



## Amalgamated Financial Corp. Reports Second Quarter 2024 Financial Results; Continued Stellar Deposit Growth; Return on Average Assets of 1.30%

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**YoY Tangible Book Value per share Growth of 22.8% | Net Interest Margin of 3.46%**

NEW YORK, July 25, 2024 (GLOBE NEWSWIRE) -- Amalgamated Financial Corp. (the "Company" or "Amalgamated") (Nasdaq: AMAL), the holding company for Amalgamated Bank (the "Bank"), today announced financial results for the second quarter ended June 30, 2024.

### Second Quarter 2024 Highlights (on a linked quarter basis)

- Net income of \$26.8 million, or \$0.87 per diluted share, compared to \$27.2 million, or \$0.89 per diluted share.
- Core net income<sup>1</sup> of \$26.2 million, or \$0.85 per diluted share, compared to \$25.6 million, or \$0.83 per diluted share.

#### Deposits and Liquidity

- Total deposits increased \$143.2 million, or 2.0%, to \$7.4 billion including an \$8.8 million decline in Brokered CDs.
- Excluding Brokered CDs, on-balance sheet deposits increased \$152.0 million, or 2.1%, to \$7.3 billion.
- Political deposits increased \$292.3 million, or 20%, to \$1.7 billion, which includes both on and off-balance sheet deposits.
- Off-balance sheet deposits increased \$607.0 million, or 133%, to \$1.1 billion, comprised of both transactional political deposits and excess non-political deposits.
- Average cost of deposits, excluding Brokered CDs, increased 12 basis points to 148 basis points, where non-interest-bearing deposits comprised 47% of total deposits, excluding Brokered CDs, increasing from the prior quarter.

#### Assets and Margin

- Net loans receivable increased \$49.0 million, or 1.1%, to \$4.4 billion.
- Total PACE assessments grew \$27.4 million, or 2.4%, to \$1.2 billion.
- Net interest income grew \$1.2 million, or 1.7%, to \$69.2 million.
- Net interest margin compressed 3 basis points to 3.46%, impacted by an unanticipated premium acceleration.

#### Capital and Returns

- Tier 1 leverage ratio of 8.42%, increasing 13 basis points, and Common Equity Tier 1 ratio of 13.48%.
- Tangible common equity<sup>1</sup> ratio of 7.66%, representing a seventh consecutive quarter of improvement.
- Tangible book value per share<sup>1</sup> increased \$0.88, or 4.5%, to \$20.61, and has increased \$3.83, or 22.8% since June 2023.
- Strong core return on average tangible common equity<sup>1</sup> of 17.34% and core return on average assets<sup>1</sup> of 1.27%

Priscilla Sims Brown, President and Chief Executive Officer, commented, "Our second quarter financial results clearly demonstrate that Amalgamated is continuing its high performance across key metrics. We delivered outstanding deposit growth, strong returns, and a continuously growing, sustainable earnings base that will provide us with optionality as we look to further expand our franchise over the medium term."

<sup>1</sup> Reconciliations of non-GAAP financial measures to the most comparable GAAP measure are set forth on the last page of the financial information accompanying this press release and may also be found on our website, [www.amalgamatedbank.com](http://www.amalgamatedbank.com).

### Second Quarter Earnings

Net income for the second quarter of 2024 was \$26.8 million, or \$0.87 per diluted share, compared to \$27.2 million, or \$0.89 per diluted share, for the first quarter of 2024. The \$0.4 million decrease during the quarter was primarily driven by \$3.6 million decrease in non-core income from solar tax equity investments, which was expected, and a \$1.4 million increase in non-interest expense. This was offset by a \$2.3 million decrease in income tax expense, a \$2.0 million increase in non-core ICS One-Way Sell fee income from our off-balance sheet deposits, and a \$1.2 million increase in net interest income.

Core net income<sup>1</sup> for the second quarter of 2024 was \$26.2 million, or \$0.85 per diluted share, compared to \$25.6 million, or \$0.83 per diluted share, for the first quarter of 2024. Excluded from core net income for the quarter, pre-tax, was \$4.9 million of ICS One-Way Sell fee income, \$2.7 million of losses on the sale of securities, \$1.8 million of accelerated depreciation from solar tax equity investments, \$0.4 million of gains on subordinated debt repurchases, and \$44 thousand in severance costs. Excluded from core net income for the first quarter of 2024, pre-tax, was \$2.9 million of ICS One-Way Sell fee income, \$2.8 million of losses on the sale of securities, \$1.8 million of tax credits from our solar tax equity investments, \$0.5 million in gains on the settlement of a lease termination, and \$0.2 million in severance costs.

Net interest income was \$69.2 million for the second quarter of 2024, compared to \$68.0 million for the first quarter of 2024. Loan interest income decreased \$0.7 million and loan yields decreased 8 basis points as a result of \$2.1 million of accelerated amortization related to purchase premiums

associated with the payoff of a C&I loan relationship, offset by a \$16.4 million increase in average loan balances. Interest income on securities increased \$1.9 million driven by an increase in the average balance of securities of \$138.5 million. Interest income on resell agreements increased \$0.7 million driven by a \$43.6 million increase in the average balance. The overall increase in interest income was offset by higher interest expense on total interest-bearing deposits of \$3.0 million driven by a 22 basis point increase in cost and by an increase in the average balance of total interest-bearing deposits of \$126.7 million. The changes in deposit costs were primarily related to increased rates on money market products and select non-time deposit accounts and a 26 basis point increase in the cost of time deposits. The increase in the average balance of interest-bearing deposits was primarily driven by strong deposit growth across both political and non-political sectors, partially offset by a decrease in the average balance of higher cost borrowings of \$183.5 million.

Net interest margin was 3.46% for the second quarter of 2024, a decrease of 3 basis points from 3.49% in the first quarter of 2024. The decrease is attributable to \$2.1 million of accelerated amortization related to purchase premiums associated with the payoff of a C&I loan relationship as mentioned above, which had an approximate 10 basis point constrictive impact on net interest margin in the quarter. Prepayment penalties had no impact on our net interest margin in the second quarter of 2024, which is the same as in the prior quarter.

Provision for credit losses totaled an expense of \$3.2 million for the second quarter of 2024 compared to an expense of \$1.6 million in the first quarter of 2024. The expense in the second quarter was primarily driven by charge-offs on the solar loan portfolio and increase in reserves on the solar loan portfolio, partially offset by improvements in macro-economic forecasts used in the CECL model.

Non-interest income was \$9.3 million for the second quarter of 2024, compared to \$10.2 million in the first quarter of 2024. Excluding all non-core income adjustments, core non-interest income<sup>1</sup> was \$8.5 million for the second quarter of 2024, compared to \$8.3 million in the first quarter of 2024. The increase was primarily related to higher commercial banking fees and increased fees from our treasury investment services, offset by modestly lower income from our trust business.

Non-interest expense for the second quarter of 2024 was \$39.5 million, an increase of \$1.4 million from the first quarter of 2024. Core non-interest expense<sup>1</sup> for the second quarter of 2024 was \$39.5 million, an increase of \$1.0 million from the first quarter of 2024. This was mainly driven by a \$0.7 million increase in compensation and employee benefits expense due to select differential investments in employees, as well as higher data processing and personnel recruitment expense.

Our provision for income tax expense was \$9.0 million for the second quarter of 2024, compared to \$11.3 million for the first quarter of 2024. In the current quarter there were \$0.5 million of discrete tax benefits resulting in an effective tax rate of 25.2%. In the prior quarter, the conclusion of a state and city tax examination resulted in an adjustment of \$0.9 million additional tax expense. Excluding the discrete items and adjustment, our effective tax rate for the second quarter of 2024 was 26.6%, compared to 26.9% for the first quarter of 2024.

### **Balance Sheet Quarterly Summary**

Total assets were \$8.3 billion at June 30, 2024, compared to \$8.1 billion at March 31, 2024, modestly growing our balance sheet within our target range. Notable changes within individual balance sheet line items include a \$97.2 million decrease in cash and cash equivalents, a \$152.8 million increase in securities, and a \$49.0 million increase in net loans receivable. Additionally, deposits excluding Brokered CDs increased by \$152.0 million while Brokered CDs decreased \$8.8 million, and other borrowings decreased by \$60.0 million. Our off-balance sheet deposits increased by \$607.0 million, or 133%, to \$1.1 billion.

