

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

FORM 10-K

(Mark One)

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2025.
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _____ to _____
Commission File No. 001-16197

PEAPACK-GLADSTONE FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

New Jersey
(State or other jurisdiction of
incorporation or organization)
500 Hills Drive, Suite 300
Bedminster, NJ
(Address of principal executive offices)

22-3537895
(I.R.S. Employer
Identification No.)

07921
(Zip Code)

Registrant's telephone number: (908) 234-0700

Securities registered pursuant to Section 12(b) of the Act:

| Title of Each Class | Trading Symbol (s) | Name of Exchange on which Registered |
|----------------------------|--------------------|--------------------------------------|
| Common Stock, No par value | PGC | NASDAQ Stock Market, LLC |

Securities registered pursuant to Section 12(g) of the Act:

NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No .

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No .

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

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

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

| | | | |
|-------------------------|--------------------------|---------------------------|-------------------------------------|
| Large accelerated filer | <input type="checkbox"/> | Accelerated filer | <input checked="" type="checkbox"/> |
| Non-accelerated filer | <input type="checkbox"/> | Smaller reporting company | <input type="checkbox"/> |
| Emerging growth company | <input type="checkbox"/> | | |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

The aggregate market value of the shares held by unaffiliated stockholders was approximately \$464 million on June 30, 2025.

As of March 3, 2026, 17,570,625 shares of no par value Common Stock were outstanding.

Auditor Firm Id: 173 Auditor Name: Crowe LLP Auditor Location: Livingston, New Jersey USA

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Company's Definitive Proxy Statement for the Company's 2026 Annual Meeting of Shareholders (the "2026 Proxy Statement") are incorporated by reference into Part III. The Company expects to file the 2026 Proxy Statement within 120 days of December 31, 2025.

FORM 10-K
PEAPACK-GLADSTONE FINANCIAL CORPORATION
For the Year Ended December 31, 2025
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PART I

Item 1. BUSINESS

The disclosures set forth in this Form 10-K are qualified by Item 1A-Risk Factors and the section captioned "Cautionary Statement Concerning Forward-Looking Statements" in Item 7-Management's Discussion and Analysis of Financial Condition and Results of Operations of this report and other cautionary statements set forth elsewhere in this report and filed by us from time to time with the Securities and Exchange Commission. The terms "Peapack," the "Company," "we," "our" and "us" refer to Peapack-Gladstone Financial Corporation and its wholly-owned subsidiaries unless otherwise indicated or the context requires otherwise.

The Corporation

Peapack-Gladstone Financial Corporation (the "Company") is a bank holding company registered under the Bank Holding Company Act of 1956, as amended (the "Bank Holding Company Act"). The Company was organized under New Jersey law in 1997. Peapack-Gladstone Bank, which changed its name to Peapack Private Bank & Trust effective January 1, 2025 ("Peapack Private"), is a state-chartered commercial bank founded in 1921 under New Jersey laws, is its principal subsidiary. The Bank is a member of the Federal Reserve System. Through its branch network in Somerset, Morris, Hunterdon and Union counties and its private banking locations in Bedminster, Morristown, Princeton and Teaneck, New Jersey and in New York City and Long Island and its private wealth management, commercial private banking, retail private banking and residential lending divisions, along with its online platforms, Peapack Private is committed to offering unparalleled client service.

Our wealth management clients include individuals, families, foundations, endowments, trusts and estates. Our commercial loan clients include business owners, professionals, retailers, contractors and real estate investors. Most forms of commercial lending are offered, including working capital lines of credit, term loans for fixed asset acquisitions, commercial mortgages, multifamily mortgages and other forms of asset-based financing.

In addition to commercial lending activities, we offer a wide range of consumer banking services, including checking and savings accounts, money market and interest-bearing checking accounts, certificates of deposit, and individual retirement accounts. We also offer residential mortgages, home equity lines of credit and other second mortgage loans. Automated teller machines are available at 17 locations. Internet banking, including an online bill payment option and mobile phone banking, is also available.

Available Information

Peapack-Gladstone Financial Corporation is a public company, and files interim, quarterly and annual reports with the Securities and Exchange Commission (the "SEC"). These reports and any amendments to these reports are available for free on the SEC's website, www.sec.gov, and on our website, www.peapackprivate.com, as soon as reasonably practical after they have been filed with or furnished to the SEC. Information on our website should not be considered a part of this Annual Report on Form 10-K.

Human Capital Resources

We believe our employees are our most important resource and are critical to our success and ability to provide outstanding service to our clients. As of December 31, 2025, we had 682 full-time and part-time employees, with 278 at our corporate headquarters, 152 in our New York offices, 85 in our branch offices and 167 in other locations. We believe that we have good relationships with all of our employees.

Hiring and Promotion

We look to hire staff internally for positions whenever possible. When this is not the case, we source candidates from multiple avenues, including referrals, and utilize online platforms such as LinkedIn, Indeed, Monster, eQuest, the New Jersey Department of Labor website and our own corporate website. We also post advertisements at our branch locations, participate in external career fairs, and reach out to local community organizations to promote open positions. Additionally, we meet with local colleges and host career workshops for students to further develop our talent pool. This approach has improved our brand awareness in the community and our ability to diversify our employee base.

Talent Development

Continuous development and career growth of our employees is a primary focus. We conduct regular talent reviews for the purpose of internal mobility and succession planning. In addition to regulatory training, we offer ethics and subject matter training regularly. On an annual basis, we offer career development, performance enhancement and leadership development opportunities. Practical, experience-based learning opportunities are also available on an individualized basis. We maintain a mentorship program and a company-wide recognition program in which all employees can participate. Our President and CEO hosts a monthly company update accessible to all employees. Tuition reimbursement, up to \$10,000 annually, is offered to full-time employees after completion of one year of employment and successful course completion.

We conduct an annual employee engagement survey by utilizing the American Banker "Best Banks to Work for Survey," a third-party survey that collects employee feedback on areas that include, but are not limited to, leadership, corporate culture and communications, training and development resources, satisfaction, pay and benefits and overall engagement. We also participate annually in the Crain's Best Places to Work in NYC survey which assesses similar areas. We review the detailed results from both surveys to identify areas to improve. We invite all employees to participate and continue to receive high levels of survey participation. Based on our survey results, we have been awarded recognition as one of American Banker's "Best Banks to Work For" for the previous eight years (2018-2025), and recognition from Crain's as a Best Place to Work in NYC for the second consecutive year (2024 and 2025).

Diversity, Equity and Inclusion

We are an employer that supports diversity, equity and inclusion in our workplace. Our strategy focuses on hiring qualified individuals that are representative of the communities in which we serve, as well as improving diversity representation in our senior roles. We have dedicated actions to cultivating a more diverse, inclusive workforce, with a focus on brand awareness and recruitment, cultural awareness, and enhancing the development opportunities for all employees.

Our Cultural Ambassador Committee, established in 2019, consists of non-executive employees and is sponsored by our CEO, Chief Human Resource Officer and our President of Commercial Banking. The Committee was created to sustain and evolve our corporate culture through ongoing communication, appreciation, engagement and advocacy of our core principles, including inclusion and volunteerism. We have seven employee groups, focusing on areas such as wellness, the environment, volunteerism, and diversity and inclusion.

Additionally, we maintain an Anti-Discrimination and Harassment Policy as well as a workplace harassment training course which must be completed annually by all employees.

Employee Health and Safety

The safety, health and well-being of our employees and clients is extremely important to us. Employees are provided with workplace flexibility when needed to assist them with managing personal matters. This enables employees to continue to be connected and productive while operating remotely. Virtual meeting and work management productivity tools continue to be utilized to maintain a safe and productive work environment.

Compensation and Benefits

We seek to attract, motivate and retain the best talent in a competitive marketplace by offering a desirable compensation and benefits package. Compensation includes a competitive salary, and for eligible positions, annual incentives or cash bonuses and participation in long-term incentive awards as well as an opportunity to participate in our discounted employee stock purchase plan.

Work/life balance is an important part of our culture, and in support of this, we offer a broad list of benefits for eligible employees, which includes a comprehensive suite of health insurance benefits, paid time off, maternity and paternity leave, employee assistance programs, retirement planning and 401(k) Plan participation with a generous company match. Wellness programs are deeply embedded in our culture and other ancillary benefits such as pet insurance, identity protection coverage and supplemental insurance are provided.

Community Involvement

We actively reinvest in our communities with the greatest needs. We encourage volunteerism, supporting organizations valued by our employees and our clients. Our employees are generous with their time in their support of local organizations. In 2025, our employees performed over 1,500 hours of service and we provided \$941,000 of financial support to more than 320 charitable organizations. We are proud to be known and recognized locally and nationally for our community involvement.

Peapack Private Bank & Trust Wealth Management Division

The Wealth Management Division is a New Jersey-chartered trust and investment business that had \$13.1 billion of assets under management and/or administration as of December 31, 2025. It is headquartered in Bedminster, New Jersey with additional wealth management locations throughout New Jersey in Morristown, Princeton, Red Bank, Summit and Teaneck, and in New York City and Long Island, as well as at the Bank's subsidiary, PGB Trust & Investments of Delaware, in Greenville, Delaware. The wealth management division is known for its integrity, client service and broad range of fiduciary, investment management and tax services, designed specifically to meet the needs of high net-worth individuals, families, foundations and endowments.

Our wealth management business differentiates us from our competition and adds significant value. We intend to grow this business further, both in and around our market, through our existing wealth, loan and depository client base; our innovative private banking service model, which utilizes private bankers working together to provide fully integrated client solutions; and potential acquisitions of complimentary wealth management businesses. Throughout the wealth management division and all other business lines, we will continue to provide the unparalleled personalized, high-touch service our valued clients have come to expect.

Our Markets

Our current market is defined as the New Jersey, New York, and Pennsylvania metropolitan statistical area, with our primary market areas being in New Jersey and New York. According to estimates from the United States Census Bureau, as of 2020-2024, New Jersey had a total population exceeding 9.5 million and a median household income of \$103,556, and Somerset County, where we are headquartered, is one of the wealthiest counties in New Jersey, with a median household income of \$140,374, compared to a New York City median household income of \$80,483 and a U.S. median household income of \$80,734. We believe that these markets have economic and competitive dynamics that are consistent with our objectives and favorable to executing our growth strategy.

Competition

We operate in a market area with a high concentration of banking and financial institutions and we face substantial competition in attracting deposits and in originating loans and leases. A number of our competitors are significantly larger institutions with greater financial and managerial resources and lending limits. Our ability to compete successfully is a significant factor affecting our growth potential and profitability.

Our competition for deposits, loans and leases historically has come from other insured financial institutions such as local and regional commercial banks, savings institutions, leasing companies and credit unions located in our primary market area. We also compete with mortgage banking and finance companies for real estate loans and with commercial banks, savings institutions and credit unions for consumer loans. We also face direct competition for wealth and advisory services from registered investment advisory firms and investment management companies.

Our Business Strategy

In 2022, we initiated the "Refining Our Strategy" phase of our Strategic Plan, a natural evolution of the groundwork set forth in 2013. Following the successful execution of the "Expanding Our Reach" strategy, we recognized refinements were necessary in response to several industry headwinds, including:

- Margin and earnings pressure driven by changes in the yield curve and broader interest rate environment, including elevated funding costs and competitive pricing, along with increasing competition from digital bank and financial technology solutions;

- Ongoing investment in compliance, risk management, and cybersecurity to meeting evolving expectations and manage operational risk, including continued focus on efficiency as the regulatory environment for smaller banks evolves;
- The continued shift in customer behavior toward digital channels and faster payments, requiring ongoing investment in technology while maintaining high service levels; and
- Increased competition for talent and clients, heightening the importance of service differentiation and relationship depth to maintain and grow market share.

These dynamics reinforced the importance of our deposit-led, relationship-driven private banking model and the need to continue diversifying revenue streams.

The major bank failures in early 2023 further heightened awareness around liquidity, funding stability and balance sheet management, and intensified competition for core funding. In response, we reinforced our relationship-based model and focused on disciplined balance sheet and funding execution. Our emphasis on primary operating accounts and deep client relationships strengthened our funding profile and enhanced the resiliency of our balance sheet.

In 2024, we expanded across Metropolitan New York by adding experienced private banking teams and strengthening key control and support functions, which drove strong performance and validated our expansion strategy. Effective January 1, 2025, we rebranded the Bank as Peapack Private Bank & Trust to better align our brand with our strategic vision and private banking model.

Throughout 2025, we continued to build momentum enabling us to hire additional teams and expand throughout the greater Metropolitan New York area, including Westchester and Long Island, while also opening our New York City flagship financial center in April 2025. We also strengthened our commercial real estate platform through key hires, expanded our equipment finance capabilities, and continued to invest in wealth management to support our expanding footprint. This execution has transformed our balance sheet and strengthened our funding profile through meaningful growth in core relationship deposits and an improved funding mix, while supporting disciplined lending, margin expansion, and positive operating leverage.

With a single point-of-contact model and high-touch service, we believe we have established Peapack Private Bank & Trust as the boutique alternative to large banks in the Metropolitan New York region, and we enter 2026 with strong momentum and a scalable foundation for continued, more profitable growth over time.

The key elements of our business strategy include:

- Maintaining and expanding a robust wealth management business that provides a diversified and stable source of recurring revenue over time, through organic growth and opportunistically through strategic acquisitions;
- Emphasizing commercial banking through experienced private bankers who deliver high-touch client service through an advice-based approach encompassing corporate and industrial (“C&I”) lending (including equipment financing), wealth management, treasury management and depository services, electronic banking, commercial real estate lending, and corporate advisory services;
- Advancing technology, data and the responsible use of artificial intelligence (“AI”) to enhance the client experience through more timely, consistent and personalized service across delivery channels, including digital banking and payments capabilities;
- Leveraging AI, analytics and automation to improve operating efficiency and support risk management by streamlining workflows, enhancing monitoring and reporting, and enabling employees to devote more time to higher-value, client-facing activities;
- Operating under a unified “One Company” culture focused on high-touch client service, informed by hospitality standards and delivered by experienced industry professionals, and continuously evaluated through Net Promoter Score surveys;
- Growing core relationship-based deposits through disciplined deposit gathering processes and a highly efficient financial center network designed to support relationship depth rather than transactional volume;
- Maintaining a strong balance sheet and a measured approach to prudently deploy capital;

- Continuing measured expansion of our footprint to include areas that naturally fit with our geography and/or business model;
- Upholding robust risk management processes, including, active loan portfolio, capital, liquidity, and interest rate risk stress testing; and
- Demonstrating a strong commitment to communities which we serve through community engagement and service.

Governmental Policies and Legislation

The banking industry is highly regulated. Statutory and regulatory controls increase a bank holding company's cost of doing business and limit the options of its management to deploy assets and maximize income. Proposals to change the laws and regulations governing the operations and taxation of banks, bank holding companies and other financial institutions are frequently made in Congress, in state legislatures and before various bank regulatory agencies. The likelihood of any major changes and the impact such changes might have on the Company or the Bank is impossible to predict. The following description is not intended to be complete and is qualified in its entirety to applicable laws and regulations.

Bank Regulation

As a New Jersey-chartered commercial bank, the Bank is subject to the regulation, supervision, and examination by the New Jersey Department of Banking and Insurance ("NJDOBI"). As a Federal Reserve member bank, the Bank is also subject to regulation, supervision and examination by the Federal Reserve Board ("FRB") as its primary federal regulator. The regulations of the FRB and the NJDOBI impact virtually all of our activities, including the minimum levels of capital we must maintain, our ability to pay dividends, our ability to expand through new branches or acquisitions and various other matters.

Holding Company Supervision

The Company is a bank holding company and periodically examined within the meaning of the Bank Holding Company Act. As a bank holding company, the Company is supervised by the FRB and is required to file reports with the FRB and provide such additional information as the FRB may require.

