



Infinity Bancorp Announces Third Quarter 2025 Financial Results

Press Release – 11/5/2025

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, September 30, 2025.

Financial highlights for the third quarter of 2025:

- Net income was \$1.5 million for the third quarter, an 8.0% increase over the second quarter of 2025
- A dividend of \$0.09 per share was paid to shareholders during the third quarter of 2025
- Total deposits increased \$34.3 million from June 30, 2025
- Total stockholders’ equity increased \$1.4 million from September 30, 2025, and \$4.3 million from December 31, 2024
- Cost of funds decreased 17 basis points from the quarter ended June 30, 2025
- Earnings per share increased \$0.42 to \$1.30 for the nine months ending September 30, 2025 when compared to the same period in 2024

Loans and Allowance for Credit Losses

Total loans were \$214.4 million at September 30, 2025, compared to \$221.4 million for the second quarter of 2025, a decrease of \$7 million, or (3.15%). When compared to December 31, 2024, total loans decreased \$11.9 million, or (5.27%). The Bank funded \$27.8 million in new loans/advances in the third quarter of 2025. The fundings were offset by \$34.8 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 65.9% as of September 30, 2025, from 76.0% as of June 30, 2025, and from 79.1% 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 did not record a provision during the third quarter and 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 or third quarters. During the nine months ending September 30, 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 at 1.68% increased slightly when compared to the previous quarter at 1.63% and decreased 4 basis points from September 30, 2024.

Yields on total loans decreased to 8.92% during the third quarter of 2025, compared to 8.96% from second quarter of 2025 and decreased from 9.30% in the third quarter, 2024. For the nine months ending September 30, 2025, yield on loans decreased to 8.92% compared to 9.38% for the same period in 2024. The decrease in yields was due to 25 basis point reduction and 100 basis point reduction in the federal funds rates during the combined periods of the third quarter of 2025 and the third and fourth quarters of 2024.

Deposits and Borrowed Funds

Total deposits equaled \$325.5 million at September 30, 2025, an increase of \$34.3 million, or 11.8% from the second quarter of 2025, and an increase of \$41.0 million, or 14.4% from December 31, 2024. Non-interest-bearing demand accounts increased \$26.3 million, or 15.3% to \$198.4 million as of September 30, 2025, and comprise 61.0% of total deposits. Non-interest-bearing demand accounts increased \$48.1 million, or 32.0% when compared to December 31, 2024. Interest-bearing deposits increased by \$8.0 million, or 6.8% when compared to second quarter of 2025 and decreased \$7.1 million, or (5.3%) when compared to December 31, 2024. The changes in deposits were generally related to an increase in our number of customers as well as an increase in balances for our existing customers.

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

The Company’s cost of funds was down to 1.41% for the quarter ending September 30, 2025, compared to 1.58% from the previous linked quarter and down from 2.08% for the same quarter last year. For the nine months ending September 30, 2025, the cost of funds decreased to 1.57% from 2.29% for the same period in 2024. Cost of funds decreased in response to decreases in the federal funds rate in 2024 and 2025 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 third quarter of 2025 was \$4.9 million, an increase of \$260 thousand, or 5.6% from the second quarter of 2025 and an increase of \$623 thousand, or 14.4% over the third quarter of 2024. For the nine months ending September 30, 2025, net-interest income was \$14.1 million, an increase of \$1.9 million, or 15.5% from the same period in 2024.

The Company's net interest margin for the third quarter of 2025 was up 5 basis points to 5.98% when compared to second quarter ending June 30, 2025, and up 18 basis points from 5.80% for the comparable period ended September 30, 2024. The net interest margin for the nine months ended September 30, 2025, increased to 5.84% compared to 5.57% for the same period in 2024. The increase in the third quarter was due to the change in the deposit mix between interest and non-interest bearing accounts as well as the payoff of FHLB borrowings at the end of the second quarter. The increase when compared to the quarter and nine months ended September 30, 2024 was due to the decrease in the cost of funds as discussed above. 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 third quarter of 2025, non-interest income totaled \$143 thousand, an increase of \$7 thousand, or 5.1% when compared to the previous quarter and increased \$44 thousand, or 44.4% from same period in 2024. For the nine months ending September 30, 2025, non-interest income totaled \$392 thousand, up \$127 thousand, or 47.9% 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 third quarter of 2025, non-interest expense totaled \$3.0 million, an increase of \$36 thousand, or 1.2% from the second quarter of 2025 and an increase of \$446 thousand, or 17.7% when compared to same quarter in 2024. For the nine-months ending September 30, 2025, non-interest expense increased \$1.2 million, or 16.5%, to \$8.6 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 was 58.2% for the quarter ended September 30, 2025, compared to 60.7% at June 30, 2025, and 56.9% for the same quarter in 2024. The efficiency ratio for the nine months ending September 30, 2025, was 58.9% compared to 58.7% for the same period in 2024.

Net Income

For the third quarter of 2025 the Company's net income increased \$110 thousand to \$1.5 million, or \$0.47 basic earnings per share compared to \$1.4 million, or \$0.44 basic earnings per share for the second quarter of 2025. When compared to the third quarter of 2024, profitability increased \$605 thousand, from \$879 thousand, or \$0.28 basic earnings per share. For the nine months ending September 30, 2025, net income increased \$1.5 million, \$1.30 basic earnings per share, compared to \$2.6 million, or \$0.88 basic earnings per share for the first nine 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 remained flat at 1.71% for the second and third quarters of 2025 and increased 55 basis points from 1.16% for the third quarter of 2024. For the nine months ending September 30, 2024, the return on average assets increased 50 basis points to 1.66% from 1.16% for the same period in 2024.