Total net loans receivable, at June 30, 2024 were \$4.4 billion, an increase of \$49.0 million, or 1.1% for the quarter. The increase in loans is primarily driven by a \$55.1 million increase in multifamily loans, a \$23.9 million increase in commercial real estate loans, offset by a \$1.7 million decrease in commercial and industrial loans, a \$12.9 million decrease in consumer solar loans, and a \$14.7 million decrease in residential loans. During the quarter, criticized or classified loans decreased \$6.4 million, largely related to a \$9.5 million paydown on a classified commercial and industrial loan, and an upgrade of \$3.7 million of commercial and industrial loans based on improvement in performance. This was offset by downgrades of small business loans totaling \$6.1 million, and a \$2.1 million increase in residential and consumer criticized and classified loans.

Total deposits at June 30, 2024 were \$7.4 billion, an increase of \$143.2 million, or 2.0%, during the quarter. Total deposits excluding Brokered CDs increased by \$152.0 million to \$7.3 billion, or a 2.1% increase. Including accounts currently held off-balance sheet, deposits held by politically active customers, such as campaigns, PACs, advocacy-based organizations, and state and national party committees were \$1.7 billion as of June 30, 2024, an increase of \$292.3 million during this quarter, of which a substantial portion were moved off-balance sheet. Non-interest-bearing deposits represented 46% of average total deposits and 47% of ending total deposits for the quarter, excluding Brokered CDs, contributing to an average cost of total deposits of 155 basis points. Super-core deposits<sup>2</sup> totaled approximately \$4.2 billion, had a weighted average life of 17 years, and comprised 58% of total deposits, excluding Brokered CDs. Total uninsured deposits were \$4.5 billion, comprising 60% of total deposits.

Nonperforming assets totaled \$35.7 million, or 0.43% of period-end total assets at June 30, 2024, an increase of \$1.7 million, compared with \$34.0 million, or 0.42% on a linked quarter basis. The increase in nonperforming assets was primarily driven by a \$3.0 million increase in residential real estate nonaccrual loans and a \$0.5 million increase in commercial and industrial nonaccrual loans, offset by a \$1.1 million decrease in consumer solar nonaccrual loans and \$0.8 million of commercial and industrial loan charge-offs.

During the quarter, the allowance for credit losses on loans decreased \$1.0 million to \$63.4 million. The ratio of allowance to total loans was 1.42%, a decrease of 4 basis points from 1.46% in the first quarter of 2024. The decrease was primarily the result of a commercial and industrial loan charge-off that was previously fully reserved for.

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<sup>2</sup> Refer to Terminology on page 5 for definitions of certain terms used in this release.

### **Capital Quarterly Summary**

As of June 30, 2024, our Common Equity Tier 1 Capital ratio was 13.48%, Total Risk-Based Capital ratio was 16.04%, and Tier 1 Leverage Capital ratio was 8.42%, compared to 13.68%, 16.35% and 8.29%, respectively, as of March 31, 2024. Stockholders' equity at June 30, 2024 was \$646.1 million, an increase of \$29.2 million during the quarter. The increase in stockholders' equity was primarily driven by \$26.8 million of net income for the

quarter and a \$5.3 million improvement in accumulated other comprehensive loss due to the tax effected mark-to-market on our available for sale securities portfolio, offset by \$3.7 million in dividends paid at \$0.12 per outstanding share.

Tangible book value per share was \$20.61 as of June 30, 2024 compared to \$19.73 as of March 31, 2024. Tangible common equity<sup>1</sup> improved to 7.66% of tangible assets, compared to 7.41% as of March 31, 2024.

## Conference Call

As previously announced, Amalgamated Financial Corp. will host a conference call to discuss its second quarter 2024 results today, July 25, 2024 at 11:00am (Eastern Time). The conference call can be accessed by dialing 1-877-407-9716 (domestic) or 1-201-493-6779 (international) and asking for the Amalgamated Financial Corp. Second Quarter 2024 Earnings Call. A telephonic replay will be available approximately two hours after the call and can be accessed by dialing 1-844-512-2921, or for international callers 1-412-317-6671 and providing the access code 13746895. The telephonic replay will be available until August 1, 2024.

Interested investors and other parties may also listen to a simultaneous webcast of the conference call by logging onto the investor relations section of our website at <https://ir.amalgamatedbank.com/>. The online replay will remain available for a limited time beginning immediately following the call.

The presentation materials for the call can be accessed on the investor relations section of our website at <https://ir.amalgamatedbank.com/>.

## About Amalgamated Financial Corp.

Amalgamated Financial Corp. is a Delaware public benefit corporation and a bank holding company engaged in commercial banking and financial services through its wholly-owned subsidiary, Amalgamated Bank. Amalgamated Bank is a New York-based full-service commercial bank and a chartered trust company with a combined network of five branches across New York City, Washington D.C., and San Francisco, and a commercial office in Boston. Amalgamated Bank was formed in 1923 as Amalgamated Bank of New York by the Amalgamated Clothing Workers of America, one of the country's oldest labor unions. Amalgamated Bank provides commercial banking and trust services nationally and offers a full range of products and services to both commercial and retail customers. Amalgamated Bank is a proud member of the Global Alliance for Banking on Values and is a certified B Corporation®. As of June 30, 2024, our total assets were \$8.3 billion, total net loans were \$4.4 billion, and total deposits were \$7.4 billion. Additionally, as of June 30, 2024, our trust business held \$34.6 billion in assets under custody and \$14.0 billion in assets under management.

## Non-GAAP Financial Measures

This release (and the accompanying financial information and tables) refer to certain non-GAAP financial measures including, without limitation, "Core operating revenue," "Core non-interest expense," "Core non-interest income," "Core net income," "Tangible common equity," "Average tangible common equity," "Core return on average assets," "Core return on average tangible common equity," and "Core efficiency ratio."

Our management utilizes this information to compare our operating performance for June 30, 2024 versus certain periods in 2024 and 2023 and to prepare internal projections. We believe these non-GAAP financial measures facilitate making period-to-period comparisons and are meaningful indications of our operating performance. In addition, because intangible assets such as goodwill and other discrete items unrelated to our core business, which are excluded, vary extensively from company to company, we believe that the presentation of this information allows investors to more easily compare our results to those of other companies.

The presentation of non-GAAP financial information, however, is not intended to be considered in isolation or as a substitute for GAAP financial measures. We strongly encourage readers to review the GAAP financial measures included in this release and not to place undue reliance upon any single financial measure. In addition, because non-GAAP financial measures are not standardized, it may not be possible to compare the non-GAAP financial measures presented in this release with other companies' non-GAAP financial measures having the same or similar names. Reconciliations of non-GAAP financial disclosures to comparable GAAP measures found in this release are set forth in the final pages of this release and also may be viewed on our website, [amalgamatedbank.com](http://amalgamatedbank.com).

## Terminology

Certain terms used in this release are defined as follows:

"Core efficiency ratio" is defined as "Core non-interest expense" divided by "Core operating revenue." We believe the most directly comparable performance ratio derived from GAAP financial measures is an efficiency ratio calculated by dividing total non-interest expense by the sum of net interest income and total non-interest income.

"Core net income" is defined as net income after tax excluding gains and losses on sales of securities, ICS One-Way Sell fee income, gains on the sale of owned property, costs related to branch closures, restructuring/severance costs, acquisition costs, tax credits and accelerated depreciation on solar equity investments, and taxes on notable pre-tax items. We believe the most directly comparable GAAP financial measure is net income.

"Core non-interest expense" is defined as total non-interest expense excluding costs related to branch closures, restructuring/severance, and acquisitions. We believe the most directly comparable GAAP financial measure is total non-interest expense.

"Core non-interest income" is defined as total non-interest income excluding gains and losses on sales of securities, ICS One-Way Sell fee income, gains on the sale of owned property, and tax credits and accelerated depreciation on solar equity investments. We believe the most directly comparable GAAP financial measure is non-interest income.