The Bank Holding Company Act prohibits the Company, with certain exceptions, from (i) acquiring direct or indirect ownership or control of more than five percent of the voting shares of any company that is not a bank and (ii) from engaging in any business other than banking, managing and controlling banks, or furnishing services to subsidiary banks. However, the Company may apply to engage in, or own shares of companies engaged in, certain businesses found by the FRB to be so closely related to banking "as to be a proper incident thereto." The Bank Holding Company Act requires prior approval by the FRB of the acquisition by the Company of more than five percent of the voting stock of any additional bank. Generally, federal regulatory approval to make acquisitions requires as prerequisites satisfactory capital ratios, Community Reinvestment Act ratings and anti-money laundering policies, among other things. Federal law provides that a bank holding company must act as a source of financial and managerial strength to its subsidiary banks and commit resources to support the subsidiary banks in circumstances in which it might not do so absent that law. Acquisitions through the Bank require the approval of the FRB and the NJDOBI.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010

The Dodd-Frank Wall Street Report and Consumer Protection Act of 2010 (the "Dodd-Frank Act") significantly changed bank regulation and affected the lending, investment, trading and operating activities of depository institutions and their holding companies. The Dodd-Frank Act also created the Consumer Financial Protection Bureau (the "CFPB") with extensive powers to supervise and enforce consumer protection laws. The CFPB has broad rule-making authority for a wide range of consumer protection laws that apply to all banks and savings institutions. The CFPB also has examination and enforcement authority over all banks and savings institutions with more than \$10 billion in assets. Banks and savings institutions with \$10 billion or less in assets, such as Peapack Private, continue to be examined for compliance with consumer protection-related laws and regulations by their applicable federal bank regulators.

Capital Requirements

Pursuant to the Federal Deposit Insurance Corporation Improvement Act of 1991 ("FDICIA"), each federal banking agency has promulgated regulations, specifying the levels at which a financial institution would be considered "well capitalized,"

“adequately capitalized,” “undercapitalized,” “significantly undercapitalized,” or “critically undercapitalized,” and to take certain mandatory and discretionary supervisory actions based on the capital level of the institution.

FRB regulations require member banks to meet several minimum capital standards established by the federal banking agencies, which are based on the final capital framework for strengthening international capital standards, known as Basel III, of the Basel Committee on Banking Supervision: a common equity Tier 1 (“CET1”) capital to risk-based assets ratio of 4.5 percent, a Tier 1 capital to risk-based assets ratio of 6.0 percent, a total capital to risk-based assets ratio of 8.0 percent, and a Tier 1 capital to total assets leverage ratio of 4.0 percent.

CET1 capital is generally defined as common stockholders’ equity and retained earnings. Tier 1 capital is generally defined as CET1 and additional Tier 1 capital. Additional Tier 1 capital includes certain noncumulative perpetual preferred stock and related surplus and minority interests in equity accounts of consolidated subsidiaries. Total capital includes Tier 1 capital and Tier 2 capital. Tier 2 capital is comprised of capital instruments and related surplus, meeting specified requirements, and may include cumulative preferred stock and long-term perpetual preferred stock, mandatory convertible securities, intermediate preferred stock and subordinated debt.

The capital requirements also require the Company and the Bank to maintain a 2.5 percent “capital conservation buffer,” composed entirely of CET1, on top of the minimum risk-weighted asset ratios, effectively resulting in minimum ratios of (i) CET1 to risk-weighted assets of at least 7.0 percent, (ii) Tier 1 capital to risk-weighted assets of at least 8.5 percent, and (iii) total capital to risk-weighted assets of at least 10.5 percent. The capital conservation buffer is designed to absorb losses during periods of economic stress. Banking institutions with a ratio of (i) CET1 to risk-weighted assets, (ii) Tier 1 capital to risk-weighted assets, or (iii) total capital to risk-weighted assets above the respective minimum but below the capital conservation buffer will face constraints on dividends, equity repurchases and discretionary bonus payments to executive officers based on the amount of the shortfall.

Bank holding companies with greater than \$3 billion in total consolidated assets are subject to consolidated regulatory capital requirements identical to those applicable to the subsidiary depository institutions. The Company and the Bank were in compliance with the capital requirements, including the capital conservation buffer, as of December 31, 2025.

Federal law requires that federal bank regulatory authorities take “prompt corrective action” with respect to institutions that do not meet minimum capital requirements. The FRB maintains regulations to implement the prompt corrective action legislation. An institution is deemed to be “well capitalized” if it has a total risk-based capital ratio of 10.0 percent or greater, a Tier 1 risk-based capital ratio of 8.0 percent or greater, a leverage ratio of 5.0 percent or greater, and a CET1 ratio of 6.5 percent or greater. An institution is deemed to be “adequately capitalized” if it has a total risk-based capital ratio of 8.0 percent or greater, a Tier 1 risk-based capital ratio of 6.0 percent or greater, a leverage ratio of 4.0 percent or greater, and a CET1 ratio of 4.5 percent or greater. An institution is deemed to be “undercapitalized” if it has a total risk-based capital ratio of less than 8.0 percent, a Tier 1 risk-based capital ratio of less than 6.0 percent, a leverage ratio of less than 4.0 percent, or a CET1 ratio of less than 4.5 percent. An institution is deemed to be “significantly undercapitalized” if it has a total risk-based capital ratio of less than 6.0 percent, a Tier 1 risk-based capital ratio of less than 4.0 percent, a leverage ratio of less than 3.0 percent, or a CET1 ratio of less than 3.0 percent. An institution is deemed to be “critically undercapitalized” if it has a ratio of tangible equity (as defined in the regulations) to total assets that is equal to or less than 2.0 percent.

The Bank’s capital ratios were all above the minimum levels required for it to be considered a “well capitalized” financial institution at December 31, 2025 under the “prompt corrective action” regulations in effect as of such date.

The Economic Growth Regulatory Relief and Consumer Protection Act of 2018 (the “Relief Act”) required that the federal banking agencies, including the FRB, establish a “community bank leverage ratio” of between 8-10 percent of average total consolidated assets for qualifying institutions with less than \$10 billion of assets. Pursuant to federal legislation enacted in 2020, the community bank leverage ratio was set at 9 percent for 2022 and thereafter. Institutions with tangible equity (subject to certain adjustments) meeting the specified level and electing to follow the alternative framework would be deemed to comply with the applicable regulatory capital requirements, including the risk-based requirements, and be considered to be “well capitalized.” The Bank is not required to and has not elected to measure its capital adequacy using the community bank leverage ratio.

Insurance of Deposit Accounts

The Bank’s deposits are insured up to applicable limits by the Deposit Insurance Fund (“DIF”) of the FDIC. Deposit accounts in the Bank are insured up to \$250,000 for each separately insured depositor per account ownership category.

The FDIC charges insured depository institutions ("IDI") premiums to maintain the DIF. Under the risk-based assessment system, institutions deemed less risky of failure pay lower assessments. Assessments for institutions of less than \$10 billion of assets are based on financial measures and supervisory ratings derived from statistical modeling estimating the probability of an institution's failure within three years.

The FDIC has authority to increase insurance assessments. Effective January 1, 2023, assessment rates for institutions of the Bank's size ranged from 2.5 to 32 basis points.

On November 16, 2023, the FDIC issued a final rule to implement a special assessment to recover the loss to the DIF associated with protecting uninsured depositors following the closure of Silicon Valley Bank and Signature Bank. Under the final rule, the assessment base for an IDI will be equal to the institution's estimated uninsured deposits as of December 31, 2022, adjusted to exclude the first \$5 billion in estimated uninsured deposits. Under the final rule, the FDIC will collect the special assessment at an annual rate of 13.4 basis points beginning with the first quarterly assessment period of 2024 and will continue to collect special assessments for an anticipated total of eight quarterly assessment periods. On December 16, 2025, the FDIC issued an interim final rule that would reduce the special assessment rate for the eighth collection quarter from 3.36 basis points to 2.97 basis points. Under the interim final rule, upon termination of the receiverships, the FDIC will either provide an offset to regular quarterly deposit insurance assessments for IDIs subject to the special assessment, if the amount collected exceeds losses, or collect from IDIs subject to the special assessment a one-time final shortfall special assessment if losses at the termination of the receiverships exceed the amount collected.

An insured institution's deposit insurance may be terminated by the FDIC upon an administrative finding that the institution has engaged in unsafe or unsound practices, is in an unsafe or unsound condition to continue operations or has violated any applicable law, regulation, order or regulatory condition imposed in writing. The management of the Bank does not know of any practice, condition or violation that might lead to termination of deposit insurance.

Community Reinvestment Act

Pursuant to the federal Community Reinvestment Act (the "CRA"), the Bank is obligated, consistent with safe and sound banking practices, to help meet the credit needs of its entire community, including low- and moderate-income neighborhoods. The FRB periodically assesses the Bank's record of performance under the CRA and issues one of the following ratings: "Outstanding," "Satisfactory," "Needs to Improve," or "Substantial Noncompliance." The most recently completed evaluation of the Bank's performance under the CRA was conducted by the FRB in 2024 and resulted in an overall rating of "Satisfactory." On October 24, 2023, the FDIC, the FRB, and the Office of the Comptroller of the Currency issued a final rule to strengthen and modernize the federal CRA regulations. Under the final rule, banks with assets of at least \$2 billion as of December 31 in both of the prior two calendar years will be a "large bank." The agencies will evaluate large banks under four performance tests: the Retail Lending Test, the Retail Services and Products Test, the Community Development Financing Test, and the Community Development Services Test. Under the regulations, the applicability date for the majority of the provisions is January 1, 2026, and additional requirements will be applicable under the regulations on January 1, 2027. On March 29, 2024, a federal court in the Northern District of Texas issued a preliminary injunction of the new CRA regulations, enjoining the federal banking agencies from enforcing the regulations against the plaintiff bank industry trade groups, and extending the regulations' implementation dates day-for-day for each day the injunction is in place.

Privacy

Federal banking regulators, as required under the Gramm-Leach-Bliley Act, have adopted regulations limiting the ability of banks and other financial institutions to disclose non-public information about consumers to non-affiliated third parties. The regulations require disclosure of privacy policies to consumers and, in some circumstances, allow consumers to prevent disclosure of certain personal information to non-affiliated third parties. The privacy provisions of the Gramm-Leach-Bliley Act affect how consumer information is transmitted through diversified financial services companies and conveyed to outside vendors.

In November 2021, the federal bank regulatory agencies issued a final rule requiring banking organizations to notify their primary federal regulator as soon as possible and no later than 36 hours of determining that a "computer-security incident" that rises to the level of a "notification incident," as those terms are defined in the final rule, has occurred. A notification incident is a "computer-security incident" that has materially disrupted or degraded, or is reasonably likely to materially disrupt or degrade, the banking organization's ability to deliver services to a material portion of its customer base, jeopardize the viability of key operations of the banking organization, or impact the stability of the financial sector. The final rule also requires bank service providers to notify any affected bank to or on behalf of which the service provider provides services "as soon as possible" after determining that it has experienced an incident that materially disrupts or degrades, or is reasonably

likely to materially disrupt or degrade, covered services provided to such bank for four or more hours. The rule was effective April 1, 2022, with compliance required by May 1, 2022.

Restrictions on the Payment of Dividends

The holders of the Company's common stock are entitled to receive dividends, when, as and if declared by the Board of Directors of the Company out of funds legally available. Under the prompt corrective action laws, the ability of a bank holding company to pay dividends may be restricted if a subsidiary bank becomes undercapitalized.

The Company is also subject to FRB policies, which may, in certain circumstances, limit its ability to pay dividends. FRB policy is that a bank holding company should pay cash dividends only out of current earnings and only if the prospective rate of earnings retention is consistent with the holding company's capital needs, asset quality and overall financial condition. In addition, FRB guidance sets forth the supervisory expectation that bank holding companies will inform and consult with FRB staff in advance of issuing a dividend that exceeds earnings for the quarter and should inform the FRB and should eliminate, defer or significantly reduce dividends if: (i) net income available to stockholders for the past four quarters, net of dividends previously paid during that period, is not sufficient to fully fund the dividends; (ii) prospective rate of earnings retention is not consistent with the bank holding company's capital needs and overall current and prospective financial condition; or (iii) the bank holding company will not meet, or is in danger of not meeting, its minimum regulatory capital adequacy ratios.

The FRB policies require, among other things, that a bank holding company must maintain a minimum capital base and serve as a source of strength to its subsidiary banks. The FRB by supervisory letters has advised holding companies that it has supervisory concerns when the level of dividends is too high and that it would seek to prevent dividends if the dividends paid by a holding company exceeded its earnings. The FRB would most likely seek to prohibit any dividend payment that would reduce a holding company's capital below these minimum amounts. FRB policy also provides for regulatory review prior to a holding company (i) redeeming or repurchasing regulatory capital instruments when the holding company is experiencing financial weaknesses, or (ii) redeeming or repurchasing common stock or perpetual preferred stock that would result in a net reduction as of the end of a quarter in the amount of such equity instruments outstanding compared with the beginning of the quarter in which the redemption or repurchase occurred. In addition, the FRB staff has recently begun interpreting its regulatory capital regulations to require holding companies to receive FRB approval prior to any repurchases or redemptions of its common shares.

Since the principal source of income for the Company is dividends paid to the Company by the Bank, the Company's ability to pay dividends to its shareholders will depend on whether the Bank pays dividends to it. As a practical matter, restrictions on the ability of the Bank to pay dividends act as restrictions on the amount of funds available for the payment of dividends by the Company. As a New Jersey chartered commercial bank, the Bank is subject to the restrictions on the payment of dividends contained in the New Jersey Banking Act of 1948, as amended (the "Banking Act"). Under the Banking Act, the Bank may pay dividends only out of retained earnings, to the extent that surplus exceeds 50 percent of stated capital. Federal law may also limit the amount of dividends that may be paid by the Bank. Under the Financial Institutions Supervisory Act, the FDIC has the authority to prohibit a state-chartered bank from engaging in conduct that, in the FDIC's opinion, constitutes an unsafe or unsound banking practice. Under certain circumstances, the FDIC could claim that the payment of a dividend or other distribution by the Bank to the Company constitutes an unsafe or unsound practice.

Sarbanes-Oxley Act of 2002

The Sarbanes-Oxley Act of 2002 was enacted to address, among other issues, corporate governance, auditing and accounting, executive compensation, and enhanced and timely disclosure of corporate information. We have existing policies, procedures and systems designed to comply with this act and its implementing regulations.

Other Laws and Regulations

Interest and other charges collected or contracted for by the Bank are subject to state usury laws and federal laws concerning interest rates. The Bank's operations are also subject to federal laws (and their implementing regulations) applicable to credit transactions, such as the:

- Truth in Lending Act, governing disclosures of credit terms to consumer borrowers;
- Real Estate Settlement Procedures Act, requiring that borrowers for mortgage loans for one- to four-family residential real estate receive various disclosures, including good faith estimates of settlement costs, lender servicing and escrow account practices, and prohibiting certain practices that increase the cost of settlement services;

- Home Mortgage Disclosure Act, requiring financial institutions to provide information to enable the public and public officials to determine whether a financial institution is fulfilling its obligation to help meet the housing needs of the community it serves;
- Equal Credit Opportunity Act, prohibiting discrimination on the basis of race, creed or other prohibited factors in extending credit;
- Fair Credit Reporting Act, governing the use and provision of information to credit reporting agencies; and
- Fair Debt Collection Practices Act, governing the manner in which consumer debts may be collected.

The operations of the Bank are also subject to the:

- Right to Financial Privacy Act, which imposes a duty to maintain confidentiality of consumer financial records and prescribes procedures for complying with administrative subpoenas of financial records;
- Electronic Funds Transfer Act and Regulation E promulgated thereunder, governing automatic deposits to and withdrawals from deposit accounts and customers' rights and liabilities arising from the use of automated teller machines and other electronic banking services;
- Check Clearing for the 21st Century Act (also known as "Check 21"), which gives "substitute checks," such as digital check images and copies made from that image, the same legal standing as the original paper check;
- The Bank Secrecy Act and the USA PATRIOT Act and their implementing regulations, which require the Bank to maintain a compliance program to detect and prevent money laundering, terrorist financing, and illicit crime, to maintain a customer identification program and other internal controls, conduct customer due diligence, administer training, maintain specified records, and report suspicious activity, among other things;
- Regulations of the Office of Foreign Assets Control that enforce economic and trade sanctions programs based on United States foreign policy and national security goals; and
- Truth in Savings Act, prescribing disclosure and advertising requirements with respect to deposit accounts.

Item 1A. RISK FACTORS

The material risks and uncertainties that Management believes affect the Company are described below. These risks and uncertainties are not the only ones affecting the Company. Additional risks and uncertainties that Management is not aware of or focused on or that Management currently deems immaterial may also affect the Company's business operations. This report is qualified in its entirety by these risk factors. If any one or more of the following risks actually occur, the Company's financial condition and results of operations could be materially and adversely affected.

Risks Related to Economic Matters

Negative developments in the financial services industry and U.S. and global credit markets and the U.S. debt obligations may adversely impact our operations and results.