The return on average equity for the third quarter of 2025 was 14.57%, up 44 basis points from 14.13% for the second quarter of 2025 and increased to 458 basis points from 9.99% for the third quarter of 2024. For the nine months ending September 30, 2025, the return on average equity increased 311 basis points to 13.99% from 10.88% 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 12.21%, tier 1 risk-based capital ratio of 16.49%, and a total risk-based capital ratio of 19.29%.

On October 29, 2025, the Company declared a \$0.09 cash dividend to shareholders of record as of November 13, 2025, payable on November 28, 2025.

The book value of the Company's common stock was \$13.13 as of September 30, 2025, up from \$12.68 as of June 30, 2025, and up from \$11.50 at September 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 nine months ending September 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 currently. 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 September 30, 2025, the portfolio has an average life of 2.6 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

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)

	September 30, 2025	June 30, 2025	December 31, 2024
ASSETS:			
Cash and due from banks	\$ 127,577	\$ 81,731	\$ 69,057
Securities available for sale	28,718	31,386	34,947
Total Loans	214,384	221,352	226,305
Allowance for credit losses	(3,609)	(3,609)	(3,702)
Net Loans	210,775	217,743	222,603
Premises and equipment, net	1,185	1,210	1,307
Other assets	4,465	5,004	4,753
TOTAL ASSETS	\$ 372,720	\$ 337,074	\$ 332,667
LIABILITIES			
Deposits:			
Non-interest bearing	\$ 198,424	\$ 172,137	\$ 150,336
Interest bearing	127,029	118,984	134,156
Time certificates of deposit	50	50	50
Total deposits	325,503	291,171	284,542
Other liabilities	2,184	2,226	2,363
FHLB and other borrowings	-	-	5,000
Subordinated debt	3,980	3,975	3,965
TOTAL LIABILITIES	331,667	297,372	295,870
Stockholders' Equity:			
Common stock	33,464	33,598	33,437
Retained earnings (Accumulated deficit)	5,238	5,520	2,142
Net income	4,079	2,595	3,877
Accumulated other comprehensive gain (loss)	(1,728)	(2,011)	(2,659)
TOTAL STOCKHOLDERS' EQUITY	41,053	39,702	36,797
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 372,720	\$ 337,074	\$ 332,667

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

	For the Three Months Ended			For the Nine Months Ended	
	September 30, 2025	June 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Interest Income:					
Loans	\$ 4,895	\$ 4,993	\$ 4,895	\$ 14,868	\$ 14,221
Investment securities	123	129	142	385	443
Other short-term investments	995	669	664	2,274	2,095
Total interest income	6,013	5,791	5,701	17,527	16,759
Interest expense:					
Deposits	1,023	1,002	1,208	3,119	3,693
Borrowed funds	47	106	173	259	818
Total interest expense	1,070	1,108	1,381	3,378	4,511
Net interest income	4,943	4,683	4,320	14,149	12,248
Provision for credit losses	-	(74)	641	146	1,353
Net interest income after provision for credit losses	4,943	4,757	3,679	14,003	10,895
Non-interest income:					
Service charges	91	83	52	243	147
Other income	52	53	47	149	118
Total non-interest income	143	136	99	392	265
Non-interest expense:					
Salaries and employee benefits	2,151	2,138	1,835	6,289	5,385
Occupancy	61	61	62	183	190
Furniture, fixture & equipment	37	41	42	114	123
Data processing	142	153	144	425	411
Professional & legal	161	128	142	437	423
Marketing	100	59	65	221	183
Other expense	309	345	225	890	633
Total non-interest expense	2,961	2,925	2,515	8,559	7,348
Income before taxes	2,125	1,968	1,263	5,836	3,812
Income tax expense	641	594	384	1,757	1,210
Net Income	\$ 1,484	\$ 1,374	\$ 879	\$ 4,079	\$ 2,602
Earnings per share ("EPS"): Basic	\$ 0.47	\$ 0.44	\$ 0.28	\$ 1.30	\$ 0.88
Earnings per share ("EPS"): Dilutive	\$ 0.44	\$ 0.43	\$ 0.28	\$ 1.25	\$ 0.88
Common shares outstanding	3,127,641	3,131,015	3,121,015	3,127,641	3,121,015

INFINITY BANCORP
UNAUDITED CONSOLIDATED FINANCIAL HIGHLIGHTS

	At and For the Three Months Ended				At and For the Nine Months Ended	
	September 30, 2025		June 30, 2025		September 30, 2025	September 30, 2024
Performance Ratios:						
Net interest margin	5.98%		5.93%		5.84%	5.57%
Cost of funds	1.41%		1.58%		1.57%	2.29%
Loan to deposit ratio	65.86%		76.02%		65.86%	79.11%
Yield on total loans	8.92%		8.96%		8.92%	9.38%
Return on average assets	1.71%		1.71%		1.66%	1.16%
Return on average equity	14.57%		14.13%		13.99%	10.88%
Efficiency ratio	58.22%		60.70%		58.86%	58.72%
Book value of common stock	\$ 13.13		\$ 12.68		\$ 11.50	
Asset Quality Summary:						
Allowance for credit losses/Total loans	1.68%		1.63%		1.68%	1.72%
Capital Ratios:						
Tier 1 risk-based capital ratio	16.49%		16.67%		16.49%	14.60%
Total risk-based capital ratio	19.29%		19.53%		19.29%	17.37%
Tier 1 leverage ratio	12.21%		12.69%		12.21%	12.38%