"Core operating revenue" is defined as total net interest income plus "core non-interest income". We believe the most directly comparable GAAP financial measure is the total of net interest income and non-interest income.

"Core return on average assets" is defined as "Core net income" divided by average total assets. We believe the most directly comparable performance ratio derived from GAAP financial measures is return on average assets calculated by dividing net income by average total assets.

"Core return on average tangible common equity" is defined as "Core net income" divided by average "tangible common equity." We believe the most directly comparable performance ratio derived from GAAP financial measures is return on average equity calculated by dividing net income by

average total stockholders' equity.

"Super-core deposits" are defined as total deposits from commercial and consumer customers, with a relationship length of greater than 5 years. We believe the most directly comparable GAAP financial measure is total deposits.

"Tangible assets" are defined as total assets excluding, as applicable, goodwill and core deposit intangibles. We believe the most directly comparable GAAP financial measure is total assets.

"Tangible common equity", and "Tangible book value" are defined as stockholders' equity excluding, as applicable, minority interests, preferred stock, goodwill and core deposit intangibles. We believe that the most directly comparable GAAP financial measure is total stockholders' equity.

"Traditional securities portfolio" is defined as total investment securities excluding PACE assessments. We believe the most directly comparable GAAP financial measure is total investment securities.

### Forward-Looking Statements

Statements included in this release that are not historical in nature are intended to be, and are hereby identified as, forward-looking statements within the meaning of the Private Securities Litigation Reform Act, Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements generally can be identified through the use of forward-looking terminology such as "may," "will," "anticipate," "aspire," "should," "would," "believe," "contemplate," "expect," "estimate," "continue," "in the future," "may" and "intend," as well as other similar words and expressions of the future. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors, any or all of which could cause actual results to differ materially from the results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: (i) uncertain conditions in the banking industry and in national, regional and local economies in our core markets, which may have an adverse impact on our business, operations and financial performance; (ii) deterioration in the financial condition of borrowers resulting in significant increases in loan losses and provisions for those losses; (iii) deposit outflows and subsequent declines in liquidity caused by factors that could include lack of confidence in the banking system, a deterioration in market conditions or the financial condition of depositors; (iv) changes in our deposits, including an increase in uninsured deposits; (v) unfavorable conditions in the capital markets, which may cause declines in our stock price and the value of our investments; (vi) negative economic and political conditions that adversely affect the general economy, housing prices, the real estate market, the job market, consumer confidence, the financial condition of our borrowers and consumer spending habits, which may affect, among other things, the level of non-performing assets, charge-offs and provision expense; (vii) the rate of growth (or lack thereof) in the economy and employment levels, as well as general business and economic conditions, coupled with the risk that adverse conditions may be greater than anticipated in the markets that we serve; (viii) fluctuations or unanticipated changes in the interest rate environment including changes in net interest margin or changes in the yield curve that affect investments, loans or deposits; (ix) potential deterioration in real estate collateral values; (x) changes in legislation, regulation, public policies, or administrative practices impacting the banking industry, including increased regulation and FDIC assessments in the aftermath of the Silicon Valley and Signature Bank failures; (xi) the outcome of any legal proceedings that may be instituted against us (xii) our inability to maintain the historical growth rate of our loan portfolio; (xiii) changes in loan underwriting, credit review or loss reserve policies associated with economic conditions, examination conclusions, or regulatory developments; (xiv) the impact of competition with other financial institutions, many of which are larger and have greater resources, and fintechs, as well as changes in the competitive environment (xv) any matter that would cause us to conclude that there was impairment of any asset, including intangible assets; (xvi) the risk that the preliminary financial information reported herein and our current preliminary analysis will be different when our review is finalized; (xvii) increased competition for experienced members of the workforce including executives in the banking industry; (xviii) our ability to meet heightened regulatory and supervisory requirements; (xix) our ability to grow and retain low-cost core deposits and retain large, uninsured deposits; (xx) inability to comply with regulatory capital requirements, including those resulting from changes to capital calculation methodologies, required capital maintenance levels or regulatory requests or directives; (xxi) risks associated with litigation, including the applicability of insurance coverage; (xxii) a failure in or breach of our operational or security systems or infrastructure, or those of third party vendors or other service providers, including as a result of unauthorized access, computer viruses, phishing schemes, spam attacks, human error, natural disasters, power loss and other security breaches; (xxiii) a downgrade in our credit rating; (xxiv) increased political opposition to Environmental, Social and Governance ("ESG") practices; (xxv) recessionary conditions; (xxvi) volatile credit and financial markets both domestic and foreign; (xxvii) unexpected challenges related to our executive officer retention; and (xxviii) physical and transitional risks related to climate change as they impact our business and the businesses that we finance. Additional factors which could affect the forward-looking statements can be found in our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K filed with the SEC and available on the SEC's website at <https://www.sec.gov/>. We disclaim any obligation to update or revise any forward-looking statements contained in this release, which speak only as of the date hereof, whether as a result of new information, future events or otherwise, except as required by law.

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### Consolidated Statements of Income (unaudited)

|                                    | Three Months Ended |                   |                  | Six Months Ended |           |
|------------------------------------|--------------------|-------------------|------------------|------------------|-----------|
|                                    | June 30,<br>2024   | March 31,<br>2024 | June 30,<br>2023 | June 30,<br>2024 | 2023      |
| (\$ in thousands)                  |                    |                   |                  |                  |           |
| INTEREST AND DIVIDEND INCOME       |                    |                   |                  |                  |           |
| Loans                              | \$ 51,293          | \$ 51,952         | \$ 45,360        | \$ 103,245       | \$ 90,166 |
| Securities                         | 44,978             | 42,390            | 39,506           | 87,368           | 79,018    |
| Interest-bearing deposits in banks | 2,690              | 2,592             | 1,056            | 5,282            | 1,673     |
| Total interest and dividend income | 98,961             | 96,934            | 85,922           | 195,895          | 170,857   |
| INTEREST EXPENSE                   |                    |                   |                  |                  |           |

|   |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|
| Deposits  | 28,882    | 25,891    | 18,816    | 54,773    | 32,651    |
| Borrowed funds  | 887       | 3,006     | 4,121     | 3,893     | 7,942     |
| Total interest expense                                | 29,769    | 28,897    | 22,937    | 58,666    | 40,593    |
| NET INTEREST INCOME                                   | 69,192    | 68,037    | 62,985    | 137,229   | 130,264   |
| Provision for credit losses                           | 3,161     | 1,588     | 3,940     | 4,749     | 8,899     |
| Net interest income after provision for credit losses | 66,031    | 66,449    | 59,045    | 132,480   | 121,365   |
| NON-INTEREST INCOME                                   |           |           |           |           |           |
| Trust Department fees                                 | 3,657     | 3,854     | 4,006     | 7,511     | 7,935     |
| Service charges on deposit accounts                   | 8,614     | 6,136     | 2,712     | 14,750    | 5,166     |
| Bank-owned life insurance income                      | 615       | 609       | 546       | 1,224     | 1,327     |
| Losses on sale of securities                          | (2,691)   | (2,774)   | (267)     | (5,465)   | (3,353)   |
| Gains on sale of loans, net                           | 69        | 47        | 2         | 116       | 4         |
| Equity method investments income (loss)               | (1,551)   | 2,072     | 556       | 521       | 711       |
| Other income  | 545       | 285       | 389       | 830       | 1,360     |
| Total non-interest income                             | 9,258     | 10,229    | 7,944     | 19,487    | 13,150    |
| NON-INTEREST EXPENSE                                  |           |           |           |           |           |
| Compensation and employee benefits                    | 23,045    | 22,273    | 21,165    | 45,318    | 43,180    |
| Occupancy and depreciation                            | 3,379     | 2,904     | 3,436     | 6,283     | 6,835     |
| Professional fees                                     | 2,332     | 2,376     | 2,759     | 4,708     | 4,989     |
| Data processing                                       | 4,786     | 4,629     | 4,082     | 9,415     | 8,631     |
| Office maintenance and depreciation                   | 580       | 663       | 718       | 1,243     | 1,445     |
| Amortization of intangible assets                     | 182       | 183       | 222       | 365       | 444       |
| Advertising and promotion                             | 1,175     | 1,219     | 1,028     | 2,394     | 2,615     |
| Federal deposit insurance premiums                    | 1,050     | 1,050     | 1,100     | 2,100     | 1,818     |
| Other expense   | 2,983     | 2,855     | 3,019     | 5,838     | 6,199     |
| Total non-interest expense                            | 39,512    | 38,152    | 37,529    | 77,664    | 76,156    |
| Income before income taxes                            | 35,777    | 38,526    | 29,460    | 74,303    | 58,359    |
| Income tax expense                                    | 9,024     | 11,277    | 7,818     | 20,301    | 15,383    |
| Net income  | \$ 26,753 | \$ 27,249 | \$ 21,642 | \$ 54,002 | \$ 42,976 |
| Earnings per common share - basic                     | \$ 0.88   | \$ 0.89   | \$ 0.71   | \$ 1.77   | \$ 1.40   |
| Earnings per common share - diluted                   | \$ 0.87   | \$ 0.89   | \$ 0.70   | \$ 1.75   | \$ 1.39   |