Our businesses and operations, which primarily consist of lending money, accepting deposits and investing in securities and wealth management and financial advisory services, are sensitive to general business and economic conditions in the United States. If the U.S. economy weakens, our growth and profitability from our lending, deposit, investment and wealth management operations could be constrained. Uncertainty about the federal fiscal policymaking process and the medium- and long-term fiscal outlook of the federal government is a concern for businesses, consumers and investors in the United States. In addition, economic conditions in foreign countries could affect the stability of global financial markets, which could hinder U.S. economic growth. Weak economic conditions or a return of recessionary conditions and/or negative developments in the domestic and international credit markets are often characterized by deflation, fluctuations in debt and equity capital markets, a lack of liquidity and/or depressed prices in the secondary market for mortgage loans, increased loan delinquencies, real estate price declines and lower home sales and commercial activity.

Our business is also significantly affected by monetary and related policies of the U.S. federal government and its agencies. Changes in any of these policies are influenced by macroeconomic conditions and other factors that are beyond our control. Adverse economic conditions and government policy responses to such conditions could have a material adverse effect on our business, financial condition, results of operations and prospects.

Further, a U.S. government debt default would have a material adverse impact on our business and financial performance, including a decrease in the value of Treasury bonds and other government securities held by us, which could negatively impact the Bank's capital position and its ability to meet regulatory requirements. Other negative impacts could be volatile capital markets, an adverse impact on the U.S. economy and the U.S. dollar, as well as increased default rates among

borrowers in light of increased economic uncertainty. Some of these impacts might occur even in the absence of an actual default but as a consequence of extended political negotiations around the threat of such a default and/or a government shutdown.

Our earnings are impacted by general business and economic conditions.

Our operations and profitability are impacted by general business and economic conditions, including long-term and short-term interest rates, the shape of the interest rate curve, inflation, the imposition of tariffs or other domestic or international governmental policies, money supply, supply chain issues, political issues, legislative, tax, accounting and regulatory changes, fluctuations in both debt and equity capital markets, broad trends in industry and finance, values of real estate and other collateral and the strength of the U.S. economy and the local economies in which we operate, all of which are beyond our control. Negative changes in these general business and economic conditions could have the following consequences, any of which could have a material adverse effect on the business, financial condition, liquidity and results of operations:

- Demand for the products and services may decline;
- Our allowance for credit losses may increase;
- Loan delinquencies, problem assets, and foreclosures may increase;
- Our funding costs and noninterest expenses may increase;
- The value of our securities portfolio may decrease;
- Collateral for loans, especially real estate, may decline in value, thereby reducing customers' borrowing power, and reducing the value of assets and collateral associated with existing loans; and
- The net worth and liquidity of loan guarantors may decline, impairing their ability to honor commitments.

We are more sensitive to adverse changes in the local economy than our more geographically diversified competitors.

Unlike larger regional banks that operate in large geographies, much of our business is with clients located within Central and Northern New Jersey, Pennsylvania, as well as metropolitan New York. Our business loans are generally made to small to mid-sized businesses, most of whose success depends on the regional economy. These businesses generally have fewer financial resources in terms of capital or borrowing capacity than larger entities. Due to our geographic concentration, a downturn in the local economy could make it more difficult to attract deposits and could cause higher losses and delinquencies on our loans than if the loans were more geographically diversified. Adverse economic and business conditions in our market area could reduce our growth, affect our borrowers' ability to repay their loans and, consequently, adversely affect our financial condition and performance. Further, we place substantial reliance on real estate as collateral for our loan portfolio. A sharp downturn in real estate values in our market area could leave our loans under-secured, which could adversely affect our earnings.

Inflation can have an adverse impact on our business and on our customers.

Inflation risk can negatively impact the value of assets or income from investments as inflation decreases the value of money. Inflation rose sharply at the end of 2021 and remained elevated through the first half of calendar 2024, before beginning to moderate in the latter half of 2024 and into calendar 2025. However, inflation levels continue to exceed the Federal Reserve Board's long-term target of 2.0%. As inflation increases and market interest rates rise the value of our investment securities, particularly those with longer maturities, would decrease, although this effect can be more pronounced for floating rate instruments. In addition, inflation generally increases the cost of goods and services we use in our business operations, such as electricity and other utilities, which increases our noninterest expenses. Furthermore, our customers are also affected by inflation and the rising costs of goods and services used in their households and businesses, which could have a negative impact on their ability to repay their loans with us.

Interruption of our customer's supply chains and federal funding could negatively impact their business and operations and impact their ability to repay their loans.

Any material interruption in our customers' supply chains, such as a material interruption of the resources required to conduct their business, such as those resulting from interruptions in service by third-party providers, trade restrictions, such as increase tariffs or quotas, embargoes or customs restrictions, reductions in federal subsidies or grants, social or labor unrest, natural

disasters, epidemics or pandemics or political disputes and military conflicts, that cause a material disruption in our customers' supply chains, could have a negative impact on their business and ability to repay their borrowings with us. In the event of disruptions in our customers' supply chains, the labor and materials they rely on in the ordinary course of business may not be available at reasonable rates or at all. Additionally, changes in distribution of federal funds or freezing of federal funds, including reductions in federal workforce causing unemployment, could have an adverse effect on the ability of consumers and businesses to pay debts and/or affect the demand for loans and deposits.

Risks Related to Lending Matters

Our exposure to credit risk could adversely affect our earnings and financial condition.

There are certain risks inherent in making loans, including risks that the principal of or interest on the loan will not be repaid timely or at all or that the value of any collateral securing the loan will be insufficient to cover our outstanding exposure. These risks may be affected by the strength of the borrower's business and local, regional and national market and economic conditions. Our risk management practices, such as monitoring the concentration of our loans within specific industries and our credit approval practices, may not adequately reduce credit risk, and our credit administration personnel, policies and procedures may not adequately adapt to changes in economic, interest rate or any other conditions affecting clients and the quality of the loan portfolio. Finally, many of our loans are made to small- and medium-sized businesses that are less able to withstand competitive, economic and financial pressures than larger borrowers. A failure to effectively measure and limit the credit risk associated with our loan portfolio could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our concentrations of loans in certain industries could have adverse effects on credit quality.

As of December 31, 2025, the Company's loan portfolio included loans to: (i) lessors of office buildings of \$166.0 million, or 2.7 percent of total loans; and (ii) borrowers in the retail industry of \$289.5 million, or 4.6 percent of total loans. Because of these concentrations of loans in specific industries, a deterioration within these industries, especially those that have been particularly adversely impacted by long-term work-from-home arrangements on the commercial real estate sector, including retail stores, hotels and office buildings, creates greater risk exposure for our commercial real estate loan portfolio. Should the fundamentals of the commercial real estate market deteriorate, our financial condition and results of operations could be adversely affected.

The performance of our New York multifamily real estate loans could be adversely impacted by regulation.

New York enacted legislation increasing the restrictions on rent increases in a rent-regulated apartment building, including, among other provisions, (i) repealing the vacancy bonus and longevity bonus, which allowed a property owner to raise rents as much as 20 percent each time a rental unit became vacant, (ii) eliminating high rent vacancy deregulation and high-income deregulation, which allowed a rental unit to be removed from rent stabilization once it crossed a statutory high-rent threshold and became vacant, or the tenant's income exceeded the statutory amount in the preceding two years, and (iii) eliminating an exception that allowed a property owner who offered preferential rents to tenants to raise the rent to the full legal rent upon renewal. This legislation generally limits a landlord's ability to increase rents on rent-regulated apartments and makes it more difficult to convert rent regulated apartments to market rate apartments. For example, the New York City Rent Guidelines Board established that on certain apartments, for a one-year lease beginning on or after September 30, 2024, the maximum rent increase is 3.0%, even though the overall inflation rate increased at a higher rate. As a result, the value of the collateral located in New York securing our multifamily loans or the future net operating income of such properties could potentially become impaired. Further restrictions on rent-regulated properties may be enacted or existing restrictions strengthened as a result of the outcome of the recent New York City mayoral election. Moreover, following COVID, New York City rent regulated buildings have had an increased level of non-paying tenants with a very protracted eviction process, which has negatively impacted rent collections. At December 31, 2025, our total multifamily rent regulated exposure in New York was approximately \$854.1 million, or 13.7 percent, of the total loan portfolio.

If our allowance for credit losses is not sufficient to cover actual loan losses, our earnings would decrease.

We maintain allowances for credit losses on loans and off-balance sheet credit exposures. The amount of each allowance account represents management's best estimate of current expected credit losses on these financial instruments considering available information, from internal and external sources, relevant to assessing exposure to credit loss over the contractual term of the instrument. Relevant available information includes historical credit loss experience, current economic conditions, and reasonable and supportable economic forecasts. The determination of the appropriate level of allowance for credit losses inherently involves a high degree of subjectivity and requires us to make significant estimates related to current

and expected future credit risks and trends, all of which may undergo material changes. Continuing deterioration in economic conditions affecting borrowers and securities issuers; inflation; changes in interest rates; new information regarding existing loans, credit commitments and securities holdings; identification of additional problem loans ratings and downgrades, and other factors, may require an increase in the allowances for credit losses on loans and off-balance sheet credit exposures. In addition, bank regulatory agencies periodically review our allowance for credit losses and may require an increase in credit loss expense or the recognition of further loan charge-offs, based on judgments different than those of management. Furthermore, if we incur charge-offs, we may need to recognize additional credit loss expense to increase the applicable allowance. Any increase in the allowance for credit losses on loans and/or off-balance sheet credit exposures will result in a decrease in net income and, possibly, capital, and may have a material adverse effect on our business, financial condition and results of operations.

Our commercial real estate loan and commercial C&I portfolios expose us to greater risks than other mortgage loans.

Our loan portfolio includes commercial real estate loans for individuals and businesses for various purposes. The repayment of these loans typically depends upon income generated, or expected to be generated, by the property securing the loan in amounts sufficient to cover operating expenses and debt service. This may be adversely affected by changes in the economy or local market conditions. These loans expose us to greater credit risk than loans secured by residential real estate because the collateral securing these loans typically cannot be liquidated as easily as residential real estate. If we foreclose on these loans, our holding period for the collateral typically is longer than for a single or multifamily residential property because there are fewer potential purchasers of the collateral. Additionally, commercial real estate loans generally involve relatively large balances to single borrowers or related groups of borrowers. Accordingly, charge-offs on commercial real estate loans may be larger on a per loan basis than those incurred with our residential or consumer loan portfolios. Unexpected deterioration in the credit quality of our commercial real estate loan portfolio may require us to increase our provision for credit losses, which would reduce our profitability and could materially adversely affect our business, financial condition and results of operations.

The source of repayment of C&I loans is typically the cash flows of the borrowers' businesses. These loans may involve greater risk because the availability of funds to repay each loan depends substantially on the success of the business itself. The collateral securing the loans and leases often depreciates over time, is difficult to appraise and liquidate and fluctuates in value based on the success of the business. In addition, many commercial business loans have a variable rate which is indexed off of a floating rate such as the U.S. Prime Rate or the Secured Overnight Financing Rate. If interest rates rise, the borrower's debt service requirement may increase, negatively impacting the borrower's ability to service their debt.

The level of the commercial real estate loan portfolio may subject the Bank to additional regulatory scrutiny.

Federal bank regulatory agencies have promulgated guidance on sound risk management practices for financial institutions with concentrations in commercial real estate lending. Under the guidance, a financial institution that, like the Bank, is actively involved in commercial real estate lending should perform a risk assessment to identify concentrations. A financial institution may be subject to this guidance if, among other factors, (i) total reported loans for construction, land acquisition and development and other land represent 100 percent or more of total capital, or (ii) total reported loans secured by multifamily and non-farm residential properties, loans for construction, land acquisition and development and other land, and loans otherwise sensitive to the general commercial real estate market, including loans to commercial real estate related entities, represent 300 percent or more of total capital. Based on these factors, the Bank had a concentration in commercial real estate lending, as such loans represented 367 percent of total bank capital as of December 31, 2025. The guidance focuses on exposure to commercial real estate loans that are dependent on the cash flows from the real estate held as collateral and that are likely to be at greater risk to conditions in the commercial real estate market (as opposed to real estate collateral held as a secondary source of repayment or in an abundance of caution). The guidance assists banks in developing risk management practices and determining capital levels commensurate with the level and nature of real estate concentrations. The guidance states that management should employ heightened risk management practices including board and management oversight and strategic planning, development of underwriting standards, risk assessment and monitoring through market analysis and stress testing. While it is management's belief that policies and procedures with respect to the Bank's commercial real estate loan portfolio have been implemented consistent with this guidance, bank regulators could require that additional policies and procedures be implemented consistent that may result in additional costs or that may result in the curtailment of commercial real estate lending that would adversely affect the Bank's loan originations and profitability.

We are subject to environmental liability risk associated with our lending activities.

In the course of our business, we may purchase real estate or foreclose on and take title to real estate. As a result, we could be subject to environmental liabilities with respect to these properties. We may be held liable to a governmental entity or to

third parties for property damage, personal injury, investigation or clean-up costs incurred by these parties in connection with environmental contamination. The costs associated with investigation or remediation activities could be substantial. In addition, if we are the owner or former owner of a contaminated site, we may be subject to claims by third parties based on damages and costs resulting from environmental contamination emanating from the property. In addition, future laws or more stringent interpretations or enforcement policies with respect to existing laws may increase our exposure to environmental liability. Any significant environmental liabilities could cause a material adverse effect on our business, financial condition, results of operations and prospects.

Risks Related to Interest Rates

Changes in interest rates may adversely affect our earnings and financial condition.

Our net income depends primarily upon our net interest income, which is the difference between interest income earned on loans, investments and other interest-earning assets and the interest expense incurred on deposits and borrowed funds.

Different types of assets and liabilities may react differently, and at different times, to changes in market interest rates. When short-term rates are higher than long-term rates, that is referred to as an inverted yield curve. If the yield curve inversion re-occurs, the difference between rates paid on deposits and received on loans could narrow significantly resulting in a decrease in net interest income and our profitability. Our interest-bearing liabilities generally have shorter contractual maturities than our interest-earning assets. Furthermore, the rates we earn on our other interest-earning assets and the rates we pay on our interest-bearing liabilities are generally fixed for a contractual period of time. This imbalance can create significant earnings volatility because market interest rates change over time and we expect that we will periodically experience “gaps” in the interest rate sensitivities of our assets and liabilities. That means either our interest-bearing liabilities will be more sensitive to changes in market interest rates than our interest-earning assets, or vice versa. When interest-bearing liabilities mature or reprice more quickly than interest-earning assets, an increase in market rates of interest could reduce our net interest income. Conversely, when interest-earning assets mature or reprice more quickly than interest-bearing liabilities, falling interest rates could reduce our net interest income. We are unable to predict changes in market interest rates, which are affected by many factors beyond our control, including inflation, unemployment, money supply, governmental policy, the imposition of tariffs, domestic and international events and changes in the United States and other financial markets.

In addition, changes in interest rates can affect the average life of loans and investment securities. A reduction in interest rates causes increased prepayments of loans and mortgage-backed securities as borrowers refinance their debt to reduce their borrowing costs. This creates reinvestment risk, which is the risk that the Bank may not be able to reinvest the funds from faster prepayments at rates that are comparable to the rates earned on the prepaid loans or securities. Conversely, an increase in interest rates generally reduces prepayments. Additionally, increases in interest rates may decrease loan demand and/or make it more difficult for borrowers to repay adjustable-rate loans.

Changes in interest rates may also affect the current estimated fair value of the securities portfolio. Generally, the value of securities moves inversely with changes in interest rates. Unrealized net losses on securities available-for-sale are reported as a separate component of stockholders’ equity. To the extent interest rates increase and the value of the available-for-sale portfolio decreases, stockholders’ equity will be adversely affected.

Changes in the estimated fair value of debt securities may reduce stockholders’ equity and net income.

At December 31, 2025, the Company maintained a debt securities portfolio of \$870.1 million, of which \$774.2 million was classified as available-for-sale. The estimated fair value of the available-for-sale debt securities portfolio may change depending on the credit quality of the underlying issuer, market liquidity, changes in interest rates and other factors. Stockholders’ equity increases or decreases by the amount of the change in the unrealized gain or loss (the difference between the estimated fair value and the amortized cost) of the available-for-sale debt securities portfolio, net of the related tax expense or benefit, under the category of accumulated other comprehensive income (loss). At December 31, 2025, accumulated other comprehensive losses were \$47.6 million, net of tax, primarily related to unrealized holding losses in the available-for-sale investment securities portfolio, which negatively impacted stockholders’ equity, as well as book value per common share. A decrease can occur even though the securities are not sold.

