4. Mine Safety Disclosures.

None

Item 5. Other Information.

During the three months ended September 30, 2026, no director or officer adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement.

Item 6. Exhibits

Exhibit Number	Description
3.1	Articles of Incorporation of Ponce Financial Group, Inc. (attached as Exhibit 3.1 to the Registrant's Form S-1 (File No. 333-258394) filed with the Commission on August 3, 2021).
3.2	Bylaws of Ponce Financial Group, Inc. (attached as Exhibit 3.2 to the Registrant's Form S-1 (File No. 333-258394) filed with the Commission on August 3, 2021).
3.3	Articles Supplementary to the Charter of Ponce Financial Group, Inc. (attached as Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 001-41255) filed with the Commission on June 9, 2022).
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

*** Filed herewith.**

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.
(Registrant)

Date: November 4, 2026

By: /s/ Carlos P. Naudon
Carlos P. Naudon
President and Chief Executive Officer

Date: November 4, 2026

By: /s/ Sergio J. Vaccaro
Sergio J. Vaccaro
Executive Vice President and Chief Financial Officer

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Carlos P. Naudon, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ponce Financial Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2026

By: /s/ Carlos P. Naudon
Carlos P. Naudon
President
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Sergio J. Vaccaro, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Ponce Financial Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 4, 2026

By: /s/ Sergio J. Vaccaro
Sergio J. Vaccaro
Executive Vice President
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Ponce Financial Group, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 4, 2026

By: /s/ Carlos P. Naudon
Carlos P. Naudon
President
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Ponce Financial Group, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 4, 2026

By: /s/ Sergio J. Vaccaro
Sergio J. Vaccaro
Executive Vice President
Chief Financial Officer