### Consolidated Statements of Financial Condition

|  | June 30,<br>2024 | March 31,<br>2024 | December 31,<br>2023 |
|--|------------------|-------------------|----------------------|
|  | (unaudited)      | (unaudited)       |                      |
| <i>(\$ in thousands)</i>   |                  |                   |                      |
| <b>Assets</b>  |                  |                   |                      |
| Cash and due from banks  | \$ 4,081         | \$ 3,830          | \$ 2,856             |
| Interest-bearing deposits in banks   | 53,912           | 151,374           | 87,714               |
| Total cash and cash equivalents  | 57,993           | 155,204           | 90,570               |
| Securities:  |                  |                   |                      |
| Available for sale, at fair value  |                  |                   |                      |
| Traditional securities   | 1,581,338        | 1,445,793         | 1,429,739            |
| Property Assessed Clean Energy ("PACE") assessments  | 112,923          | 82,258            | 53,303               |
|  | 1,694,261        | 1,528,051         | 1,483,042            |
| Held-to-maturity, at amortized cost:   |                  |                   |                      |
| Traditional securities, net of allowance for credit losses of \$53, \$53, and \$54, respectively | 606,013          | 616,172           | 620,232              |
| PACE assessments, net of allowance for credit losses of \$655, \$657, and \$667, respectively    | 1,054,569        | 1,057,790         | 1,076,602            |
|  | 1,660,582        | 1,673,962         | 1,696,834            |
| Loans held for sale  | 1,926            | 2,137             | 1,817                |
| Loans receivable, net of deferred loan origination costs   | 4,471,839        | 4,423,780         | 4,411,319            |
| Allowance for credit losses  | (63,444)         | (64,400)          | (65,691)             |
| Loans receivable, net  | 4,408,395        | 4,359,380         | 4,345,628            |
| Resell agreements  | 137,461          | 131,242           | 50,000               |
| Federal Home Loan Bank of New York ("FHLBNY") stock, at cost                                     | 4,823            | 4,603             | 4,389                |
| Accrued interest receivable  | 52,575           | 53,436            | 55,484               |
| Premises and equipment, net  | 6,599            | 7,128             | 7,807                |

|   |                     |                     |                     |
|---|---------------------|---------------------|---------------------|
| Bank-owned life insurance                                 | 106,752             | 106,137             | 105,528             |
| Right-of-use lease asset                                  | 17,971              | 19,797              | 21,074              |
| Deferred tax asset, net                                   | 47,654              | 49,171              | 56,603              |
| Goodwill  | 12,936              | 12,936              | 12,936              |
| Intangible assets, net                                    | 1,852               | 2,034               | 2,217               |
| Equity method investments                                 | 12,710              | 14,801              | 13,024              |
| Other assets  | 26,214              | 16,663              | 25,371              |
| Total assets  | <u>\$ 8,250,704</u> | <u>\$ 8,136,682</u> | <u>\$ 7,972,324</u> |
| <b>Liabilities</b>  |                     |                     |                     |
| Deposits  | \$ 7,448,988        | \$ 7,305,765        | \$ 7,011,988        |
| Subordinated debt, net                                    | 68,117              | 70,570              | 70,546              |
| Other borrowings  | 9,135               | 69,135              | 234,381             |
| Operating leases  | 24,784              | 27,250              | 30,646              |
| Other liabilities   | 53,568              | 47,024              | 39,399              |
| Total liabilities   | <u>7,604,592</u>    | <u>7,519,744</u>    | <u>7,386,960</u>    |
| <b>Stockholders' equity</b>                               |                     |                     |                     |
| Common stock, par value \$.01 per share                   | 307                 | 307                 | 307                 |
| Additional paid-in capital                                | 286,021             | 287,198             | 288,232             |
| Retained earnings   | 435,202             | 412,190             | 388,033             |
| Accumulated other comprehensive loss, net of income taxes | (73,579)            | (78,872)            | (86,004)            |
| Treasury stock, at cost                                   | (1,972)             | (4,018)             | (5,337)             |
| Total Amalgamated Financial Corp. stockholders' equity    | <u>645,979</u>      | <u>616,805</u>      | <u>585,231</u>      |
| Noncontrolling interests                                  | <u>133</u>          | <u>133</u>          | <u>133</u>          |
| Total stockholders' equity                                | <u>646,112</u>      | <u>616,938</u>      | <u>585,364</u>      |
| Total liabilities and stockholders' equity                | <u>\$ 8,250,704</u> | <u>\$ 8,136,682</u> | <u>\$ 7,972,324</u> |

#### Select Financial Data

|   | As of and for the<br>Three Months Ended |                   |                  | As of and for the<br>Six Months Ended |                  |
|---|---|-------------------|------------------|---------------------------------------|------------------|
|   | June 30,<br>2024                        | March 31,<br>2024 | June 30,<br>2023 | June 30,<br>2024                      | June 30,<br>2023 |
| <i>(Shares in thousands)</i>  |   |                   |                  |                                       |                  |
| <b>Selected Financial Ratios and Other Data:</b>                    |   |                   |                  |                                       |                  |
| Earnings per share  |   |                   |                  |                                       |                  |
| Basic   | \$ 0.88                                 | \$ 0.89           | \$ 0.71          | \$ 1.77                               | \$ 1.40          |
| Diluted   | 0.87                                    | 0.89              | 0.70             | 1.75                                  | 1.39             |
| Core net income (non-GAAP)  |   |                   |                  |                                       |                  |
| Basic   | \$ 0.86                                 | \$ 0.84           | \$ 0.72          | \$ 1.70                               | \$ 1.47          |
| Diluted   | 0.85                                    | 0.83              | 0.72             | 1.68                                  | 1.46             |
| Book value per common share (excluding minority interest)           | \$ 21.09                                | \$ 20.22          | \$ 17.29         | \$ 21.09                              | \$ 17.29         |
| Tangible book value per share (non-GAAP)                            | \$ 20.61                                | \$ 19.73          | \$ 16.78         | \$ 20.61                              | \$ 16.78         |
| Common shares outstanding, par value \$.01 per share <sup>(1)</sup> | 30,630                                  | 30,510            | 30,573           | 30,630                                | 30,573           |
| Weighted average common shares outstanding, basic                   | 30,551                                  | 30,476            | 30,619           | 30,513                                | 30,662           |
| Weighted average common shares outstanding, diluted                 | 30,832                                  | 30,737            | 30,776           | 30,789                                | 30,820           |

(1) 70,000,000 shares authorized; 30,743,666, 30,736,141, and 30,736,141 shares issued for the periods ended June 30, 2024, March 31, 2024, and June 30, 2023 respectively, and 30,630,386, 30,510,393, and 30,572,606 shares outstanding for the periods ended June 30, 2024, March 31, 2024, and June 30, 2023, respectively.