Other Risks Related to Our Business

We are exposed to the risks of public health issues, natural disasters, severe weather, acts of war or terrorism, government shutdowns, geopolitical events and other potential external events.

We are exposed to the risks of public health issues, natural disasters, pandemics, severe weather, acts of war or terrorism, and other potential external events, any of which could have a significant impact on our ability to conduct business. In addition, such events could: impair the ability of borrowers to qualify for loans and/or repay their obligations, impair the value of collateral securing loans; cause depositors to withdraw funds; cause wealth management clients to withdraw assets under management; and/or cause us to incur additional expenses. Further, any of these events could affect the financial markets in general, causing a diminishment in the market value of assets under management for our wealth management clients and/or cause a yield curve not advantageous to the Company or the banking industry in general. Any of the above could have a material adverse effect on our financial condition and/or results of operations. Additionally, financial markets may be adversely affected by the current or anticipated impact of military conflict.

The soundness of other financial institutions could adversely affect us.

Our ability to engage in routine transactions could be adversely affected by the actions and commercial soundness of other financial institutions. Financial services institutions are interconnected as a result of trading, clearing, counterparty, or other relationships. We have exposure to many different industries and counterparties, and we routinely execute transactions with counterparties in the financial services industry, including brokers and dealers, investment banks, commercial banks, and other institutional clients. Defaults by, or even rumors or questions about, one or more financial services institutions, or the financial services industry generally, could lead to market-wide liquidity problems and losses or defaults by us or by other institutions and organizations. Some of these transactions expose us to credit risk if there is a default by our client or counterparty. Additionally, our credit risk may be impaired when collateral held by us cannot be realized or is liquidated at prices insufficient to recover the full amount of the credit or derivative exposure due us. Any such losses could have a material adverse effect on our financial condition and results of operations.

Risks Relating to Regulatory Matters

The Dodd-Frank Wall Street Reform and Consumer Protection Act has and may continue to adversely affect our business activities, financial condition, and profitability by increasing our regulatory compliance burden and associated costs, placing restrictions on certain products and services, and limiting our future capital raising strategies.

The Dodd-Frank Act has and may continue to increase our regulatory compliance burden. The Dodd-Frank Act permits states to adopt stricter consumer protection laws and state attorney generals may enforce consumer protection rules issued by the CFPB. These changes have increased, and may continue to increase, our regulatory compliance burden and costs and may restrict the financial products and services we offer to our clients. The Dodd-Frank Act also increased regulation of derivatives and hedging transactions, which could limit our ability to enter into, or increase the costs associated with, interest rate and other hedging transactions.

Government regulation significantly affects our business.

The banking industry is extensively regulated. Banking regulations are intended primarily to protect depositors, and the FDIC deposit insurance fund, not our shareholders. We are subject to regulation and supervision by the New Jersey Department of Banking and Insurance and the Federal Reserve Bank. Such regulation and supervision governs the activities in which an institution and its holding company may engage. The bank regulatory agencies possess broad authority to prevent or remedy unsafe or unsound practices or violations of law. Regulatory authorities have extensive discretion in their supervisory and enforcement activities, including the imposition of restrictions on operations, the classification of assets and determination of the level of the allowance for credit losses. Regulatory requirements affect our lending practices, capital structure, investment practices, dividend policy and growth. In addition, changes in laws, regulations and regulatory practices affecting the banking industry may limit the manner in which we conduct our business. Such changes may adversely affect us, including our ability to offer new products and services, obtain financing, attract deposits, make loans and achieve satisfactory spreads and may impose additional costs on us.

The Bank is also subject to a number of federal laws, which, among other things, require it to lend to various sectors of the economy and population, and establish and maintain comprehensive programs relating to anti-money laundering and customer identification. The Bank's compliance with these laws will be considered by the federal banking regulators when reviewing bank merger and bank holding company acquisitions or commencing new activities or making new investments in reliance on the Gramm-Leach-Bliley Act. As a public company, we are also subject to the corporate governance standards set forth in the Sarbanes-Oxley Act, as well as any rules or regulations promulgated by the SEC and the NASDAQ Stock Market.

The fiscal, monetary and regulatory policies of the federal government and its agencies could adversely affect the Company's business, financial condition, and results of operations.

In addition to being affected by general economic conditions, the Company's earnings and growth are affected by the policies of the Federal Reserve Board. An important function of the Federal Reserve Board is to regulate the money supply and credit conditions. Among the instruments used by the Federal Reserve Board to implement these objectives are open market purchases and sales of U.S. government securities, adjustments of the discount rate and changes in banks' reserve requirements against certain transaction account deposits. These instruments are used in varying combinations to influence overall economic growth and the distribution of credit, bank loans, investments and deposits. The FRB's policies determine in large part the cost of funds for lending and investing and the return earned on those loans and investments, both of which affect our net interest margin. Its policies can also adversely affect borrowers, potentially increasing the risk that they may fail to repay their loans. The monetary policies and regulations of the FRB have had a significant effect on the overall economy and the operating results of financial institutions in the past and are expected to continue to do so in the future.

Additionally, Congress and the administration through executive orders controls fiscal policy through decisions on taxation and expenditures. Depending on industries and markets involved, changes to tax law and increased or reduced public expenditures could affect us directly or the business operations of our customers.

Changes in Federal Reserve and other governmental policies, fiscal policy, and our regulatory environment generally are beyond our control, and we are unable to predict what changes may occur of the manner in which any future changes may affect our business, financial condition and results of operations.

We face a risk of non-compliance and enforcement action with the Bank Secrecy Act and other anti-money laundering statutes and regulations.

The Bank Secrecy Act, the USA PATRIOT Act of 2001, and other laws and regulations require financial institutions to institute and maintain an effective anti-money laundering program and file suspicious activity and currency transaction reports as appropriate. The federal Financial Crimes Enforcement Network is authorized to impose significant civil money penalties for violations of those requirements and has engaged in coordinated enforcement efforts with federal banking regulators, as well as the U.S. Department of Justice, Drug Enforcement Administration, and Internal Revenue Service. We are also subject to increased scrutiny of our compliance with the rules enforced by the Office of Foreign Assets Control and compliance with the Foreign Corrupt Practices Act. If our policies, procedures and systems are deemed deficient, we could be subject to liability, including fines and regulatory actions, which may include restrictions on our ability to pay dividends and to obtain regulatory approvals to proceed with certain transactions, including conducting acquisitions or establishing new branches. Failure to maintain and implement adequate programs to combat money laundering and terrorist financing could also have serious reputational consequences for us.

Risks Related to Capital

We may need to raise additional capital in the future, which may not be available when needed or available on acceptable terms.

We are required by federal regulatory authorities to maintain adequate levels of capital to support our operations. We may at some point need to raise additional capital to support continued growth. Our ability to raise additional capital, if needed, will depend on conditions in the capital markets at that time, which are outside our control, and on its financial performance. Accordingly, we cannot be assured of our ability to raise additional capital if needed or on terms acceptable to us. If we cannot raise additional capital when needed, the ability to further expand our operations could be materially impaired. Further, if we raise capital through the issuance of additional shares of our common stock, it would dilute the ownership interests of existing shareholders and may dilute the per share book value of our common stock. New investors may also have rights, preferences and privileges senior to our current shareholders, which may adversely impact our current shareholders.

Our business strategy includes significant investment in growth plans, and our financial condition and results of operations could be negatively affected if we fail to grow or fail to manage our growth effectively.

We expanded into the metropolitan New York markets, and may further expand into additional markets as a result of our private banking initiatives. Our growth initiatives require us to recruit experienced personnel. The failure to retain such personnel would place significant limitations on our ability to successfully execute our growth strategy. In addition, as we expand beyond our current market areas, we could incur additional risk related to those new market areas. We may not be

able to expand our market presence in our existing market areas or successfully enter new markets. A weak economy, low demand and competition may impact our ability to successfully execute our growth plan and adversely affect our business, financial condition, results of operations, reputation and growth prospects. While we believe we have the executive management resources and internal systems in place to successfully manage our future growth, there can be no assurance growth opportunities will be available or that we will successfully manage our growth. We regularly evaluate potential growth and expansion opportunities. If appropriate opportunities present themselves, we may engage in other business growth initiatives or undertakings. We may not successfully identify appropriate opportunities, may not be able to negotiate or finance such activities and such activities, if undertaken, may not be successful.

We are subject to certain capital requirements, which may adversely impact our return on equity, require us to raise additional capital, or constrain us from paying dividends or repurchasing shares.

A financial institution and its holding company, such as the Bank and the Company, are subject to limitations on paying dividends, engaging in share repurchases, and paying discretionary bonuses if their capital level falls below the required amounts. These limitations establish a maximum percentage of eligible retained income that can be utilized for such actions.

The application of more stringent capital requirements could, among other things, require us to maintain higher capital resulting in lower returns on equity and could require the raising of additional capital, and result in regulatory actions if we were to be unable to comply with such requirements. Furthermore, the imposition of liquidity requirements in connection with the implementation of Basel III could result in our having to lengthen the term of our funding, restructure our business models, and/or increase our holdings of liquid assets. See Part I, Item 1, “Business - Capital Requirements.”

Potential acquisitions may disrupt our business and dilute shareholder value.

We regularly evaluate opportunities to acquire banks and in other complementary businesses. As a result, we may engage in negotiations or discussions that, if they were to result in a transaction, could have a material effect on our operating results and financial condition, including on our short- and long-term liquidity and capital structure. Our acquisition activities could be material to us. For example, we could issue additional shares of common stock in a merger transaction, which could dilute current shareholders’ ownership interest and the per share book value of our common stock. Further, an acquisition could require us to use a substantial amount of cash, other liquid assets, and/or incur debt.

Our acquisition activities could involve a number of additional risks, including the risks of:

- Incurring time and expense associated with identifying and evaluating and negotiating potential transactions;
- Using estimates and judgments to evaluate credit, operations, management, and market risks with respect to the target institution or its assets, which later prove to be inaccurate;
- The time and expense required to integrate the operations and personnel of the combined businesses;
- Creating an adverse short-term effect on our results of operations;
- Failing to realize related revenue synergies and/or cost savings within expected time frames; and
- Losing key employees and customers or a reduction in our stock price as a result of an acquisition that is poorly received.

We may not be successful in overcoming these risks or any other problems encountered in connection with potential acquisition. Our inability to overcome these risks could have an adverse effect on our ability to achieve our business strategy and could have an adverse effect on our financial condition and results of operations.

Our ability to pay dividends to our common shareholders is limited by law.

Since the principal source of income for the Company is dividends paid to the Company by the Bank, the Company’s ability to pay dividends to its shareholders will depend on whether the Bank pays dividends to it. As a practical matter, restrictions on the ability of the Bank to pay dividends act as restrictions on the amount of funds available for the payment of dividends by the Company. As a New Jersey-chartered commercial bank, the Bank is subject to the restrictions on the payment of dividends contained in the New Jersey Banking Act of 1948, which provides that the Bank may pay dividends only out of retained earnings, and out of surplus to the extent that surplus exceeds 50 percent of stated capital. The Company is also subject to Federal Reserve Board policies, which may, in certain circumstances, limit its ability to pay dividends. The Federal Reserve Board policies require, among other things, that a bank holding company maintain a minimum capital base and the Federal Reserve Board in supervisory guidance has cautioned bank holding companies about paying out too much of their

earnings in dividends and has stated that banks should not pay out more in dividends than they earn. The Federal Reserve Board would most likely seek to prohibit any dividend payment that would reduce a holding company's capital below these minimum amounts.

Risks Related to Liquidity

We may lose lower-cost funding sources, which may affect our profitability.

Checking, savings, and money market deposit account balances and other forms of client deposits can decrease when clients perceive alternative investments, such as the stock market, as providing a better risk/return tradeoff. The competition for customers is strong and customers are increasingly seeking investments with higher rates. If clients move money out of bank deposits and into other investments, we would lose a relatively low-cost source of funds and have to replace them with higher cost funds, thus increasing our funding costs and reducing our net interest income and net income. The Bank does have certain deposits with high dollar balances which are subject to volatility. Customers with large average deposits may move these deposits for operational needs, investment opportunities or other reasons, which could require the Bank to pay higher interest rates to retain these deposits or use higher rate borrowings as an alternative funding source.

A lack of liquidity could adversely affect the Company's financial condition and results of operations.

Liquidity is essential to the Company's business. The Company relies on its ability to generate deposits and effectively manage the repayment and maturity schedules of loans to ensure that there is adequate liquidity to fund its operations. An inability to raise funds through deposits, borrowings, the sale and maturities of loans and other sources could have a substantial negative effect on liquidity. The Company's most important source of funds is deposits. Deposit balances can decrease when customers perceive alternative investments as providing a better risk/return tradeoff, which is strongly influenced by such external factors as the direction and level of interest rates, local and national economic conditions and the availability and attractiveness of alternative investments. Further, the demand for deposits may be reduced due to a variety of factors such as demographic patterns, changes in customer preferences, reductions in consumers' disposable income, the monetary policy of the FRB or regulatory actions that decrease customer access to particular products. If customers move money out of bank deposits and into other investments such as money market funds, the Company would lose a relatively low-cost source of funds, which would increase its funding costs and reduce net interest income. Any changes made to the rates offered on deposits to remain competitive with other financial institutions may also adversely affect profitability and liquidity.

Other primary sources of funds consist of cash flows from operations, maturities and sales of investment securities and loans and borrowings from the FHLB of New York. The Company also has an available line of credit with the FRB discount window. The Company also may borrow funds from third-party lenders, such as other financial institutions. The Company's access to funding sources in amounts adequate to finance or capitalize its activities, or on terms that are acceptable, could be impaired by factors that affect the Company directly or the financial services industry or economy in general, such as disruptions in the financial markets or negative views and expectations about the prospects for the financial services industry, a decrease in the level of the Company's business activity as a result of a downturn in markets or by one or more adverse regulatory actions against the Company.

Any decline in available funding could adversely impact the Company's ability to originate loans, invest in securities, meet expenses, or to fulfill obligations such as repaying borrowings or meeting deposit withdrawal demands, any of which could have a material adverse impact on its liquidity, business, financial condition and results of operations.

Risks Related to Competition

Competition from other financial institutions in originating loans and attracting deposits may adversely affect our profitability.

We face substantial competition in originating loans from other banks, savings institutions, credit unions, mortgage banking companies and other lenders. Many of our competitors enjoy advantages, including greater financial resources and higher lending limits, a wider geographic presence, and more accessible branch office locations.

In attracting deposits, we face substantial competition from other insured depository institutions such as banks, savings institutions and credit unions, as well as institutions offering uninsured investment alternatives, including money market funds. Many of our competitors enjoy advantages, including greater financial resources, more aggressive marketing campaigns, better brand recognition and more branch locations. These competitors may offer higher interest rates than we

do, which could decrease the deposits that we attract or require us to increase our rates to retain existing deposits or attract new deposits.

We also compete with non-bank providers of financial services, such as brokerage firms, consumer finance companies, insurance companies and governmental organizations, which may offer more favorable terms. Some of our non-bank competitors are not subject to the same extensive regulations that govern our operations. As a result, such non-bank competitors may have advantages over us in providing certain products and services. This competition may reduce or limit our margins on banking services, reduce our market share and adversely affect our earnings and financial condition.

Risks Related to Operational Matters

Cyber-attacks and information security breaches could compromise our information or result in the data of our customers being improperly divulged, which could expose us to liability and losses.

Many financial institutions and companies engaged in data processing have reported significant breaches in the security of their websites or other systems, some of which have involved sophisticated and targeted attacks intended to obtain unauthorized access to confidential information, destroy data, disable or degrade service, or sabotage systems, often through the introduction of computer viruses or malware, cyber-attacks and other means. We are subject to such cyber-attacks or other information security breaches, which could result in losses. Additionally, our risk exposure to security matters may remain elevated or increase in the future due to, among other things, the increasing size and prominence of the Company in the financial services industry, our continued expansion of our footprint; our expansion of Internet and mobile banking tools and products based on customer needs and an increased level of employees working remotely. As cyber threats continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our protective measures or to investigate and remediate any information security vulnerabilities. Disruptions or failures in the physical infrastructure or operating systems that support our businesses, customers or third parties, or cyber-attacks or security breaches of the networks, systems or devices that our customers or third parties use to access our products and services could result in customer attrition, financial losses, the inability of our customers or vendors to transact business with us, violations of applicable privacy and other laws, regulatory fines, penalties or intervention, reputational damage, reimbursement or other costs, and/or additional compliance costs, any of which could materially adversely affect our results of operations or financial condition.

