



## Infinity Bancorp Announces Second Quarter 2025 Financial Results

Press Release – 8/1/2025

SANTA ANA, CA, -- (ACCESS Newswire) – Infinity Bancorp (OTCQB: INFT) (the “Company” or “Bancorp”), the holding company for Infinity Bank (the “Bank”), today announced financial results for the quarter ended, June 30, 2025.

### Financial highlights for the second quarter of 2025:

- Net income was \$1.4 million for the second quarter, a 12.5% increase over the first quarter of 2025
- A dividend of \$0.09 per share was paid to shareholders during the second quarter of 2025
- Total stockholders’ equity increased \$1.4 million from March 31, 2025, and increased \$2.9 million from December 31, 2024
- Net interest margin increased 14 basis points from the quarter ended March 31, 2025
- Earnings per share increased \$0.23 to \$0.83 for the six months ended June 30, 2025

### Loans and Allowance for Credit Losses

Total loans were \$221.4 million at June 30, 2025, compared to \$224.4 million for the first quarter of 2025, a decrease of \$3 million, or (1.34%). When compared to the fourth quarter of 2024, total loans decreased \$5.0 million, or 2.2%. The Bank funded \$31 million in new loans/advances in the second quarter of 2025. The fundings were offset by \$34 million in payoffs, most of which were expected based on the contractual terms of the loans. The decrease in loans caused the Bank’s loan deposit ratio to decrease to 76% as of June 30, 2025, from 77.8% as of March 31, 2025, and from 79.9% from a year ago.

To maintain the Bank’s Allowance for Credit Losses (ACL) at its current level, as a percentage of total loans, the Bank made a crediting adjustment, to the ACL of \$74 thousand during the second quarter of 2025. The Bank did not record any charge-offs or recoveries during the second quarter. During the quarter ended March 31, 2025, the bank recorded \$269 thousand in net charge-offs related to four relationships. At the time of the charge-offs the necessary reserves had already been established in the Bank’s ACL. The Bank’s ACL remained flat when compared to the previous quarter at 1.63% and decreased 9 basis points from June 30, 2024.

Yields on total loans increased to 8.96% during the second quarter of 2025, compared to 8.89% from first quarter of 2025 and decreased from 9.45% in the second quarter, 2024. For the six months ended June 30, 2025, yield on loans decreased to 8.93% compared to 9.42% for the same period in 2024. The loan yields vary based on the mix of loans in the portfolio during the quarter. The decrease in yields from 2024 was due to 100 basis point reduction in the federal funds rates that were approved by the Federal Open Market Committee in the third and fourth quarters of 2024.

### Deposits and Borrowed Funds

Total deposits equaled \$291.2 million at June 30, 2025, an increase of \$2.9 million, or 1.0% from the first quarter of 2025, and an increase of \$6.6 million, or 2.3% from December 31, 2024. Non-interest-bearing demand accounts increased \$14.2 million, or 9.0% to \$172.1 million as of June 30, 2025, and comprise 59.0% of total deposits. Non-interest-bearing demand accounts increased \$21.8 million, or 14.5% when compared to December 31, 2024. Interest-bearing deposits decreased by \$11.3 million, or (8.7%) when compared to first quarter of 2025 and decreased \$15.2 million, or (11.3%) when compared to December 31, 2024. The changes in deposits were generally related to normal shifts in customer deposits.

The \$5 million outstanding balance of Federal Home Loan Bank (FHLB) and other borrowings as of March 31, 2025, and December 31, 2024, matured during the second quarter of 2025, bringing the FHLB and other borrowings balance to zero at June 30, 2025.

The Company’s cost of funds was down to 1.58% for the quarter ended June 30, 2025, compared to 1.73% from the previous linked quarter and down from 2.33% for the same quarter last year. For the six months ended June 30, 2025, the cost of funds decreased to 1.65% from 2.37% for the same period in 2024. Cost of funds decreased in response to decreases in the federal funds rate in 2024 as well as the maturity of FHLB borrowings and brokered deposits over the past year. The FHLB borrowings and brokered deposits had a higher cost of funds.

## **Net-interest Income**

Net-interest income for the second quarter of 2025 was \$4.7 million, a slight increase of \$160 thousand, or 3.5% from the first quarter of 2025 and an increase of \$624 thousand, or 15.4% over the second quarter of 2024. For the six-month ended June 30, 2025, net-interest income was \$9.2 million, an increase of \$1.3 million, or 16.1% from the same period in 2024.