#### Select Financial Data

|  | As of and for the<br>Three Months Ended |                   |                  | As of and for the<br>Six Months Ended |                  |
|--|---|-------------------|------------------|---------------------------------------|------------------|
|  | June 30,<br>2024                        | March 31,<br>2024 | June 30,<br>2023 | June 30,<br>2024                      | June 30,<br>2023 |
| <b>Selected Performance Metrics:</b>                     |   |                   |                  |                                       |                  |
| Return on average assets                                 | 1.30 %                                  | 1.36 %            | 1.11 %           | 1.33 %                                | 1.11 %           |
| Core return on average assets (non-GAAP)                 | 1.27 %                                  | 1.27 %            | 1.13 %           | 1.27 %                                | 1.16 %           |
| Return on average equity                                 | 17.27 %                                 | 18.24 %           | 16.45 %          | 17.75 %                               | 16.83 %          |
| Core return on average tangible common equity (non-GAAP) | 17.34 %                                 | 17.59 %           | 17.28 %          | 17.46 %                               | 18.21 %          |

|  |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|
| Average equity to average assets                     | 7.53 %  | 7.44 %  | 6.77 %  | 7.48 %  | 6.60 %  |
| Tangible common equity to tangible assets (non-GAAP) | 7.66 %  | 7.41 %  | 6.59 %  | 7.66 %  | 6.59 %  |
| Loan yield   | 4.68 %  | 4.76 %  | 4.33 %  | 4.72 %  | 4.36 %  |
| Securities yield                                     | 5.22 %  | 5.21 %  | 4.85 %  | 5.21 %  | 4.79 %  |
| Deposit cost   | 1.55 %  | 1.46 %  | 1.10 %  | 1.51 %  | 0.96 %  |
| Net interest margin                                  | 3.46 %  | 3.49 %  | 3.33 %  | 3.47 %  | 3.46 %  |
| Efficiency ratio <sup>(1)</sup>                      | 50.37 % | 48.75 % | 52.91 % | 49.56 % | 53.10 % |
| Core efficiency ratio (non-GAAP)                     | 50.80 % | 50.40 % | 52.31 % | 50.60 % | 51.97 % |

**Asset Quality Ratios:**

|  |          |          |          |          |          |
|--|----------|----------|----------|----------|----------|
| Nonaccrual loans to total loans                          | 0.78 %   | 0.75 %   | 0.79 %   | 0.78 %   | 0.79 %   |
| Nonperforming assets to total assets                     | 0.43 %   | 0.42 %   | 0.45 %   | 0.43 %   | 0.45 %   |
| Allowance for credit losses on loans to nonaccrual loans | 182.83 % | 195.04 % | 200.19 % | 182.83 % | 200.19 % |
| Allowance for credit losses on loans to total loans      | 1.42 %   | 1.46 %   | 1.59 %   | 1.42 %   | 1.59 %   |
| Annualized net charge-offs to average loans              | 0.25 %   | 0.20 %   | 0.29 %   | 0.22 %   | 0.27 %   |

**Capital Ratios:**

|                                    |         |         |         |         |         |
|------------------------------------|---------|---------|---------|---------|---------|
| Tier 1 leverage capital ratio      | 8.42 %  | 8.29 %  | 7.78 %  | 8.42 %  | 7.78 %  |
| Tier 1 risk-based capital ratio    | 13.48 % | 13.68 % | 12.51 % | 13.48 % | 12.51 % |
| Total risk-based capital ratio     | 16.04 % | 16.35 % | 15.26 % | 16.04 % | 15.26 % |
| Common equity tier 1 capital ratio | 13.48 % | 13.68 % | 12.51 % | 13.48 % | 12.51 % |

(1) Efficiency ratio is calculated by dividing total non-interest expense by the sum of net interest income and total non-interest income

**Loan and PACE Assessments Portfolio Composition**

(In thousands)

|   | At June 30, 2024 |            | At March 31, 2024 |            | At June 30, 2023 |            |
|---|------------------|------------|-------------------|------------|------------------|------------|
|   | Amount           | % of total | Amount            | % of total | Amount           | % of total |
| <i>Commercial portfolio:</i>            |                  |            |                   |            |                  |            |
| Commercial and industrial               | \$ 1,012,400     | 22.6 %     | \$ 1,014,084      | 22.9 %     | \$ 949,403       | 22.3 %     |
| Multifamily                             | 1,230,545        | 27.5 %     | 1,175,467         | 26.6 %     | 1,095,752        | 25.8 %     |
| Commercial real estate                  | 377,484          | 8.4 %      | 353,598           | 8.0 %      | 333,340          | 7.8 %      |
| Construction and land development       | 23,254           | 0.5 %      | 23,266            | 0.5 %      | 28,664           | 0.7 %      |
| Total commercial portfolio              | 2,643,683        | 59.0 %     | 2,566,415         | 58.0 %     | 2,407,159        | 56.6 %     |
| <i>Retail portfolio:</i>                |                  |            |                   |            |                  |            |
| Residential real estate lending         | 1,404,624        | 31.4 %     | 1,419,321         | 32.1 %     | 1,388,571        | 32.7 %     |
| Consumer solar                          | 385,567          | 8.6 %      | 398,501           | 9.0 %      | 411,873          | 9.7 %      |
| Consumer and other                      | 37,965           | 1.0 %      | 39,543            | 0.9 %      | 44,135           | 1.0 %      |
| Total retail portfolio                  | 1,828,156        | 41.0 %     | 1,857,365         | 42.0 %     | 1,844,579        | 43.4 %     |
| Total loans held for investment         | 4,471,839        | 100.0 %    | 4,423,780         | 100.0 %    | 4,251,738        | 100.0 %    |
| Allowance for credit losses             | (63,444)         |            | (64,400)          |            | (67,431)         |            |
| Loans receivable, net                   | \$ 4,408,395     |            | \$ 4,359,380      |            | \$ 4,184,307     |            |
| <i>PACE assessments:</i>                |                  |            |                   |            |                  |            |
| Available for sale, at fair value       |                  |            |                   |            |                  |            |
| Residential PACE assessments            | 112,923          | 9.7 %      | 82,258            | 7.2 %      | 23,266           | 2.2 %      |
| Held-to-maturity, at amortized cost     |                  |            |                   |            |                  |            |
| Commercial PACE assessments             | 256,663          | 22.0 %     | 256,661           | 22.5 %     | 262,093          | 24.7 %     |
| Residential PACE assessments            | 798,561          | 68.4 %     | 801,786           | 70.3 %     | 775,707          | 73.1 %     |
| Total Held-to-maturity PACE assessments | 1,055,224        | 90.4 %     | 1,058,447         | 92.8 %     | 1,037,800        | 97.8 %     |
| Total PACE assessments                  | 1,168,147        | 100.0 %    | 1,140,705         | 100.0 %    | 1,061,066        | 100.0 %    |
| Allowance for credit losses             | (655)            |            | (657)             |            | (650)            |            |
| Total PACE assessments, net             | \$ 1,167,492     |            | \$ 1,140,048      |            | \$ 1,060,416     |            |

|   |        |        |        |
|---|--------|--------|--------|
| Loans receivable, net and total PACE assessments, net as a % of Deposits                        | 74.9 % | 75.3 % | 76.1 % |
| Loans receivable, net and total PACE assessments, net as a % of Deposits excluding Brokered CDs | 76.4 % | 77.0 % | 81.6 % |