Although we take protective measures to maintain the confidentiality, integrity and availability of information, our computer systems, software and networks may be vulnerable to unauthorized access, loss or destruction of data (including confidential client information), account takeovers, unavailability of service, computer viruses or other malicious code, cyber-attacks and other events that could have an adverse security impact. Furthermore, we may not be able to ensure that all of our clients, suppliers, counterparties and other third parties have appropriate controls in place to protect themselves from cyber-attacks or to protect the confidentiality of the information that they exchange with us, particularly where such information is transmitted by electronic means. Although we have developed, and continue to invest in, systems and processes that are designed to detect and prevent security breaches and cyber-attacks, a breach of our systems and/or global payments infrastructure of those of our fintech partners and processors could result in: losses to us and our customers; loss of business and/or customers; damage to our reputation; the incurrence of additional expenses (including the cost of investigation and remediation and the cost of notification to consumers, credit monitoring and forensics, and fees and fines imposed by the card networks); disruption to our business; an inability to grow our online services or other businesses; additional regulatory scrutiny, investigation or penalties; and/or exposure to civil litigation and possible financial liability - any of which could have a material adverse effect on our reputation, business, financial condition and results of operations. Although the impact to date for these types of events has not had a material impact on us, we cannot be sure this will be the case in the future.

Our information technology systems and the systems of third parties upon which we rely may experience a failure, interruption or breach in security that could negatively affect our operations and reputation.

We rely heavily on information technology systems to conduct our business, including the systems of third-party service providers. Any failure, interruption, or breach in security or operational integrity of these systems could result in failures or disruptions in our customer relationship management and general ledger, deposit, loan, and other systems. While we have policies and procedures designed to prevent or limit the impact of any failure, interruption, or breach in our security systems (including privacy and cyber-attacks), there can be no assurance that such events will not occur or if they do occur, that they will be adequately addressed. Information security and cybersecurity risks have increased significantly in recent years because of new technologies, the use of the Internet and other electronic delivery channels (including mobile devices) to conduct financial transactions. Accordingly, we may be required to expend additional resources to continue to enhance our protective measures or to investigate and remediate any information security vulnerabilities or exposures. The occurrence of

any system failures, interruptions, or breaches in security could expose us to reputation risk, litigation, regulatory scrutiny and possible financial liability that could have a material adverse effect on our financial condition and results of operations.

Our failure to successfully keep pace with technological changes could have a material adverse impact on our business and, in turn, our financial condition and results of operations.

The financial services industry is continually undergoing rapid technological change with frequent introductions of new technology-driven products and services. The effective use of technology increases efficiency and enables financial institutions to better serve clients and to reduce costs. Our future success depends, in part, upon our ability to address the needs of our clients by using technology to provide products and services that will satisfy client demands, as well as to create additional efficiencies in our operations. Many of our competitors have substantially greater resources to invest in technological improvements. We may not be able to effectively implement new technology-driven products and services or be successful in marketing these products and services to our clients. Failure to successfully keep pace with technological change affecting the financial services industry could have a material adverse impact on our business and, in turn, our financial condition and results of operations.

Our board of directors relies on management and outside consultants in overseeing cybersecurity risk management.

The Company has a standing Information Technology Committee. The Chief Information Officer is the primary management liaison to the committee. The committee meets quarterly, or more frequently if needed, and reports to the board of directors after each meeting through committee minutes. The Company also engages outside consultants to support its cybersecurity efforts. One of our directors has significant experience in cybersecurity, security engineering and compliance. Our other directors do not have significant experience in cybersecurity risk management in other business entities comparable to the Company and rely on the Chief Information Officer and other consultants for cybersecurity guidance. During the first quarter of 2026, management established a bank level Technology Committee to provide focused oversight of technology-related matters and associated risks.

We are subject to operational risk.

We face the risk that the design of our controls and procedures, including those to mitigate the risk of fraud by employees or outsiders, may prove to be inadequate or are circumvented, thereby causing delays in the detection of errors or inaccuracies in data and information. Management regularly reviews and updates our internal controls, disclosure controls and procedures, and corporate governance policies and procedures. Any system of controls, however well designed and operated, is based in part on certain assumptions and can provide only reasonable, not absolute, assurances that the objectives of the system are met. Any failure or circumvention of our controls and procedures or failure to comply with regulations related to controls and procedures could have a material adverse effect on our business, financial condition and results of operations.

We are dependent on key personnel and the loss of one or more of those key personnel may materially and adversely affect our prospects.

Our performance is largely dependent on the talents and efforts of highly skilled individuals. There is intense competition in the financial services industry for qualified employees. In addition, we face increasing competition with businesses outside the financial services industry for the most highly skilled individuals. The process of recruiting personnel with the combination of skills and attributes required to carry out our strategies is often lengthy. Our business operations could be adversely affected if we were unable to attract new employees and retain and motivate our existing employees.

Risks Related to Our Wealth Management Business

Revenues and profitability from our wealth management business may be adversely affected by any reduction in assets under management, which could reduce fees earned.

The wealth management business derives the majority of its revenue from non-interest income, which consists of trust, investment advisory and other servicing fees. Substantial revenues are generated from investment management contracts with clients. Under these contracts, the investment advisory fees paid to us are typically based on the market value of assets under management. Assets under management may decline for various reasons including declines in the market value of the assets, which could be caused by price declines in the securities markets. Assets under management may also decrease due to redemptions and other withdrawals by clients or termination of contracts. This could be in response to adverse market conditions or in pursuit of other investment opportunities. If the assets under management we supervise decline and there is a related decrease in fees, it will negatively affect our results of operations.

We may not be able to attract and retain wealth management clients.

Due to strong competition, our wealth management business may not be able to attract and retain clients. Competition is strong because there are numerous well-established and successful investment management and wealth advisory firms with which we compete, including commercial banks and trust companies, investment advisory firms, mutual fund companies, stock brokerage firms, and other financial companies. Many of our competitors have greater resources than we have. Our ability to successfully attract and retain wealth management clients is dependent upon our ability to compete with competitors' investment products, level of investment performance, client services and marketing and distribution capabilities. If we are not successful, our results of operations and financial condition may be negatively impacted.

The wealth management industry is subject to extensive regulation, supervision and examination by regulators, and any enforcement action or adverse changes in the laws or regulations governing our business could decrease our revenues and profitability.

The wealth management business is subject to regulation by a number of regulatory agencies that are charged with safeguarding the integrity of the securities and other financial markets and with protecting the interests of customers participating in those markets. In the event of non-compliance with regulation, governmental regulators, including the SEC and the Financial Industry Regulatory Authority, may institute administrative or judicial proceedings that may result in censure, fines, civil penalties, the issuance of cease-and-desist orders or the deregistration or suspension of the non-compliant broker-dealer or investment adviser or other adverse consequences. The imposition of any such penalties or orders could have a material adverse effect on the wealth management segment's operating results and financial condition. We may be adversely affected as a result of new or revised legislation or regulations. Regulatory changes have imposed and may continue to impose additional costs, which could adversely impact our profitability.

Risks Related to Technology

Our reliance on and integration of artificial intelligence ("AI") and machine learning ("ML") technologies expose us to various risks, including operational, data, regulatory, and reputational risks, which could materially affect our business and financial results.

- **Operational & Model Risk:** Our AI/ML models, used for credit scoring, fraud detection, customer service, and investment decisions, rely on complex algorithms and vast datasets. Errors, biases, or "hallucinations" (generating false information) in these models, or unexpected system failures, could lead to flawed decisions, financial losses, compliance failures, or degraded customer experiences, impacting profitability and client retention.
- **Data Security and Privacy:** AI systems process sensitive customer data. Security breaches or unauthorized access to these systems could result in data theft, loss of intellectual property, and significant penalties, damaging customer trust.
- **Regulatory and Compliance Risk:** The regulatory landscape for AI is rapidly evolving. New laws could impose costly compliance burdens, restrict AI use, or introduce liabilities, particularly concerning algorithmic bias and fair lending practices (e.g., "digital redlining"), potentially increasing operational costs and limiting service offerings.
- **Talent and Third-Party Risk:** Attracting and retaining skilled AI professionals is crucial and competitive. We also depend on third-party AI vendors, creating dependency risks and potential issues with data handling, model reliability, and licensing, all of which could disrupt operations.
- **Reputational and Ethical Risk:** Misuse of AI, biased outcomes, or privacy violations can harm our brand, erode customer confidence, and attract negative public attention, potentially affecting demand for our services.

If we cannot effectively manage these challenges, including adapting to rapid technological change and ensuring responsible AI governance, our reputation, competitive position, and financial performance could be significantly harmed.

Risks Related to Our Common Stock

Our stock price can be volatile.

Our stock price can fluctuate in response to a variety of factors, some of which are not under our control. The factors that

could cause our stock price to decrease include, but are not limited to:

- Our past and future dividend practice;
- Our financial condition, performance, creditworthiness and prospects;
- Variations in our operating results or the quality of our assets;
- General investor sentiment regarding the banking industry;
- Operating results that vary from the expectations of management, securities analysts and investors;
- Changes in expectations as to our future financial performance;
- Changes in financial markets related to market valuations of financial industry companies;
- The operating and securities price performance of other companies that investors believe are comparable to us;
- Future sales of our equity or equity-related securities;
- The imposition of tariffs and any retaliatory responses;
- Proposed or adopted legislative, regulatory or accounting changes or developments;
- The credit, mortgage and housing markets, the markets for securities relating to mortgages or housing, and developments with respect to financial institutions generally; and
- Changes in global financial markets and global economies and general market conditions, such as interest or foreign exchange rates, inflation, recessionary conditions, stock, commodity or real estate valuations or volatility and other geopolitical, regulatory or judicial events.

Item 1B. UNRESOLVED STAFF COMMENTS

None.

Item 1C. CYBERSECURITY

Risk Management and Strategy

Peapack Private Bank & Trust's risk management program is designed to identify, assess, and mitigate risks across various aspects of the Company, including financial, operational, regulatory, reputational, and legal. Cybersecurity is a critical component of this program, given the increasing reliance on technology, our overall growth, including our expansion of Internet and mobile banking tools, an increased level of employees working remotely and the potential of cyber threats. Peapack Private's Information Security Officer is primarily responsible for cybersecurity and is a key member of the risk management organization, reporting directly to the Chief Risk Officer and as discussed below, periodically to the Information Technology Steering Committee and Peapack Private's board of directors.

Our objective for managing cybersecurity risk is to avoid or minimize the impact of external threat events or other efforts to penetrate, disrupt or misuse Peapack Private systems or information. The structure of our information security program is designed around the National Institute of Standards and Technology Cybersecurity Framework, regulatory guidance, and other industry standards. In addition, we leverage information from certain industry and government associations, third-party benchmarking, audits, and threat intelligence feeds to facilitate and promote program effectiveness. The Bank's Information Security Officer and Chief Information Officer, who reports directly to the Chief Operating Officer, along with other key members of their teams, regularly collaborate with peer banks, industry groups, and policymakers to discuss cybersecurity trends and issues and identify best practices. The information security program is periodically reviewed by such personnel with the goal of addressing changing threats and conditions.

We employ an in-depth, layered, defensive strategy that embraces a "trust by design" philosophy when designing new products, services, and technology. We leverage people, processes, and technology as part of the Bank's efforts to manage

and maintain cybersecurity controls. We also employ a variety of preventative and detective tools designed to monitor, block, and provide alerts regarding suspicious activity, as well as to report on suspected advanced persistent threats. We have established processes and systems designed to mitigate cyber risk, including on-going education and training for employees, preparedness simulations and tabletop exercises, and recovery and resilience tests. We engage in regular assessments of our infrastructure, software systems, and network architecture, using internal cybersecurity experts and third-party specialists. We also maintain a third-party risk management program designed to identify, assess, and manage risks, including cybersecurity risks, associated with external service providers and the Bank's supply chain. We also actively monitor our email gateways for malicious phishing e-mail campaigns and monitor remote connections as a significant portion of our workforce has the option to work remotely. We leverage internal and external auditors and independent external partners to periodically review our processes, systems, and controls, including with respect to the Bank's information security program, to assess their design and operating effectiveness and make recommendations to strengthen the Bank's risk management program.

We maintain an Incident Response Plan that provides a documented framework for responding to actual or potential cybersecurity incidents, including timely notification of and escalation to the Bank's Information Technology Steering Committee as well as the board of directors. The Incident Response Plan is coordinated through the Information Security Officer and key members of management are embedded into the Plan by its design. The Incident Response Plan facilitates coordination across multiple parts of the Bank's organization and is evaluated at least annually.

Notwithstanding our defensive measures and processes, the threat posed by cyber-attacks is severe. The Bank's internal systems, processes, and controls are designed to mitigate loss from cyber-attacks and, while we have experienced cybersecurity incidents in the past, to date, risks from cybersecurity threats have not materially affected the Company, including its business strategy, results of operations, or financial condition.

Governance

Peapack Private's Chief Information Officer, Chief Technology Officer, and Information Security Officer are accountable for managing and ensuring compliance with the Bank's information security program. Included in the responsibilities of this management team is the oversight and the administration of the cybersecurity risk assessment, defense operations, incident response, vulnerability assessment, threat intelligence, identity access governance, third-party risk management, and business resilience.

The Bank's board of directors has approved management committees including the Information Technology Steering Committee, which focuses on technology and cyber-related business impact. This committee provides oversight and governance of the technology program and the information security program. The committee is chaired by managers within the enterprise information technology department and include the Chief Information Officer, Chief Technology Officer, and Information Security Officer. The committee meets quarterly to provide oversight of the risk management strategy, standards, policies, practices, controls, and mitigation and prevention efforts employed to manage security risks. More frequent meetings may occur to facilitate timely informing and monitoring efforts. The Information Security Officer reports summaries of key issues, including significant cybersecurity and/or privacy incidents, discussed at committee meetings and the actions taken to the Bank's board of directors. During the first quarter of 2026, management established a bank level Technology Committee to provide focused oversight of technology-related matters and associated risks.

The Bank's board of directors are responsible for overseeing Peapack Private's information security and technology programs, including management's actions to identify, assess, mitigate, and remediate or prevent material cybersecurity issues and risks. The Bank's Information Security Officer, Chief Information Officer, and Chief Technology Officer provide reports to the Bank's board of directors regarding the information security program, technology program, key enterprise cybersecurity initiatives, and other matters relating to cybersecurity processes. The board of directors reviews and approves our information security program, technology budgets, and strategies annually.

Item 2. PROPERTIES

The Company owns nine branches and leases eight branches. The Company also leases an administrative and operations office building in Bedminster, New Jersey, private banking offices in Princeton, Teaneck, and Lakewood, New Jersey, New York City, Garden City and Melville, Long Island, Rye Brook, New York and wealth offices in Greenville, Delaware, Morristown, Red Bank and Summit, New Jersey.

Item 3. LEGAL PROCEEDINGS

In the normal course of business, lawsuits and claims may be brought against the Company and its subsidiaries. Currently, there are no pending or threatened litigation or proceedings against the Company or its subsidiaries, which assert claims that if adversely decided, we believe would have a material adverse effect on the Company.

Item 4. MINE SAFETY DISCLOSURE

Not applicable.

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The common stock of the Company is traded on the NASDAQ Global Select Market under the symbol "PGC". On March 3, 2026, there were approximately 1,117 registered shareholders of record.