The Company's net interest margin for the second quarter of 2025 was up 14 basis points to 5.93% when compared to first quarter ended March 31, 2025, and up 30 basis points from 5.63% for the comparable period ended June 30, 2024. The net interest margin for the six months ended June 30, 2025, increased to 5.86% compared to 5.45% for the same period in 2024. The increase in the second quarter of 2025 was due to the decrease in rates paid on deposit accounts while the increase as compared to the quarter and six months ended June 30, 2024 was due to a \$16 million increase in total loans as well as the decrease in the cost of funds. The Company's primary source of net-interest income continues to be driven by interest on loans followed by other short-term investments.

## **Non-interest Income**

For the second quarter of 2025, non-interest income totaled \$136 thousand, an increase of \$23 thousand, or 20.4% when compared to the previous quarter and increased \$53 thousand, or 63.9% from same period in 2024. For the six-month ended June 30, 2025, non-interest income totaled \$249 thousand, up \$83 thousand, or 50% from linked period in 2024. Non-interest income continues to be driven primarily by fees on loans and deposit accounts.

## **Non-interest Expense**

For the second quarter of 2025, non-interest expense totaled \$2.9 million, an increase of \$252 thousand, or 9.4% from the first quarter of 2025 and an increase of \$444 thousand, or 17.9% when compared to same quarter in 2024. For the six-month ended June 30, 2025, non-interest expense increased \$766 thousand, or 15.9%, to \$5.6 million from linked period in 2024. The increases were driven primarily by an increase in salaries and employee benefits and other expenses. The increases in salaries and employee benefits are tied to and driven by the Company's continued growth and other performance indicators. In addition, as inflation continues to increase costs for our third-party vendors and service providers, the Company's costs are expected to rise as well. The Company's efficiency ratio equaled to 60.7% for the quarter ended June 30, 2025, compared to 57.7% at March 31, 2025, and 59.9% for the same quarter in 2024. The efficiency ratio for the six months ended June 30, 2025, was 59.2% compared to 59.7% for the same period in 2024.

## **Net Income**

For the second quarter of 2025 the Company's net income increased \$153 thousand to \$1.4 million, or \$0.44 basic earnings per share compared to \$1.2 million, or \$0.39 basic earnings per share for the first quarter of 2025. When compared to the second quarter of 2024, profitability increased \$471 thousand, from \$903 thousand, or \$0.30 basic earnings per share. For the six months ended June 30, 2025, net income increased \$872 thousand, \$0.83 basic earnings per share, compared \$1.7 million, or \$0.60 basic earnings per share for the first six months of 2024. The increase in profitability is directly tied to the increases in net interest margin as discussed above.

The return on average assets increased 17 basis points to 1.71% for the second quarter of 2025 as compared to 1.54% for the first quarter of 2025 and increased 48 basis points from 1.23% for the second quarter of 2024. For the six months ended June 30, 2024, the return on average assets increased 47 basis points to 1.63% from 1.16% for the same period in 2024.

The return on average equity for the second quarter of 2025 was 14.13%, up 93 basis points from 13.20% for the first quarter of 2025 and increased 297 basis points from 11.16% for the second quarter of 2024. For the six months ended June 30, 2025, the return on average equity increased 285 basis points to 13.55% from 10.70% for the same period in 2024.

## **Capital Management and Subsequent Event**

The Company continues to be well-capitalized and exceeds minimum regulatory requirement ratios with a tier 1 leverage ratio of 12.69%, tier 1 risk-based capital ratio of 16.67%, and a total risk-based capital ratio of 19.53%.

On July 31, 2025, the Company declared a \$0.09 cash dividend to shareholders of record as of August 14, 2025, payable on August 28, 2025.

The book value of the Company's common stock was \$12.68 as of June 30, 2025, up from \$12.24 as of March 31, 2025, and up from \$10.95 at June 30, 2024. The increase in the book value of the Company's common stock is primarily related to the additional income recorded in the quarter and six months ended June 30, 2025 as well as the continued decrease in the unrealized loss on investment securities. The investment portfolio consists entirely of government agency or government sponsored enterprise securities and therefore, the risk of incurring an actual loss is unmeasurably low. Although the Company holds its investment securities ("securities") as available

for sale, we do not have the intent to sell any securities at this time. These securities are pledged to the Federal Home Loan Bank and provide the Company with liquidity by allowing us to borrow approximately 95% of the fair market value of the portfolio. Also, the securities are amortizing which provides the Company with additional liquidity of approximately \$650 thousand in monthly payments that are reinvested in higher yielding assets. As of June 30, 2025, the portfolio has an average life of 2.7 years.