### Net Interest Income Analysis

| <i>(In thousands)</i>   | Three Months Ended  |                  |              |                     |                  |              |                     |                  |              |
|---|---------------------|------------------|--------------|---------------------|------------------|--------------|---------------------|------------------|--------------|
|   | June 30, 2024       |                  |              | March 31, 2024      |                  |              | June 30, 2023       |                  |              |
|   | Average Balance     | Income / Expense | Yield / Rate | Average Balance     | Income / Expense | Yield / Rate | Average Balance     | Income / Expense | Yield / Rate |
| Interest-earning assets:  |                     |                  |              |                     |                  |              |                     |                  |              |
| Interest-bearing deposits in banks  | \$ 213,725          | \$ 2,690         | 5.06 %       | \$ 205,369          | \$ 2,592         | 5.08 %       | \$ 114,010          | \$ 1,056         | 3.72 %       |
| Securities <sup>(1)</sup>   | 3,308,881           | 42,937           | 5.22 %       | 3,170,356           | 41,064           | 5.21 %       | 3,259,797           | 39,393           | 4.85 %       |
| Resell agreements   | 122,618             | 2,041            | 6.69 %       | 79,011              | 1,326            | 6.75 %       | 5,570               | 113              | 8.14 %       |
| Loans receivable, net <sup>(2)</sup>  | 4,406,843           | 51,293           | 4.68 %       | 4,390,489           | 51,952           | 4.76 %       | 4,202,911           | 45,360           | 4.33 %       |
| Total interest-earning assets   | 8,052,067           | 98,961           | 4.94 %       | 7,845,225           | 96,934           | 4.97 %       | 7,582,288           | 85,922           | 4.55 %       |
| Non-interest-earning assets:  |                     |                  |              |                     |                  |              |                     |                  |              |
| Cash and due from banks   | 6,371               |                  |              | 5,068               |                  |              | 5,034               |                  |              |
| Other assets  | 217,578             |                  |              | 226,270             |                  |              | 208,944             |                  |              |
| Total assets  | <u>\$ 8,276,016</u> |                  |              | <u>\$ 8,076,563</u> |                  |              | <u>\$ 7,796,266</u> |                  |              |
| Interest-bearing liabilities:   |                     |                  |              |                     |                  |              |                     |                  |              |
| Savings, NOW and money market deposits  | \$ 3,729,858        | \$ 24,992        | 2.69 %       | \$ 3,591,551        | \$ 21,872        | 2.45 %       | \$ 3,203,681        | \$ 13,298        | 1.66 %       |
| Time deposits   | 210,565             | 1,898            | 3.63 %       | 188,045             | 1,576            | 3.37 %       | 158,992             | 610              | 1.54 %       |
| Brokered CDs  | 156,086             | 1,992            | 5.13 %       | 190,240             | 2,443            | 5.16 %       | 411,510             | 4,908            | 4.78 %       |
| Total interest-bearing deposits   | 4,096,509           | 28,882           | 2.84 %       | 3,969,836           | 25,891           | 2.62 %       | 3,774,183           | 18,816           | 2.00 %       |
| Other borrowings  | 104,560             | 887              | 3.41 %       | 288,093             | 3,006            | 4.20 %       | 371,004             | 4,121            | 4.46 %       |
| Total interest-bearing liabilities  | 4,201,069           | 29,769           | 2.85 %       | 4,257,929           | 28,897           | 2.73 %       | 4,145,187           | 22,937           | 2.22 %       |
| Non-interest-bearing liabilities:   |                     |                  |              |                     |                  |              |                     |                  |              |
| Demand and transaction deposits   | 3,390,941           |                  |              | 3,138,238           |                  |              | 3,055,770           |                  |              |
| Other liabilities   | 60,982              |                  |              | 79,637              |                  |              | 67,710              |                  |              |
| Total liabilities   | 7,652,992           |                  |              | 7,475,804           |                  |              | 7,268,667           |                  |              |
| Stockholders' equity  | 623,024             |                  |              | 600,759             |                  |              | 527,599             |                  |              |
| Total liabilities and stockholders' equity  | <u>\$ 8,276,016</u> |                  |              | <u>\$ 8,076,563</u> |                  |              | <u>\$ 7,796,266</u> |                  |              |
| Net interest income / interest rate spread  |                     | \$ 69,192        | 2.09 %       |                     | \$ 68,037        | 2.24 %       |                     | \$ 62,985        | 2.33 %       |
| Net interest-earning assets / net interest margin                                     | \$ 3,850,998        |                  | 3.46 %       | \$ 3,587,296        |                  | 3.49 %       | \$ 3,437,101        |                  | 3.33 %       |
| Total deposits excluding Brokered CDs / total cost of deposits excluding Brokered CDs | \$ 7,331,364        |                  | 1.48 %       | \$ 6,917,834        |                  | 1.36 %       | \$ 6,418,443        |                  | 0.87 %       |
| Total deposits / total cost of deposits   | \$ 7,487,450        |                  | 1.55 %       | \$ 7,108,074        |                  | 1.46 %       | \$ 6,829,953        |                  | 1.10 %       |
| Total funding / total cost of funds   | \$ 7,592,010        |                  | 1.58 %       | \$ 7,396,167        |                  | 1.57 %       | \$ 7,200,957        |                  | 1.28 %       |

(1) Includes FHLBNY stock in the average balance, and dividend income on FHLBNY stock in interest income.

(2) Includes prepayment penalty interest income in 2Q2024, 1Q2024, and 2Q2023 of \$0, \$18, and \$0, respectively (in thousands).

### Net Interest Income Analysis

| <i>(In thousands)</i>    | Six Months Ended |                  |              |                 |                  |              |
|--------------------------|------------------|------------------|--------------|-----------------|------------------|--------------|
|                          | June 30, 2024    |                  |              | June 30, 2023   |                  |              |
|                          | Average Balance  | Income / Expense | Yield / Rate | Average Balance | Income / Expense | Yield / Rate |
| Interest-earning assets: |                  |                  |              |                 |                  |              |



|   |                     |                |              |                     |               |              |
|---|---------------------|----------------|--------------|---------------------|---------------|--------------|
| Interest-bearing deposits in banks  | \$ 209,547          | \$ 5,282       | 5.07%        | \$ 102,550          | \$ 1,673      | 3.29%        |
| Securities  | 3,239,619           | 84,000         | 5.21%        | 3,310,492           | 78,586        | 4.79%        |
| Resell agreements   | 100,814             | 3,368          | 6.72%        | 12,071              | 432           | 7.22%        |
| Total loans, net <sup>(1)(2)</sup>  | <u>4,398,665</u>    | <u>103,245</u> | <u>4.72%</u> | <u>4,166,389</u>    | <u>90,166</u> | <u>4.36%</u> |
| Total interest-earning assets   | 7,948,645           | 195,895        | 4.96%        | 7,591,502           | 170,857       | 4.54%        |
| Non-interest-earning assets:  |                     |                |              |                     |               |              |
| Cash and due from banks   | 5,720               |                |              | 4,527               |               |              |
| Other assets  | 221,924             |                |              | 212,960             |               |              |
| Total assets  | <u>\$ 8,176,289</u> |                |              | <u>\$ 7,808,989</u> |               |              |
| Interest-bearing liabilities:   |                     |                |              |                     |               |              |
| Savings, NOW and money market deposits  | \$ 3,660,704        | \$ 46,864      | 2.57%        | \$ 3,147,765        | \$ 22,853     | 1.46%        |
| Time deposits   | 199,305             | 3,474          | 3.51%        | 154,429             | 907           | 1.18%        |
| Brokered CDs  | <u>173,163</u>      | <u>4,435</u>   | <u>5.15%</u> | <u>389,718</u>      | <u>8,891</u>  | <u>4.60%</u> |
| Total interest-bearing deposits   | 4,033,172           | 54,773         | 2.73%        | 3,691,912           | 32,651        | 1.78%        |
| Other borrowings  | <u>196,326</u>      | <u>3,893</u>   | <u>3.99%</u> | <u>359,505</u>      | <u>7,942</u>  | <u>4.45%</u> |
| Total interest-bearing liabilities  | 4,229,498           | 58,666         | 2.79%        | 4,051,417           | 40,593        | 2.02%        |
| Non-interest-bearing liabilities:   |                     |                |              |                     |               |              |
| Demand and transaction deposits   | 3,264,590           |                |              | 3,170,729           |               |              |
| Other liabilities   | <u>70,309</u>       |                |              | <u>71,732</u>       |               |              |
| Total liabilities   | 7,564,397           |                |              | 7,293,878           |               |              |
| Stockholders' equity  | <u>611,892</u>      |                |              | <u>515,111</u>      |               |              |
| Total liabilities and stockholders' equity  | <u>\$ 8,176,289</u> |                |              | <u>\$ 7,808,989</u> |               |              |
| Net interest income / interest rate spread  |                     | \$ 137,229     | 2.17%        |                     | \$ 130,264    | 2.52%        |
| Net interest-earning assets / net interest margin                                     | \$ 3,719,147        |                | 3.47%        | \$ 3,540,085        |               | 3.46%        |
| Total deposits excluding Brokered CDs / total cost of deposits excluding Brokered CDs | \$ 7,124,599        |                | 1.42%        | \$ 6,472,923        |               | 0.74%        |
| Total deposits / total cost of deposits   | \$ 7,297,762        |                | 1.51%        | \$ 6,862,641        |               | 0.96%        |
| Total funding / total cost of funds   | \$ 7,494,088        |                | 1.57%        | \$ 7,222,146        |               | 1.13%        |

(1) Includes Federal Home Loan Bank (FHLB) stock in the average balance, and dividend income on FHLB stock in interest income.