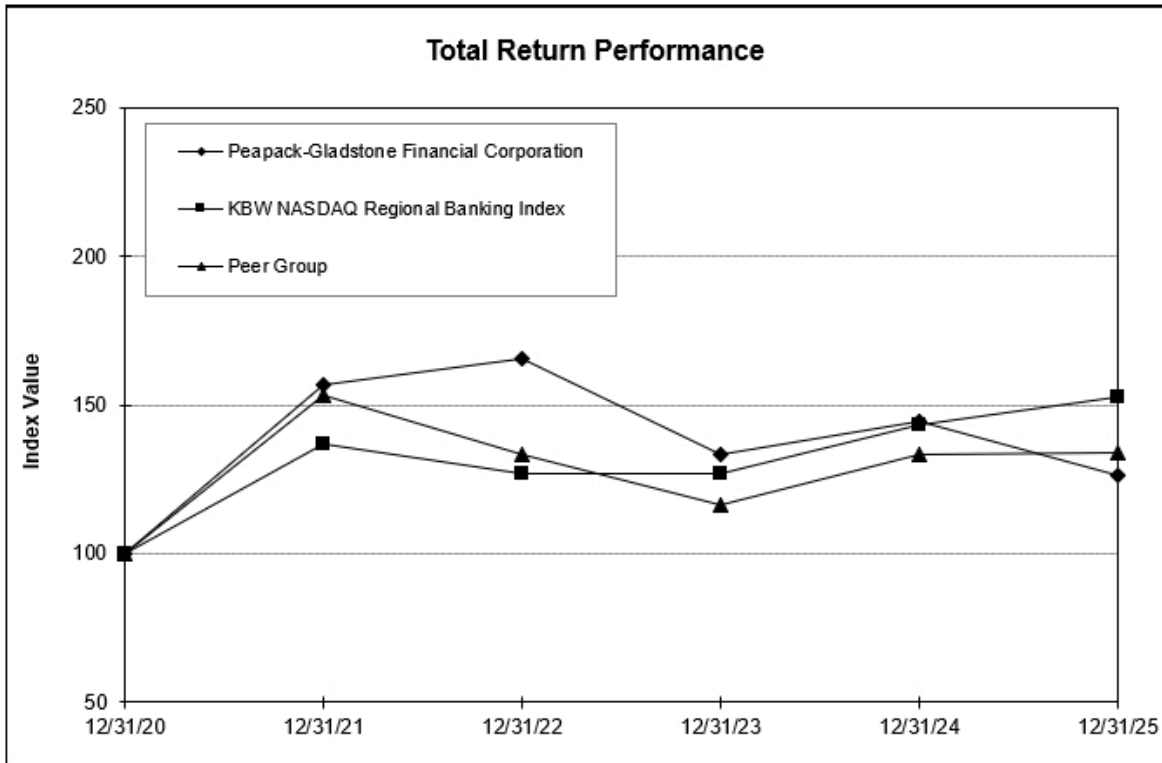
Stock Performance Graph

The following graph compares the cumulative total return on a hypothetical \$100 investment made on December 31, 2020 (Five Year Total Return Performance), in (a) the Company's common stock; (b) the KBW NASDAQ Regional Banking Index (top 50 U.S. banks); and (c) the Proxy Peer Group. The graph is calculated assuming that all dividends are reinvested during the relevant periods.

The KBW NASDAQ Regional Banking Index is comprised of the largest money center banks in the U.S. (i.e. those included in the KBW NASDAQ Bank Index), but also includes smaller regional banks. The Peer Group is comprised of the bank peer group included in the Company's 2025 Proxy that the Company utilized for monitoring its executive compensation. (Note that banks that have since been acquired or did not file their required reports on a timely basis have been excluded.)

The Peer Group consists of: Amerant Bancorp Inc., Arrow Financial Corporation, Berkshire Hills Bancorp, Inc. (included through 8/29/25 when it merged with Brookline Bancorp), Capital Bancorp, Inc., ConnectOne Bancorp, Inc., Dime Community Bancshares, Inc., Eagle Bancorp, Inc., Enterprise Bancorp, Inc. (included through 6/30/2025 when it was acquired by Independent Bank Corp.), Flushing Financial Corporation, Keady Financial Corp., MetroCity Bankshares, Inc., Metropolitan Bank Holding Corp., Northfield Bancorp, Inc. (Staten Island, NY), OceanFirst Financial Corp., Orrstown Financial Services, Inc., Sandy Spring Bancorp, Inc. (included through 3/31/25 when it was acquired by Atlantic Union Bankshares), Stock Yards Bancorp, Inc., Tompkins Financial Corporation, Univest Financial Corporation, and Washington Trust Bancorp, Inc.

The Company believes each of these indexes/groups are more closely aligned with the operations of the Company.



| <i>Index</i> | <i>Period Ended</i> | | | | | |
|-----------------------------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 12/31/20 | 12/31/21 | 12/31/22 | 12/31/23 | 12/31/24 | 12/31/25 |
| Peapack-Gladstone Financial Corporation | \$ 100.00 | \$ 156.52 | \$ 165.51 | \$ 133.54 | \$ 144.59 | \$ 126.56 |
| KBW NASDAQ Regional Banking Index | 100.00 | 136.64 | 127.17 | 126.67 | 143.39 | 152.71 |
| Peer Group | 100.00 | 153.44 | 133.29 | 116.25 | 133.62 | 133.90 |

Stock Repurchases

The following table sets forth information for the quarter ended December 31, 2025 with respect to common shares repurchased and common shares withheld to satisfy withholding obligations upon the exercise of stock options and vesting of restricted stock awards/units.

| | Total Number of Shares Purchased As Part of Publicly Announced Plans or Programs | Total Number of Shares Withheld (1) | Average Price Paid Per Share | Maximum Number of Shares That May Yet Be Purchased Under the Plans Or Programs (2) |
|--------------------|-------------------------------------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------|
| October 1, 2025 - | | | | |
| October 31, 2025 | — | — | \$ — | 680,000 |
| November 1, 2025 - | | | | |
| November 30, 2025 | — | — | — | 680,000 |
| December 1, 2025 - | | | | |
| December 31, 2025 | — | — | — | 680,000 |
| Total | — | — | \$ — | |

- (1) Represents shares withheld to satisfy tax withholding obligations upon the exercise of stock options and/or the vesting of restricted stock awards/units. Such shares are repurchased pursuant to the applicable plan and are not under the Company's share repurchase program.
- (2) On January 30, 2025, the Company's Board of Directors approved a plan to repurchase up to 880,000 shares, which was approximately 5 percent of the outstanding shares as of that date, through December 31, 2026. The timing and amount of shares repurchased will depend on certain factors, including but not limited to, market conditions, the Company's liquidity and capital requirements and alternative uses of capital.

Item 6. [RESERVED]

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

CAUTIONARY STATEMENT CONCERNING FORWARD LOOKING STATEMENTS: This Annual Report on Form 10-K may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are not historical facts and include expressions about Management's confidence, strategies and expectations about new and existing programs and products, investments, relationships, financial results and operations, opportunities and market conditions. These statements may be identified by such forward-looking terminology as "expect," "look," "believe," "anticipate," "may," or similar statements or variations of such terms. Actual results may differ materially from such forward-looking statements. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, but are not limited to:

- our ability to successfully grow our business and implement our strategic plan, including our ability to generate revenues to offset the increased personnel and other costs related to the strategic plan;
- the impact of anticipated higher operating expenses in 2026 and beyond;
- our ability to successfully integrate wealth management firm and team acquisitions;
- our ability to successfully integrate our expanded employee base;

- a decline in the economy, in particular in our New Jersey and New York market areas, including potential recessionary conditions;
- declines in our net interest margin caused by the interest rate environment and/or our highly competitive market;
- declines in the value in our investment portfolio;
- impact from a pandemic event on our business, operations, customers, allowance for credit losses and/or capital levels;
- increases in our allowance for credit losses;
- changes in the methodology and assumptions used to calculate the allowance for credit losses;
- higher than expected increases in credit losses or in the level of delinquent, nonperforming, classified and criticized loans or charge-offs;
- inflation and changes in interest rates, which may adversely impact our margins and yields, reduce the fair value of our financial instruments, reduce our loan originations and lead to higher operating costs;
- decline in real estate values within our market areas;
- legislative and regulatory actions (including the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act, Basel III and related regulations) that may result in increased compliance costs;
- the imposition of tariffs or other domestic or international governmental policies and retaliatory responses;
- the impact of any federal government shutdown;
- the failure to maintain current technologies and/or to successfully implement future information technology enhancements;
- successful cyberattacks against our IT infrastructure and that of our IT and third-party providers;
- increased FDIC insurance premiums;
- adverse weather conditions;
- the current or anticipated impact of military conflict, terrorism or other geopolitical events;
- our inability to successfully generate new business and brand recognition in new geographic markets, including our expansion into New York City and Long Island;
- a reduction in our lower-cost funding sources;
- changes in liquidity, including the size and composition of our deposit portfolio, including the percentage of uninsured deposits in the portfolio;
- our inability to adapt to technological changes;
- claims and litigation pertaining to fiduciary responsibility, environmental laws and other matters;
- our inability to retain key employees;
- demand for loans and deposits in our market areas;
- adverse changes in securities markets;
- changes in New York City rent regulation law;
- changes in governmental regulation, including, but not limited to, changes in the monetary and fiscal policies of the U.S. Treasury and the Board of Governors of the Federal Reserve System;
- changes in accounting policies and practices; and/or
- other unexpected material adverse changes in our operations or earnings.

Except as may be required by applicable law or regulation, the Company undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations. Although we believe that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee future results, levels of activity, performance or achievements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES: Management's Discussion and Analysis of Financial Condition and Results of Operations is based upon the Company's consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Note 1 to the Company's Audited Consolidated Financial Statements contains a summary of the Company's significant accounting policies.

The Company's determination of the allowance for credit losses involves a higher degree of complexity and requires Management to make difficult and subjective judgments, which often require assumptions or estimates about highly uncertain matters. Changes in the methodology for determining the allowance for credit losses or in these judgments, assumptions or estimates could materially impact results of operations. This critical policy and its application are periodically reviewed with the Audit Committee and the Board of Directors.

The allowance for credit losses is a valuation allowance, which represents Management's estimate of expected credit losses in the loan portfolio calculated in accordance with ASC 326, "Credit Losses". The process to determine expected credit losses utilizes analytic tools and Management judgment and is reviewed on a quarterly basis. When Management is reasonably certain that a loan balance is not fully collectable, an analysis is completed whereby a specific reserve may be established or a full or partial charge-off is recorded against the allowance. Subsequent recoveries, if any, are credited to the allowance. Management estimates the allowance balance via a quantitative analysis, which considers available information from internal and external sources related to past loan loss and prepayment experience and current economic conditions, as well as the incorporation of reasonable and supportable economic forecasts. Management evaluates a variety of factors, including available published economic information, in arriving at its forecasts. Expected credit losses are estimated over the contractual term of the loans, adjusted for expected prepayments when appropriate. Also included in the allowance for credit losses are qualitative reserves that are expected, but, in the Management's assessment, may not be adequately represented in the quantitative analysis or the forecasts described above. Factors may include, among others, changes in lending policies and procedures, size and composition of the portfolio, experience and depth of Management and the effect of external factors such as competition and legal and regulatory requirements. The allowance is available for any loan that, in Management's judgment, should be charged off.

Although Management uses the best information available, the level of the allowance for credit losses remains an estimate, which is subject to significant judgment and short-term change. Various regulatory agencies, as an integral part of their examination process, periodically review the Company's allowance for credit losses. Such agencies may require the Company to make additional provisions for credit losses based upon information available to them at the time of their examination. Furthermore, the majority of the Company's loans are secured by real estate in New Jersey and the boroughs of New York City. Accordingly, the collectability of a substantial portion of the Company's loan portfolio is susceptible to changes in local market conditions, rent control regulations and any adverse economic conditions. Future adjustments to the provision for credit losses and the allowance for credit losses may be necessary due to economic, operating, regulatory and other conditions beyond the Company's control.

The Company's quantitative component of its allowance for credit losses for collectively evaluated loans is calculated with an economic forecast sourced from Moody's. Management performed a hypothetical sensitivity analysis to understand the impact of changes in the economic forecast as a key input in our calculation of the allowance for credit losses for collectively evaluated loans. Within the various economic scenarios considered for this hypothetical sensitivity analysis, as of December 31, 2025, the quantitative estimate of the allowance for credit loss for collectively evaluated loans would increase by approximately \$23 million under sole consideration of an adverse Moody's economic forecast, which when stressed, resulted in the national unemployment rate increasing to 8.3 percent and negative growth for national GDP of approximately 2.6 percent. The hypothetical sensitivity calculation reflects the sensitivity of the modeled allowance estimate to macroeconomic forecast data but lacks other qualitative overlays and other qualitative adjustments that are part of the quarterly allowance calculation process. As such, this does not necessarily reflect the nature and extent of future changes in the allowance for reasons including increases or decreases in qualitative adjustments, changes in the risk profile, size and composition of the loan portfolio, changes in the severity of the macroeconomic scenario and the range of scenarios under management consideration.

OVERVIEW: The following discussion and analysis is intended to provide information about the financial condition and results of operations of the Company and its subsidiaries on a consolidated basis and should be read in conjunction with the consolidated financial statements and the related notes and supplemental financial information appearing elsewhere in this report.

For the year ended December 31, 2025, the Company recorded net income of \$37.3 million, and diluted earnings per share of \$2.10, compared to \$33.0 million and \$1.85, respectively, for 2024, reflecting increases of \$4.3 million, or 13 percent, and \$0.25 per share, or 14 percent, respectively. During 2025, the Company continued to focus on its expansion into the metro New York region. During 2025, the Company added six new production teams in Long Island. The Company's metro New York initiative has resulted in approximately \$1.9 billion in new core relationship deposits, 31 percent of which is in noninterest-bearing accounts. The Company also grew the wealth management team through the addition of experienced advisers to help serve the expanded geography throughout the metro NY market.

The following are selected highlights from 2025:

- At December 31, 2025, the market value of assets under management in our Wealth Management Division grew by \$1.2 billion to \$13.1 billion, reflecting an increase of 10 percent from \$11.9 billion at December 31, 2024.
- Wealth Management fee income was \$63.2 million in 2025, which comprised 22 percent of the Company's total revenue for the year.

- Total loans increased by \$741 million, or 13 percent, to \$6.3 billion at December 31, 2025 compared to \$5.5 billion at December 31, 2024.
- At December 31, 2025, total C&I loans (including equipment finance loans) comprised 44 percent of the total loan portfolio.
- Total deposits increased by \$460 million, or 8 percent, to \$6.6 billion at December 31, 2025 compared to \$6.1 billion at December 31, 2024.
- Noninterest-bearing demand deposits increased by \$316 million, or 28 percent, to \$1.4 billion as of December 31, 2025.
- Core deposits (which includes noninterest-bearing demand and interest-bearing demand, savings and money market accounts) represent 94 percent of total deposits at December 31, 2025.
- Book value per share increased 9 percent to \$37.49 at December 31, 2025 from \$34.45 at December 31, 2024.
- The Company and the Bank's capital ratios at December 31, 2025 remain well above regulatory well capitalized standards.

EARNINGS SUMMARY: The following table presents certain key aspects of our performance for the years ended December 31, 2025, 2024 and 2023.