## ABOUT INFINITY BANCORP AND INFINITY BANK

Infinity Bank is the sole subsidiary of Infinity Bancorp. Infinity Bancorp, formed on October 21, 2022, is the bank holding company for Infinity Bank. The Bancorp does not have any operations other than through its sole subsidiary, Infinity Bank. The Bank is a community bank that commenced operations in February 2018. The Bank is focused on serving the banking needs of commercial businesses, professional service entities, their owners, employees, and families. The Bank offers a broad selection of depository products and services as well as business loan and commercial real estate financing products uniquely designed for each client. For more information about Infinity Bank and its services, please visit the website at [www.infinity.bank](http://www.infinity.bank)

This news release contains a number of forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These statements may be identified by use of words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "likely," "may," "outlook," "plan," "potential," "predict," "project," "should," "will," "would" and similar terms and phrases, including references to assumptions. Forward-looking statements are based upon various assumptions and analyses made by the Bancorp (which includes the Bank) considering management's experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate under the circumstances. These statements are not guaranteeing future performance and are subject to risks, uncertainties, and other factors (many of which are beyond the Bancorp's control) that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Accordingly, you should not place undue reliance on such statements. Factors that could affect the Bancorp's results include, without limitation, the following: the timing and occurrence or non-occurrence of events may be subject to circumstances beyond the Bancorp's control; there may be increases in competitive pressure among financial institutions or from non-financial institutions; changes in the interest rate environment may reduce interest margins; changes in deposit flows, loan demand or real estate values may adversely affect the business of the Bancorp; unanticipated or significant increases in loan losses; changes in accounting principles, policies or guidelines may cause the Bancorp's financial condition to be perceived differently; changes in corporate and/or individual income tax laws may adversely affect the Bancorp's financial condition or results of operations; general economic conditions, either nationally or locally in some or all areas in which the Bancorp conducts business, or conditions in the securities markets or the banking industry may be less favorable than the Bancorp currently anticipates; legislation or regulatory changes may adversely affect the Bancorp's business; technological changes may be more difficult or expensive than the Bancorp anticipates; there may be failures or breaches of information technology security systems; success or consummation of new business initiatives may be more difficult or expensive than the Bancorp anticipates; or litigation or other matters before regulatory agencies, whether currently existing or commencing in the future, may delay the occurrence or non-occurrence of events longer than the Bancorp anticipates.



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**INFINITY BANCORP**  
**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION**  
**(Dollars in thousands)**

		June 30, 2025		March 31, 2025		December 31, 2024
<b>ASSETS:</b>						
Cash and due from banks		\$ 81,731		\$ 79,001		\$ 69,057
Securities available for sale		31,386		33,085		34,947
Total Loans		221,352		224,361		226,305
Allowance for credit losses		(3,609)		(3,682)		(3,702)
Net Loans		217,743		220,679		222,603
Premises and equipment, net		1,210		1,260		1,307
Other assets		5,004		4,647		4,753
<b>TOTAL ASSETS</b>		<b>\$ 337,074</b>		<b>\$ 338,672</b>		<b>\$ 332,667</b>
<b>LIABILITIES</b>						
Deposits:						
Non-interest bearing		\$ 172,137		\$ 157,945		\$ 150,336
Interest bearing		118,984		130,265		134,156
Time certificates of deposit		50		50		50
Total deposits		291,171		288,260		284,542
Other liabilities		2,226		3,130		2,363
FHLB and other borrowings		-		5,000		5,000
Subordinated debt		3,975		3,970		3,965
<b>TOTAL LIABILITIES</b>		<b>297,372</b>		<b>300,360</b>		<b>295,870</b>
Stockholders' Equity:						
Common stock		33,598		33,569		33,437
Retained earnings (Accumulated deficit)		5,520		5,801		2,142
Net income		2,595		1,221		3,877
Accumulated other comprehensive gain (loss)		(2,011)		(2,279)		(2,659)
<b>TOTAL STOCKHOLDERS' EQUITY</b>		<b>39,702</b>		<b>38,312</b>		<b>36,797</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>		<b>\$ 337,074</b>		<b>\$ 338,672</b>		<b>\$ 332,667</b>