(2) Includes prepayment penalty interest income in June YTD 2024 and June YTD 2023 of \$18 and \$0 thousand, respectively.

## Deposit Portfolio Composition

| (In thousands)                               | Three Months Ended  |                     |                     |                     |                     |                     |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|  | June 30, 2024       |                     | March 31, 2024      |                     | June 30, 2023       |                     |
|  | Ending Balance      | Average Balance     | Ending Balance      | Average Balance     | Ending Balance      | Average Balance     |
| Non-interest-bearing demand deposit accounts | \$ 3,445,068        | \$ 3,390,941        | \$ 3,182,047        | \$ 3,138,238        | \$ 2,958,104        | \$ 3,055,770        |
| NOW accounts                                 | 192,452             | 191,253             | 200,900             | 197,659             | 199,262             | 193,851             |
| Money market deposit accounts                | 3,093,644           | 3,202,365           | 3,222,271           | 3,051,670           | 2,744,411           | 2,644,580           |
| Savings accounts                             | 336,943             | 336,240             | 341,054             | 342,222             | 363,058             | 365,250             |
| Time deposits                                | 227,437             | 210,565             | 197,265             | 188,045             | 161,335             | 158,992             |
| Brokered certificates of deposit ("CDs")     | <u>153,444</u>      | <u>156,086</u>      | <u>162,228</u>      | <u>190,240</u>      | <u>468,481</u>      | <u>411,510</u>      |
| Total deposits                               | <u>\$ 7,448,988</u> | <u>\$ 7,487,450</u> | <u>\$ 7,305,765</u> | <u>\$ 7,108,074</u> | <u>\$ 6,894,651</u> | <u>\$ 6,829,953</u> |
| Total deposits excluding Brokered CDs        | \$ 7,295,544        | \$ 7,331,364        | \$ 7,143,537        | \$ 6,917,834        | \$ 6,426,170        | \$ 6,418,443        |

| (In thousands)                               | Three Months Ended               |               |                                  |               |                                  |               |
|--|----------------------------------|---------------|----------------------------------|---------------|----------------------------------|---------------|
|  | June 30, 2024                    |               | March 31, 2024                   |               | June 30, 2023                    |               |
|  | Average Rate Paid <sup>(1)</sup> | Cost of Funds | Average Rate Paid <sup>(1)</sup> | Cost of Funds | Average Rate Paid <sup>(1)</sup> | Cost of Funds |
| Non-interest bearing demand deposit accounts | 0.00 %                           | 0.00 %        | 0.00 %                           | 0.00 %        | 0.00 %                           | 0.00 %        |
| NOW accounts                                 | 1.07 %                           | 1.07 %        | 1.05 %                           | 1.03 %        | 0.95 %                           | 0.96 %        |
| Money market deposit accounts                | 3.08 %                           | 2.93 %        | 2.96 %                           | 2.67 %        | 2.02 %                           | 1.81 %        |

|  |               |               |               |               |               |               |
|--|---------------|---------------|---------------|---------------|---------------|---------------|
| Savings accounts                                 | 1.67 %        | 1.37 %        | 1.34 %        | 1.29 %        | 1.04 %        | 1.00 %        |
| Time deposits                                    | 3.50 %        | 3.63 %        | 3.44 %        | 3.37 %        | 1.77 %        | 1.54 %        |
| Brokered CDs                                     | 4.98 %        | 5.13 %        | 4.99 %        | 5.16 %        | 5.02 %        | 4.78 %        |
| Total deposits                                   | <u>1.59 %</u> | <u>1.55 %</u> | <u>1.60 %</u> | <u>1.46 %</u> | <u>1.27 %</u> | <u>1.10 %</u> |
| Interest-bearing deposits excluding Brokered CDs | 2.88 %        | 2.74 %        | 2.75 %        | 2.50 %        | 1.84 %        | 1.66 %        |

(1) Average rate paid is calculated as the weighted average of spot rates on deposit accounts. Off-balance sheet deposits are excluded from all calculations shown.

### Asset Quality

(In thousands)

|                                     | <u>June 30, 2024</u> | <u>March 31, 2024</u> | <u>June 30, 2023</u> |
|-------------------------------------|----------------------|-----------------------|----------------------|
| Loans 90 days past due and accruing | \$ —                 | \$ —                  | \$ —                 |
| Nonaccrual loans held for sale      | 989                  | 989                   | 1,546                |
| Nonaccrual loans - Commercial       | 23,778               | 24,228                | 28,078               |
| Nonaccrual loans - Retail           | 10,924               | 8,791                 | 5,606                |
| Nonaccrual securities               | 29                   | 31                    | 35                   |
| Total nonperforming assets          | <u>\$ 35,720</u>     | <u>\$ 34,039</u>      | <u>\$ 35,265</u>     |

### Nonaccrual loans:

|                                   |                  |                  |                  |
|-----------------------------------|------------------|------------------|------------------|
| Commercial and industrial         | \$ 8,428         | \$ 8,750         | \$ 7,575         |
| Multifamily                       | —                | —                | 2,376            |
| Commercial real estate            | 4,231            | 4,354            | 4,660            |
| Construction and land development | 11,119           | 11,124           | 13,467           |
| Total commercial portfolio        | <u>23,778</u>    | <u>24,228</u>    | <u>28,078</u>    |
| Residential real estate lending   | 7,756            | 4,763            | 2,470            |
| Consumer solar                    | 2,794            | 3,852            | 2,811            |
| Consumer and other                | 374              | 176              | 325              |
| Total retail portfolio            | <u>10,924</u>    | <u>8,791</u>     | <u>5,606</u>     |
| Total nonaccrual loans            | <u>\$ 34,702</u> | <u>\$ 33,019</u> | <u>\$ 33,684</u> |

### Credit Quality

(\$ in thousands)

|  | <u>June 30, 2024</u> | <u>March 31, 2024</u> | <u>June 30, 2023</u> |
|--|----------------------|-----------------------|----------------------|
| <b>Criticized and classified loans</b> |                      |                       |                      |
| Commercial and industrial              | \$ 53,940            | \$ 62,242             | \$ 34,987            |
| Multifamily                            | 10,242               | 10,274                | 17,668               |
| Commercial real estate                 | 8,311                | 8,475                 | 29,788               |
| Construction and land development      | 11,119               | 11,124                | 15,891               |
| Residential real estate lending        | 7,756                | 4,763                 | 2,470                |
| Consumer solar                         | 2,794                | 3,785                 | 2,811                |
| Consumer and other                     | 374                  | 243                   | 325                  |
| Total loans                            | <u>\$ 94,536</u>     | <u>\$ 100,906</u>     | <u>\$ 103,940</u>    |