| (Dollars in thousands, except share and per share data) | At or for the Years Ended December 31, | | | Change | |
|--------------------------------------------------------------|----------------------------------------|-----------------|-----------------|-----------------|-----------------|
| | 2025 | 2024 | 2023 | 2025 vs 2024 | 2024 vs 2023 |
| Results of Operations: | | | | | |
| Interest income | \$ 362,525 | \$ 327,801 | \$ 304,010 | \$ 34,724 | \$ 23,791 |
| Interest expense | 161,615 | 178,795 | 147,921 | (17,180) | 30,874 |
| Net interest income | 200,910 | 149,006 | 156,089 | 51,904 | (7,083) |
| Provision for credit losses | 23,518 | 7,500 | 14,091 | 16,018 | (6,591) |
| Net interest income after provision for credit losses | 177,392 | 141,506 | 141,998 | 35,886 | (492) |
| Wealth management fee income | 63,240 | 61,458 | 55,747 | 1,782 | 5,711 |
| Other income | 18,845 | 17,664 | 17,831 | 1,181 | (167) |
| Total operating expense | 207,168 | 175,676 | 148,295 | 31,492 | 27,381 |
| Income before income tax expense | 52,309 | 44,952 | 67,281 | 7,357 | (22,329) |
| Income tax expense | 14,983 | 11,964 | 18,427 | 3,019 | (6,463) |
| Net income | \$ 37,326 | \$ 32,988 | \$ 48,854 | \$ 4,338 | \$ (15,866) |
| Per Share Data: | | | | | |
| Basic earnings per common share | \$ 2.12 | \$ 1.87 | \$ 2.74 | \$ 0.25 | \$ (0.87) |
| Diluted earnings per common share | 2.10 | 1.85 | 2.71 | 0.25 | (0.86) |
| Cash dividends declared | 0.20 | 0.20 | 0.20 | — | — |
| Book value end-of-period | 37.49 | 34.45 | 32.90 | 3.04 | 1.55 |
| Average common shares outstanding | 17,612,244 | 17,664,640 | 17,849,558 | (52,396) | (184,918) |
| Common stock equivalents (dilutive) | 137,635 | 175,121 | 199,494 | (37,486) | (24,373) |
| Diluted average common shares outstanding | 17,749,879 | 17,839,761 | 18,049,052 | (89,882) | (209,291) |
| Average equity to average assets | 8.70% | 8.97% | 8.70% | (0.27)% | 0.27% |
| Return on average assets | 0.52 | 0.50 | 0.76 | 0.02 | (0.26) |
| Return on average equity | 5.95 | 5.61 | 8.77 | 0.34 | (3.16) |
| Dividend payout ratio (A) | 9.43 | 10.70 | 7.28 | (1.27) | 3.42 |
| Net interest margin (B) | 2.84 | 2.32 | 2.48 | 0.52 | (0.16) |
| Noninterest expenses to average assets | 2.87 | 2.68 | 2.32 | 0.19 | 0.36 |
| Noninterest income to average assets | 1.14 | 1.21 | 1.15 | (0.07) | 0.06 |
| Balance sheet data (at period end): | | | | | |
| Total assets | \$ 7,526,409 | \$ 7,011,238 | \$ 6,476,857 | \$ 515,171 | \$ 534,381 |
| Securities held to maturity | 95,862 | 101,635 | 107,755 | (5,773) | (6,120) |
| Securities available to sale | 774,203 | 784,544 | 550,617 | (10,341) | 233,927 |
| Total loans | 6,253,736 | 5,512,326 | 5,429,325 | 741,410 | 83,001 |
| Allowance for credit losses | 71,039 | 72,992 | 65,888 | (1,953) | 7,104 |
| Total deposits | 6,588,979 | 6,129,022 | 5,274,114 | 459,957 | 854,908 |
| Total shareholders' equity | 658,206 | 605,849 | 583,681 | 52,357 | 22,168 |
| Cash dividends: | | | | | |
| Common | 3,521 | 3,530 | 3,558 | (9) | (28) |
| Assets under management and/or administration (market value) | \$ 13.1 billion | \$ 11.9 billion | \$ 10.9 billion | \$ 1.2 billion | \$ 1.0 billion |

| | At or for the Years Ended December 31, | | | Change | |
|---------------------------------------------------------------|----------------------------------------|--------|---------|-----------------|-----------------|
| | 2025 | 2024 | 2023 | 2025 vs 2024 | 2024 vs 2023 |
| Asset quality ratios (at period end): | | | | | |
| Nonperforming loans to total loans | 1.09% | 1.82% | 1.13% | (0.73)% | 0.69% |
| Nonperforming assets to total assets | 0.91 | 1.43 | 0.95 | (0.52) | 0.48 |
| Allowance for credit losses to nonperforming loans | 104.10 | 72.87 | 107.44 | 31.23 | (34.57) |
| Allowance for credit losses to total loans | 1.14 | 1.32 | 1.21 | (0.18) | 0.11 |
| Net charge-offs to average loans plus other real estate owned | 0.44 | 0.01 | 0.17 | 0.43 | (0.16) |
| Liquidity and capital ratios: | | | | | |
| Average loans to average deposits | 92.10% | 94.14% | 102.29% | (2.04)% | (8.15)% |
| Total shareholders' equity to total assets | 8.75 | 8.64 | 9.01 | 0.11 | (0.37) |
| Selected Balance Sheet Ratios of the Company: | | | | | |
| Regulatory total capital to risk-weighted assets | 12.68% | 14.84% | 14.95% | (2.16)% | (0.11)% |
| Regulatory leverage ratio | 8.87 | 9.01 | 9.19 | (0.14) | (0.18) |
| Noninterest-bearing deposits to total deposits | 21.68 | 18.16 | 18.16 | 3.52 | (0.00) |
| Time deposits to total deposits | 6.20 | 8.01 | 10.85 | (1.81) | (2.84) |

(A) Dividend payout ratio is calculated by dividing cash dividends by net income.

(B) Net interest income on a fully tax equivalent basis, using a 21 percent federal income tax rate, as a percentage of total average interest-earning assets.

2025 compared to 2024

The Company recorded net income of \$37.3 million and diluted earnings per share of \$2.10 for the year ended December 31, 2025, compared to net income of \$33.0 million and diluted earnings per share of \$1.85 for the year ended December 31, 2024. These results produced a return on average assets of 0.52 percent and 0.50 percent for 2025 and 2024, respectively, and a return on average shareholders' equity of 5.95 percent and 5.61 percent for 2025 and 2024, respectively.

The increase in net income for 2025 was principally driven by increased net interest income partially offset by increased provision for credit losses and increased operating expenses, which was principally attributable to the expansion of our private banking model that offers a single point of contact for all banking services into the metro New York City market. This strategy and metro New York City expansion continues to deliver lower-cost core deposit relationships resulting in consistent improvement in our cost of funds and net interest margin. During 2025, deposits grew \$460.0 million, which included \$316.0 million in noninterest-bearing demand deposits.

NET INTEREST INCOME AND NET INTEREST MARGIN

The primary source of the Company's operating income is net interest income, which is the difference between interest and dividends earned on interest-earning assets and interest paid on interest-bearing liabilities. Interest-earning assets include loans, investment securities, interest-earning deposits and federal funds sold. Interest-bearing liabilities include interest-bearing checking, savings and time deposits, Federal Home Loan Bank advances, subordinated debt and other borrowings. Net interest income is determined by the difference between the average yields earned on interest-earning assets and the average cost of interest-bearing liabilities ("net interest spread") and the relative amounts of interest-earning assets and interest-bearing liabilities. Net interest margin ("NIM") is calculated as net interest income as a percent of total interest-earning assets. The Company's net interest income, spread and margin are affected by regulatory, economic and competitive factors that influence interest rates, loan demand and deposit flows and levels of nonperforming assets.

The following table compares the average balance sheets, interest rate spreads and net interest margins for the years ended December 31, 2025, 2024 and 2023 (on a fully tax-equivalent basis "FTE"):

| | Year Ended December 31, 2025 | | |
|------------------------------------------------------|-------------------------------------|-------------------------|----------------|
| (Dollars in thousands) | Average Balance | Income/Expense (FTE) | Yield (FTE) |
| Assets: | | | |
| Interest-earnings assets: | | | |
| Investments: | | | |
| Taxable (A) | \$ 997,712 | \$ 31,513 | 3.16% |
| Tax-exempt (A)(B) | — | — | — |
| Loans (B)(C): | | | |
| Mortgages | 638,855 | 28,615 | 4.48 |
| Commercial mortgages | 2,448,097 | 111,744 | 4.56 |
| Commercial | 2,559,260 | 167,998 | 6.56 |
| Commercial construction | 63 | 5 | 7.94 |
| Installment | 146,553 | 10,036 | 6.85 |
| Home Equity | 52,068 | 3,851 | 7.40 |
| Other | 376 | 20 | 5.40 |
| Total loans | <u>5,845,272</u> | <u>322,269</u> | <u>5.51</u> |
| Federal funds sold | — | — | — |
| Interest-earning deposits | 262,985 | 9,684 | 3.68 |
| Total interest-earning assets | <u>7,105,969</u> | <u>363,466</u> | <u>5.11%</u> |
| Noninterest-earning assets: | | | |
| Cash and due from banks | 9,335 | | |
| Allowance for loan losses | (75,515) | | |
| Premises and equipment | 35,358 | | |
| Other assets | 132,386 | | |
| Total noninterest-earning assets | <u>101,564</u> | | |
| Total assets | <u>\$ 7,207,533</u> | | |
| Liabilities and shareholders' equity: | | | |
| Interest-bearing deposits: | | | |
| Checking | \$ 3,573,710 | \$ 113,543 | 3.18% |
| Money markets | 999,858 | 27,470 | 2.75 |
| Savings | 104,744 | 616 | 0.59 |
| Certificates of deposit - retail and listing service | 433,633 | 14,970 | 3.45 |
| Subtotal interest-bearing deposits | <u>5,111,945</u> | <u>156,599</u> | <u>3.06</u> |
| Interest-bearing demand - brokered | 4,740 | 210 | 4.43 |
| Certificates of deposit - brokered | — | — | — |
| Total interest-bearing deposits | <u>5,116,685</u> | <u>156,809</u> | <u>3.06</u> |
| Borrowed funds | 12,067 | 543 | 4.50 |
| Finance lease liability | 1,262 | 53 | 4.20 |
| Subordinated debt | 105,781 | 4,210 | 3.98 |
| Total interest-bearing liabilities | <u>5,235,795</u> | <u>161,615</u> | <u>3.09%</u> |
| Noninterest-bearing liabilities: | | | |
| Demand deposits | 1,229,755 | | |
| Accrued expenses and other liabilities | 114,613 | | |
| Total noninterest-bearing liabilities | <u>1,344,368</u> | | |
| Shareholders' equity | 627,370 | | |
| Total liabilities and shareholders' equity | <u>\$ 7,207,533</u> | | |
| Net interest income | | <u>\$ 201,851</u> | |
| Net interest spread | | | <u>2.02%</u> |
| Net interest margin (D) | | | <u>2.84%</u> |

(A) Average balances for available for sale securities are based on amortized cost.

(B) Interest income is presented on a tax-equivalent basis using a 21 percent federal income tax rate.

(C) Loans are stated net of unearned income and include nonaccrual loans.

(D) Net interest income on an FTE basis as a percentage of total average interest-earning assets.

Year Ended December 31, 2024

| (Dollars in thousands) | Average Balance | Income/Expense (FTE) | Yield (FTE) |
|------------------------------------------------------|---------------------|-------------------------|----------------|
| Assets: | | | |
| Interest-earning assets: | | | |
| Investments: | | | |
| Taxable (A) | \$ 849,933 | \$ 23,402 | 2.75% |
| Tax-exempt (A)(B) | — | — | — |
| Loans (B)(C): | | | |
| Mortgages | 582,024 | 23,017 | 3.95 |
| Commercial mortgages | 2,406,726 | 107,659 | 4.47 |
| Commercial | 2,216,401 | 151,610 | 6.84 |
| Commercial construction | 18,647 | 1,570 | 8.42 |
| Installment | 70,852 | 4,814 | 6.79 |
| Home Equity | 38,321 | 3,113 | 8.12 |
| Other | 246 | 25 | 10.16 |
| Total loans | <u>5,333,217</u> | <u>291,808</u> | <u>5.47</u> |
| Federal funds sold | — | — | — |
| Interest-earning deposits | 297,448 | 13,644 | 4.59 |
| Total interest-earning assets | <u>6,480,598</u> | <u>328,854</u> | <u>5.07%</u> |
| Noninterest-earning assets: | | | |
| Cash and due from banks | 8,517 | | |
| Allowance for loan losses | (69,372) | | |
| Premises and equipment | 25,705 | | |
| Other assets | 110,938 | | |
| Total noninterest-earning assets | <u>75,788</u> | | |
| Total assets | <u>\$ 6,556,386</u> | | |
| Liabilities and shareholders' equity: | | | |
| Interest-bearing deposits: | | | |
| Checking | \$ 3,149,550 | \$ 118,497 | 3.76% |
| Money markets | 842,606 | 24,851 | 2.95 |
| Savings | 105,351 | 410 | 0.39 |
| Certificates of deposit - retail and listing service | 500,842 | 20,984 | 4.19 |
| Subtotal interest-bearing deposits | <u>4,598,349</u> | <u>164,742</u> | <u>3.58</u> |
| Interest-bearing demand - brokered | 10,000 | 522 | 5.22 |
| Certificates of deposit - brokered | 58,425 | 2,950 | 5.05 |
| Total interest-bearing deposits | <u>4,666,774</u> | <u>168,214</u> | <u>3.60</u> |
| Borrowed funds | 65,299 | 3,848 | 5.89 |
| Finance lease liability | 2,207 | 89 | 4.03 |
| Subordinated debt | 133,413 | 6,644 | 4.98 |
| Total interest-bearing liabilities | <u>4,867,693</u> | <u>178,795</u> | <u>3.67%</u> |
| Noninterest-bearing liabilities: | | | |
| Demand deposits | 998,497 | | |
| Accrued expenses and other liabilities | 102,197 | | |
| Total noninterest-bearing liabilities | <u>1,100,694</u> | | |
| Shareholders' equity | 587,999 | | |
| Total liabilities and shareholders' equity | <u>\$ 6,556,386</u> | | |
| Net interest income | | <u>\$ 150,059</u> | |
| Net interest spread | | | <u>1.40%</u> |
| Net interest margin (D) | | | <u>2.32%</u> |

- (A) Average balances for available for sale securities are based on amortized cost.
(B) Interest income is presented on a tax-equivalent basis using a 21 percent federal income tax rate.
(C) Loans are stated net of unearned income and include nonaccrual loans.
(D) Net interest income on an FTE basis as a percentage of total average interest-earning assets.

Year Ended December 31, 2023

| (Dollars in thousands) | Average Balance | Income/Expense (FTE) | Yield (FTE) |
|------------------------------------------------------|---------------------|-------------------------|----------------|
| Assets: | | | |
| Interest-earning assets: | | | |
| Investments: | | | |
| Taxable (A) | \$ 800,811 | \$ 19,743 | 2.47% |
| Tax-exempt (A)(B) | 1,251 | 50 | 4.00 |
| Loans (B)(C): | | | |
| Mortgages | 562,488 | 19,733 | 3.51 |
| Commercial mortgages | 2,494,427 | 108,819 | 4.36 |
| Commercial | 2,254,617 | 144,141 | 6.39 |
| Commercial construction | 10,115 | 918 | 9.08 |
| Installment | 51,929 | 3,454 | 6.65 |
| Home Equity | 34,332 | 2,624 | 7.64 |
| Other | 257 | 29 | 11.28 |
| Total loans | <u>5,408,165</u> | <u>279,718</u> | <u>5.17</u> |
| Federal funds sold | — | — | — |
| Interest-earning deposits | 146,977 | 6,075 | 4.13 |
| Total interest-earning assets | <u>6,357,204</u> | <u>305,586</u> | <u>4.81%</u> |
| Noninterest-earning assets: | | | |
| Cash and due from banks | 8,973 | | |
| Allowance for loan losses | (64,149) | | |
| Premises and equipment | 23,986 | | |
| Other assets | 79,192 | | |
| Total noninterest-earning assets | <u>48,002</u> | | |
| Total assets | <u>\$ 6,405,206</u> | | |
| Liabilities and shareholders' equity: | | | |
| Interest-bearing deposits: | | | |
| Checking | \$ 2,777,390 | \$ 88,829 | 3.20% |
| Money markets | 862,686 | 18,432 | 2.14 |
| Savings | 124,538 | 229 | 0.18 |
| Certificates of deposit - retail and listing service | 400,155 | 11,736 | 2.93 |
| Subtotal interest-bearing deposits | <u>4,164,769</u> | <u>119,226</u> | <u>2.86</u> |
| Interest-bearing demand – brokered | 13,973 | 611 | 4.37 |
| Certificates of deposit – brokered | 67,998 | 3,038 | 4.47 |
| Total interest-bearing deposits | <u>4,246,740</u> | <u>122,875</u> | <u>2.89</u> |
| Borrowed funds | 337,777 | 18,204 | 5.39 |
| Finance lease liability | 4,018 | 191 | 4.75 |
| Subordinated debt | 133,127 | 6,651 | 5.00 |
| Total interest-bearing liabilities | <u>4,721,662</u> | <u>147,921</u> | <u>3.13%</u> |
| Noninterest-bearing liabilities: | | | |
| Demand deposits | 1,040,403 | | |
| Accrued expenses and other liabilities | 86,193 | | |
| Total noninterest-bearing liabilities | <u>1,126,596</u> | | |
| Shareholders' equity | 556,948 | | |
| Total liabilities and shareholders' equity | <u>\$ 6,405,206</u> | | |
| Net interest income | | <u>\$ 157,665</u> | |
| Net interest spread | | | <u>1.68%</u> |
| Net interest margin (D) | | | <u>2.48%</u> |

- (A) Average balances for available for sale securities are based on amortized cost.
(B) Interest income is presented on a tax-equivalent basis using a 21 percent federal income tax rate.
(C) Loans are stated net of unearned income and include nonaccrual loans.
(D) Net interest income on an FTE basis as a percentage of total average interest-earning assets.