**INFINITY BANCORP**  
**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION**  
(Dollars in thousands)

	For the Three Months Ended			For the Six Months Ended	
	June 30, 2025	March 31, 2025	June 30, 2024	June 30, 2025	June 30, 2024
<b>Interest Income:</b>					
Loans	\$ 4,993	\$ 4,980	\$ 4,792	\$ 9,973	\$ 9,326
Investment securities	129	133	146	262	301
Other short-term investments	669	610	631	1,279	1,431
<b>Total interest income</b>	<b>5,791</b>	<b>5,723</b>	<b>5,569</b>	<b>11,514</b>	<b>11,058</b>
<b>Interest expense:</b>					
Deposits	1,002	1,094	1,235	2,096	2,485
Borrowed funds	106	106	275	212	646
<b>Total interest expense</b>	<b>1,108</b>	<b>1,200</b>	<b>1,510</b>	<b>2,308</b>	<b>3,131</b>
<b>Net interest income</b>	<b>4,683</b>	<b>4,523</b>	<b>4,059</b>	<b>9,206</b>	<b>7,927</b>
<b>Provision for credit losses</b>	<b>(74)</b>	<b>220</b>	<b>342</b>	<b>146</b>	<b>712</b>
<b>Net interest income after provision for credit losses</b>	<b>4,757</b>	<b>4,303</b>	<b>3,717</b>	<b>9,060</b>	<b>7,215</b>
<b>Non-interest income:</b>					
Service charges	83	69	49	152	95
Other income	53	44	34	97	71
<b>Total non-interest income</b>	<b>136</b>	<b>113</b>	<b>83</b>	<b>249</b>	<b>166</b>
<b>Non-interest expense:</b>					
Salaries and employee benefits	2,138	2,000	1,779	4,138	3,550
Occupancy	61	61	68	122	128
Furniture, fixture & equipment	41	36	43	77	81
Data processing	153	130	148	283	267
Professional & legal	128	148	175	276	280
Marketing	59	62	(1)	121	59
Other expense	345	236	269	581	467
<b>Total non-interest expense</b>	<b>2,925</b>	<b>2,673</b>	<b>2,481</b>	<b>5,598</b>	<b>4,832</b>
<b>Income before taxes</b>	<b>1,968</b>	<b>1,743</b>	<b>1,319</b>	<b>3,711</b>	<b>2,549</b>
<b>Income tax expense</b>	<b>594</b>	<b>522</b>	<b>416</b>	<b>1,116</b>	<b>826</b>
<b>Net Income</b>	<b>\$ 1,374</b>	<b>\$ 1,221</b>	<b>\$ 903</b>	<b>\$ 2,595</b>	<b>\$ 1,723</b>
<b>Earnings per share ("EPS"): Basic</b>	<b>\$ 0.44</b>	<b>\$ 0.39</b>	<b>\$ 0.30</b>	<b>\$ 0.83</b>	<b>\$ 0.60</b>
<b>Earnings per share ("EPS"): Dilutive</b>	<b>\$ 0.43</b>	<b>\$ 0.39</b>	<b>\$ 0.30</b>	<b>\$ 0.83</b>	<b>\$ 0.60</b>
<b>Common shares outstanding</b>	<b>3,131,015</b>	<b>3,131,015</b>	<b>3,114,586</b>	<b>3,131,015</b>	<b>3,114,586</b>

**INFINITY BANCORP**  
**UNAUDITED CONSOLIDATED FINANCIAL HIGHLIGHTS**

	At and For the Three Months Ended				At and For the Six Months Ended		
	June 30, 2025		March 31, 2025		June 30, 2024		June 30, 2024
<b>Performance Ratios:</b>							
Net interest margin	5.93%		5.79%		5.63%		5.45%
Cost of funds	1.58%		1.73%		2.33%		2.37%
Loan to deposit ratio	76.02%		77.83%		79.89%		79.89%
Yield on total loans	8.96%		8.89%		9.45%		9.42%
Return on average assets	1.71%		1.54%		1.23%		1.16%
Return on average equity	14.13%		13.20%		11.16%		10.70%
Efficiency ratio	60.70%		57.66%		59.90%		59.71%
Book value of common stock	\$ 12.68		\$ 12.24		\$ 10.95		
<b>Asset Quality Summary:</b>							
Allowance for credit losses/Total loans	1.63%		1.64%		1.72%		1.72%
<b>Capital Ratios:</b>							
Tier 1 risk-based capital ratio	16.67%		15.68%		15.09%		15.09%
Total risk-based capital ratio	19.53%		18.49%		17.94%		17.94%
Tier 1 leverage ratio	12.69%		12.23%		12.40%		12.40%