### Criticized and classified loans to total loans

|                                   |               |               |               |
|-----------------------------------|---------------|---------------|---------------|
| Commercial and industrial         | 1.21 %        | 1.41 %        | 0.82 %        |
| Multifamily                       | 0.23 %        | 0.23 %        | 0.42 %        |
| Commercial real estate            | 0.19 %        | 0.19 %        | 0.70 %        |
| Construction and land development | 0.25 %        | 0.25 %        | 0.37 %        |
| Residential real estate lending   | 0.17 %        | 0.11 %        | 0.06 %        |
| Consumer solar                    | 0.06 %        | 0.09 %        | 0.07 %        |
| Consumer and other                | 0.01 %        | 0.01 %        | 0.01 %        |
| Total loans                       | <u>2.12 %</u> | <u>2.29 %</u> | <u>2.45 %</u> |

|                                   | June 30, 2024  |                                | March 31, 2024   |                                | June 30, 2023  |                                |
|-----------------------------------|--|--------------------------------|--|--------------------------------|--|--------------------------------|
|                                   | Annualized net charge-offs (recoveries) to average loans | ACL to total portfolio balance | Annualized net charge-offs (recoveries) to average loans | ACL to total portfolio balance | Annualized net charge-offs (recoveries) to average loans | ACL to total portfolio balance |
| Commercial and industrial         | 0.32 %   | 1.44 %                         | 0.16 %   | 1.58 %                         | 0.36 %   | 1.77 %                         |
| Multifamily                       | —%   | 0.38 %                         | —%   | 0.38 %                         | —%   | 0.58 %                         |
| Commercial real estate            | —%   | 0.40 %                         | —%   | 0.40 %                         | —%   | 0.69 %                         |
| Construction and land development | —%   | 3.60 %                         | —%   | 3.67 %                         | —%   | 1.13 %                         |
| Residential real estate lending   | (0.18)%  | 0.88 %                         | —%   | 0.87 %                         | (0.01)%  | 1.10 %                         |
| Consumer solar                    | 2.57 %   | 7.00 %                         | 1.67 %   | 6.72 %                         | 0.58 %   | 6.79 %                         |
| Consumer and other                | 0.01 %   | 6.49 %                         | 0.86 %   | 6.36 %                         | 0.96 %   | 6.06 %                         |
| Total loans                       | 0.25 %   | 1.42 %                         | 0.20 %   | 1.46 %                         | 0.14 %   | 1.59 %                         |

### Reconciliation of GAAP to Non-GAAP Financial Measures

The information provided below presents a reconciliation of each of our non-GAAP financial measures to the most directly comparable GAAP financial measure.

| <i>(in thousands)</i>   | As of and for the<br>Three Months Ended |                |               | As of and for the<br>Six Months Ended |               |
|---|---|----------------|---------------|---------------------------------------|---------------|
|   | June 30, 2024                           | March 31, 2024 | June 30, 2023 | June 30, 2024                         | June 30, 2023 |
| <b>Core operating revenue</b>                                       |   |                |               |                                       |               |
| Net Interest income (GAAP)  | \$ 69,192                               | \$ 68,037      | \$ 62,985     | \$ 137,229                            | \$ 130,264    |
| Non-interest income   | 9,258                                   | 10,229         | 7,944         | 19,487                                | 13,150        |
| Add: Securities loss  | 2,691                                   | 2,774          | 267           | 5,465                                 | 3,353         |
| Less: ICS One-Way Sell Fee Income <sup>(1)</sup>                    | (4,859)                                 | (2,903)        | —             | (7,762)                               | —             |
| Less: Subdebt repurchase gain <sup>(2)</sup>                        | (406)                                   | —              | —             | (406)                                 | (780)         |
| Add: Tax (credits) depreciation on solar investments <sup>(3)</sup> | 1,815                                   | (1,808)        | —             | 7                                     | —             |
| Core operating revenue (non-GAAP)                                   | 77,691                                  | 76,329         | 71,196        | 154,020                               | 145,987       |
| <b>Core non-interest expense</b>                                    |   |                |               |                                       |               |
| Non-interest expense (GAAP)   | \$ 39,512                               | \$ 38,152      | \$ 37,529     | \$ 77,664                             | \$ 76,156     |
| Add: Gain on settlement of lease termination <sup>(4)</sup>         | —                                       | 499            | —             | 499                                   | —             |
| Less: Severance costs <sup>(5)</sup>                                | (44)                                    | (184)          | (285)         | (228)                                 | (285)         |
| Core non-interest expense (non-GAAP)                                | 39,468                                  | 38,467         | 37,244        | 77,935                                | 75,871        |
| <b>Core net income</b>  |   |                |               |                                       |               |
| Net Income (GAAP)   | \$ 26,753                               | \$ 27,249      | \$ 21,642     | \$ 54,002                             | \$ 42,977     |
| Add: Securities loss  | 2,691                                   | 2,774          | 267           | 5,465                                 | 3,353         |
| Less: ICS One-Way Sell Fee Income <sup>(1)</sup>                    | (4,859)                                 | (2,903)        | —             | (7,762)                               | —             |
| Less: Gain on settlement of lease termination <sup>(4)</sup>        | —                                       | (499)          | —             | (499)                                 | —             |
| Less: Subdebt repurchase gain <sup>(2)</sup>                        | (406)                                   | —              | —             | (406)                                 | (780)         |
| Add: Severance costs <sup>(5)</sup>                                 | 44                                      | 184            | 285           | 228                                   | 285           |
| Add: Tax (credits) depreciation on solar investments <sup>(3)</sup> | 1,815                                   | (1,808)        | —             | 7                                     | —             |
| Less: Tax on notable items  | 180                                     | 607            | (147)         | 775                                   | (753)         |
| Core net income (non-GAAP)  | 26,218                                  | 25,604         | 22,047        | 51,810                                | 45,082        |
| <b>Tangible common equity</b>                                       |   |                |               |                                       |               |
| Stockholders' equity (GAAP)   | \$ 646,112                              | \$ 616,938     | \$ 528,614    | \$ 646,112                            | \$ 528,614    |
| Less: Minority interest   | (133)                                   | (133)          | (133)         | (133)                                 | (133)         |
| Less: Goodwill  | (12,936)                                | (12,936)       | (12,936)      | (12,936)                              | (12,936)      |
| Less: Core deposit intangible                                       | (1,852)                                 | (2,034)        | (2,661)       | (1,852)                               | (2,661)       |
| Tangible common equity (non-GAAP)                                   | 631,191                                 | 601,835        | 512,884       | 631,191                               | 512,884       |
| <b>Average tangible common equity</b>                               |   |                |               |                                       |               |
| Average stockholders' equity (GAAP)                                 | \$ 623,024                              | \$ 600,759     | \$ 527,599    | \$ 611,892                            | \$ 515,111    |

|  |          |          |          |          |          |
|--|----------|----------|----------|----------|----------|
| Less: Minority interest                          | (133)    | (133)    | (133)    | (133)    | (133)    |
| Less: Goodwill                                   | (12,936) | (12,936) | (12,936) | (12,936) | (12,936) |
| Less: Core deposit intangible                    | (1,941)  | (2,123)  | (2,769)  | (2,032)  | (2,879)  |
| <i>Average tangible common equity (non-GAAP)</i> | 608,014  | 585,567  | 511,761  | 596,791  | 499,163  |

**Core return on average assets**

|  |              |              |              |           |           |
|--|--------------|--------------|--------------|-----------|-----------|
| Denominator: Total average assets (GAAP) | \$ 8,276,016 | \$ 8,076,563 | \$ 7,796,266 | 8,176,290 | 7,808,988 |
| Core return on average assets (non-GAAP) | 1.27 %       | 1.27 %       | 1.13 %       | 1.27 %    | 1.16 %    |

**Core return on average tangible common equity**

|  |            |            |            |         |         |
|--|------------|------------|------------|---------|---------|
| Denominator: Average tangible common equity              | \$ 608,014 | \$ 585,567 | \$ 511,761 | 596,791 | 499,163 |
| Core return on average tangible common equity (non-GAAP) | 17.34 %    | 17.59 %    | 17.28 %    | 17.46 % | 18.21 % |

**Core efficiency ratio**

|   |           |           |           |           |           |
|---|-----------|-----------|-----------|-----------|-----------|
| Numerator: Core non-interest expense (non-GAAP) | \$ 39,468 | \$ 38,467 | \$ 37,244 | \$ 77,935 | \$ 75,871 |
| <i>Core efficiency ratio (non-GAAP)</i>         | 50.80 %   | 50.40 %   | 52.31 %   | 50.60 %   | 51.97 %   |

(1) Included in service charges on deposit accounts in the Consolidated Statements of Income

(2) Included in other income in the Consolidated Statements of Income

(3) Included in equity method investments income in the Consolidated Statements of Income

(4) Included in occupancy and depreciation in the Consolidated Statements of Income

(5) Included in compensation and employee benefits in the Consolidated Statements of Income



Source: Amalgamated Financial Corp.