The effect of volume and rate changes on net interest income (on an FTE basis) for the periods indicated are shown below:

| (In Thousands): | Year Ended 2025 Compared with 2024 | | | Year Ended 2024 Compared with 2023 | | |
|------------------------------------|------------------------------------|-------------|----------------------------------------|------------------------------------|-------------|----------------------------------------|
| | Difference due to Change In: | | Net Change In Income/ Expense | Change In Income/ Expense | | Net Change In Income/ Expense |
| | Volume | Rate | | Volume | Rate | |
| ASSETS: | | | | | | |
| Investments | \$ 5,178 | \$ 2,933 | \$ 8,111 | \$ 1,084 | \$ 2,526 | \$ 3,610 |
| Loans | 33,077 | (2,616) | 30,461 | (2,854) | 14,944 | 12,090 |
| Federal funds sold | — | — | — | — | — | — |
| Interest-earning deposits | (1,461) | (2,499) | (3,960) | 6,826 | 743 | 7,569 |
| Total interest income | \$ 36,794 | \$ (2,182) | \$ 34,612 | \$ 5,056 | \$ 18,213 | \$ 23,269 |
| LIABILITIES: | | | | | | |
| Checking | \$ 15,333 | \$ (20,287) | \$ (4,954) | \$ 13,624 | \$ 16,044 | \$ 29,668 |
| Money market | 5,690 | (3,071) | 2,619 | 747 | 5,672 | 6,419 |
| Savings | (2) | 208 | 206 | (40) | 221 | 181 |
| Certificates of deposit - retail | (2,597) | (3,417) | (6,014) | 3,414 | 5,834 | 9,248 |
| Certificates of deposit - brokered | (1,475) | (1,475) | (2,950) | (457) | 369 | (88) |
| Interest bearing demand brokered | (242) | (70) | (312) | (193) | 104 | (89) |
| Borrowed funds | (2,563) | (742) | (3,305) | (15,782) | 1,426 | (14,356) |
| Finance lease liability | (40) | 4 | (36) | (76) | (26) | (102) |
| Subordinated debt | (1,236) | (1,198) | (2,434) | 16 | (23) | (7) |
| Total interest expense | \$ 12,868 | \$ (30,048) | \$ (17,180) | \$ 1,253 | \$ 29,621 | \$ 30,874 |
| Net interest income | \$ 23,926 | \$ 27,866 | \$ 51,792 | \$ 3,803 | \$ (11,408) | \$ (7,605) |

2025 compared to 2024

Net interest income, on a fully tax-equivalent basis, increased \$51.8 million, or 35 percent, in 2025 to \$201.9 million compared to \$150.1 million in 2024. The net interest margin ("NIM") was 2.84 percent and 2.32 percent for the years ended December 31, 2025 and 2024, respectively, an increase of 52 basis points year over year. Net interest income, on a fully tax-equivalent basis, and NIM improved primarily due to continued growth in lower-costing client deposit relationships, which were used to fund loan production and investment purchases and allowed less reliance on higher-costing deposit balances and borrowed funds. The Bank also benefited from the 175 basis-point reduction in the target federal funds rate by the Federal Reserve from the latter half of 2024 through 2025, which lowered deposit costs and supported margin expansion.

The average balance of interest-earning assets increased by \$625.4 million to \$7.11 billion at December 31, 2025 compared to \$6.48 billion at 2024. The increase was predominately driven by growth in the average balance of loans of \$512.1 million, and investments of \$147.8 million, partially offset by a decline in the average balance of interest earnings deposits of \$34.5 million.

The increase in average balance of loans was primarily driven by an increase in commercial loans, residential and commercial mortgages, and installment loans, offset slightly by a decline in commercial construction. The average balance of commercial loans increased by \$342.9 million to \$2.56 billion in 2025 compared to \$2.22 billion in 2024. The average balances of residential mortgages grew \$56.8 million to \$638.9 million for the year ended December 31, 2025 from \$582.0 million in 2024. The average balances of commercial mortgages grew \$41.4 million to \$2.45 billion in 2025 compared to \$2.41 billion in 2024. Additionally, the average balance of installment loans increased by \$75.7 million to \$146.6 million in 2025 as compared to \$70.9 million in 2024. The increase in the average balance of loans was primarily a result of increasing loan demand from customers due to a lower interest rate environment, our expansion into the metro New York region and improving economic conditions.

Interest-earning deposits are an additional part of the Company's liquidity and interest rate risk management strategies. The combined average balance of these investments during the year ended December 31, 2025 was \$263.0 million with an average yield of 3.68 percent as compared to \$297.4 million and an average yield of 4.59 percent for 2024. The decrease reflected cash used to fund loan originations and investment purchases. The decrease in the rate reflected the lower interest rate environment.

The average yields earned on interest-earning assets for 2025 remained stable when comparing to 2024. The yield on interest-earning assets increased four basis points to 5.11 percent for the year ended December 31, 2025, when compared to 2024.

The increase in the average yield on total investments for the year ended December 31, 2025 compared to 2024 reflected purchases of higher-yielding securities in 2024 and 2025. The average yield on investments increased by 41 basis points to 3.16 percent for the year ended December 31, 2025 as compared to 2.75 percent for 2024.

The average yield on total loans for 2025 remained stable up four basis points to 5.51 percent for 2025 when compared to 5.47 percent for 2024. The average yield on residential mortgages increased 53 basis points to 4.48 percent for the year ended December 31, 2025, when compared to 3.95 percent for 2024. The average yield on commercial mortgages increased nine basis points to 4.56 percent for the year ended December 31, 2025, when compared to 2024. Mortgage-related yields rose in 2025 despite Federal Funds rate cuts, as rates remained elevated at the longer end of the yield curve, along with more seasoned lower-coupon mortgages being replaced with higher-yielding originations. The yield on commercial loans for the year ended December 31, 2025 decreased 28 basis points to 6.56 percent from 6.84 percent for the year ended December 31, 2024. The average yield on commercial loans decreased for 2025 due to a decrease in the target Federal Funds rate of 175 basis points from the second half of 2024 through December 31, 2025, which had a greater impact on these loans, which are typically floating rates with short repricing periods. As of December 31, 2025, 30 percent of all loans will reprice within one month, 35 percent within three months and 51 percent within one year.

The average balance of interest-bearing liabilities totaled \$5.24 billion for 2025 representing an increase of \$368.1 million, or 8 percent, from \$4.87 billion in 2024. The increase in interest-bearing liabilities was primarily due to an increase in the average balance of interest-bearing deposits of \$449.9 million to \$5.12 billion in 2025 from \$4.67 billion in 2024. This increase was partially offset by a decrease in overnight borrowings of \$53.2 million to \$12.1 million in 2025 from \$65.3 million in 2024 and a decrease in subordinated debt of \$27.6 million to \$105.8 million in 2025 from \$133.4 million in 2024.

The increase in the average balance of interest-bearing deposits was primarily due to an increase in the average balance of interest-bearing checking accounts of \$424.2 million to \$3.57 billion and money markets of \$157.3 million to \$999.9 million, partially offset by a decrease in the average balance of certificates of deposit of \$67.2 million in 2025. The increase in interest-bearing checking deposits was principally attributable to our continued expansion into the metro New York region and client demand for FDIC insured products, which we can offer through a reciprocal deposit program. Our expansion into the metro New York market has allowed us to grow lower-cost, relationship deposits, while reducing the Company's reliance on overnight borrowings, brokered deposits and other high-cost funding sources.

The decrease in the average balance of borrowings from \$65.3 million to \$12.1 million for 2025 was driven by the growth in client deposits led by the Company's expansion into New York City, which were used to pay down borrowings.

For the years ended December 31, 2025 and 2024, the cost of interest-bearing liabilities was 3.09 percent and 3.67 percent, respectively, reflecting a decrease of 58 basis points. The decrease was driven by a decrease in the average cost of interest-bearing deposits of 54 basis points to 3.06 percent for 2025 and a decrease in the average cost of certificates of deposit of 74 basis points to 3.45 percent for 2025. The Company also benefited from lower short-term borrowing costs for the year ended December 31, 2025, which decreased by 139 basis points to 4.50 percent when compared to 5.89 percent for the same period in 2024. The decrease in deposit and borrowing rates was due to the Federal Reserve lowering the target Federal Funds rate by 175 basis points during the latter half of 2024 through the end of 2025, and a change in the composition of the deposit portfolio with a greater concentration of lower-cost core relationship deposits.

INVESTMENT SECURITIES: Investment securities classified as held to maturity are those securities that the Company has both the ability and intent to hold to maturity. These securities are carried at amortized cost. Investment securities classified as available for sale are purchased, sold and/or maintained as a part of the Company's overall balance sheet, liquidity and interest rate risk management strategies, and in response to changes in interest rates, liquidity needs, prepayment speeds and/or other factors. These securities are carried at estimated fair value, and unrealized changes in fair value are recognized as a separate component of shareholders' equity, net of income taxes. Realized gains and losses are recognized in income at the time the securities are sold. Equity securities are carried at fair value with unrealized gains and losses recorded in non-interest income as incurred.

At December 31, 2025, the Company had investment securities held to maturity with an amortized cost of \$95.9 million and an estimated fair value of \$87.5 million compared with an amortized cost of \$101.6 million and an estimated fair value of \$88.7 million at December 31, 2024.

At December 31, 2025, the Company had investment securities available for sale with an estimated fair value of \$774.2 million compared with \$784.5 million at December 31, 2024. A net unrealized loss (net of income tax) of \$49.3 million and \$72.1 million related to these securities were included in shareholders' equity at December 31, 2025 and 2024, respectively.

The Company had one equity security (a CRA investment security) with a fair value of \$13.5 million and \$13.0 million at December 31, 2025 and 2024, respectively, with changes in fair value recognized in the Consolidated Statements of Income. The Company recorded an unrealized gain of \$418,000 for the year ended December 31, 2025, as compared to a \$125,000 unrealized loss for the year ended December 31, 2024. Additionally, the Company sold its Visa B shares, which resulted in a positive fair value adjustment to equity securities of \$953,000 recognized in the Consolidated Statements of Income during the year ended December 31, 2024.

The amortized cost and fair value of investment securities held to maturity and available for sale at December 31, 2025, 2024 and 2023 are shown below:

| (In thousands) | 2025 | | 2024 | | 2023 | |
|-----------------------------------------------------------------------------------------|----------------|----------------------|----------------|----------------------|----------------|----------------------|
| | Amortized Cost | Estimated Fair Value | Amortized Cost | Estimated Fair Value | Amortized Cost | Estimated Fair Value |
| Investment securities - held to maturity: | | | | | | |
| U.S. government-sponsored agencies | \$ 40,000 | \$ 38,875 | \$ 40,000 | \$ 37,334 | \$ 40,000 | \$ 36,631 |
| Mortgage-backed securities-residential (principally U.S. government-sponsored entities) | 55,862 | 48,616 | 61,635 | 51,316 | 67,755 | 57,784 |
| Total investment securities - held to maturity | \$ 95,862 | \$ 87,491 | \$ 101,635 | \$ 88,650 | \$ 107,755 | \$ 94,415 |
| Investment securities - available for sale: | | | | | | |
| U.S. government-sponsored agencies | \$ 244,833 | \$ 211,223 | \$ 244,813 | \$ 196,914 | \$ 244,794 | \$ 197,691 |
| Mortgage-backed securities-residential (principally U.S. government-sponsored entities) | 561,794 | 530,365 | 595,789 | 548,612 | 363,893 | 320,796 |
| SBA pool securities | 19,345 | 17,212 | 27,772 | 24,482 | 27,148 | 23,404 |
| Corporate bond | 15,500 | 15,403 | 15,500 | 14,536 | 10,000 | 8,726 |
| Total investment securities - available for sale | \$ 841,472 | \$ 774,203 | \$ 883,874 | \$ 784,544 | \$ 645,835 | \$ 550,617 |
| Total investment securities | \$ 937,334 | \$ 861,694 | \$ 985,509 | \$ 873,194 | \$ 753,590 | \$ 645,032 |

The following table presents the contractual maturities and yields of debt securities held to maturity and available for sale as of December 31, 2025. The weighted average yield is a computation of income within each maturity range based on the amortized cost of securities:

| (Dollars in thousands) | Within 1 Year | After 1 But Within 5 Years | After 5 But Within 10 Years | After 10 Years | Total |
|---------------------------------------------------------|------------------|-------------------------------------|--------------------------------------|----------------------|-------------------|
| Investment securities - held to maturity: | | | | | |
| U.S. government-sponsored agencies | \$ 15,000 | \$ 25,000 | \$ — | \$ — | \$ 40,000 |
| | 1.35% | 1.64% | —% | —% | 1.53% |
| Mortgage-backed securities- residential (A) | \$ — | \$ — | \$ — | \$ 55,862 | \$ 55,862 |
| | —% | —% | —% | 2.15% | 2.15% |
| Total investment securities - held to maturity | \$ 15,000 | \$ 25,000 | \$ — | \$ 55,862 | \$ 95,862 |
| | <u>1.35%</u> | <u>1.64%</u> | <u>—%</u> | <u>2.15%</u> | <u>1.89%</u> |
| Investment securities - available for sale: | | | | | |
| U.S. government-sponsored agencies | \$ — | \$ 78,020 | \$ 88,930 | \$ 44,273 | \$ 211,223 |
| | —% | 1.34% | 1.63% | 1.76% | 1.56% |
| Mortgage-backed securities- residential (A) | \$ 50,079 | \$ 8,589 | \$ 10,262 | \$ 461,435 | \$ 530,365 |
| | 4.57% | 2.29% | 1.62% | 3.88% | 3.87% |
| SBA pool securities | \$ — | \$ 1,575 | \$ 9,012 | \$ 6,625 | \$ 17,212 |
| | —% | 3.26% | 1.85% | 1.19% | 1.69% |
| Corporate bond | \$ — | \$ — | \$ 15,403 | \$ — | \$ 15,403 |
| | —% | —% | 6.32% | —% | 6.32% |
| Total investment securities - available for sale | \$ 50,079 | \$ 88,184 | \$ 123,607 | \$ 512,333 | \$ 774,203 |
| | <u>4.57%</u> | <u>1.46%</u> | <u>2.16%</u> | <u>3.63%</u> | <u>3.19%</u> |
| Total investment securities | \$ 65,079 | \$ 113,184 | \$ 123,607 | \$ 568,195 | \$ 870,065 |
| | <u>3.83%</u> | <u>1.50%</u> | <u>2.16%</u> | <u>3.49%</u> | <u>3.05%</u> |

(A) Shown using stated final maturity

LOANS: The loan portfolio represents the largest portion of the Company's interest-earning assets and is the primary source of interest income. Loans are primarily originated in New Jersey and the boroughs of New York City and, to a lesser extent, Pennsylvania. The Company also offers equipment financing loan and leases that are originated nationally. As of December 31, 2025, 44 percent of the total loan portfolio consisted of C&I loans (including equipment financing), 30 percent of multifamily loans, 12 percent of commercial mortgages and 10 percent of residential mortgages.

Total loans were \$6.3 billion and \$5.5 billion at December 31, 2025 and 2024, respectively, an increase of \$741.4 million, over the previous year. Residential loans increased \$32.9 million to \$647.8 million at December 31, 2025 from \$614.8 million at December 31, 2024. Multifamily mortgage loans were \$1.9 billion at December 31, 2025, an increase of \$62.8 million, or 3 percent, when compared to \$1.8 billion at December 31, 2024. During 2025, commercial mortgages increased \$186.3 million to \$774.4 million when compared to \$588.1 million at December 31, 2024. The increase in commercial mortgages was bolstered by our focus on attracting clients that bring a full relationship to the Bank coupled with improved lender liquidity. Commercial loans, which includes equipment financing, totaled \$2.7 billion at December 31, 2025. This was an increase of \$332.3 million, or 14 percent, when compared to December 31, 2024. Commercial loan growth was driven by business expansion and capital investment.

The Company originates loans that are partially guaranteed by the SBA, to provide working capital and/or, finance the purchase of equipment, inventory or commercial real estate and that could be used for start-up and smaller businesses. All SBA loans are underwritten and documented as prescribed by the SBA. The Company generally sells the guaranteed portion of the SBA loans in the secondary market, with the non-guaranteed portion held in the loan portfolio. During 2025, the Bank sold \$19.2 million of the guaranteed portion of SBA loans into the secondary market. As of December 31, 2025, the balance of the non-guaranteed portion of SBA loans held on our balance sheet totaled \$36.7 million, which, and was included in commercial loans.

The following table presents the contractual repayments of the loan portfolio, by loan type, at December 31, 2025:

| (In thousands) | Within | After 1 But | After 5 But | After | Total |
|--------------------------------------------------|-------------------|---------------------|---------------------|-------------------|---------------------|
| | One Year | Within 5 Years | Within 15 Years | 15 Years | |
| Residential mortgage | \$ 7,732 | \$ 20,529 | \$ 58,897 | \$ 560,608 | \$ 647,766 |
| Commercial mortgage (including multifamily) | 244,357 | 955,614 | 1,402,171 | 34,878 | 2,637,020 |
| Commercial loans (including equipment financing) | 565,863 | 1,427,269 | 663,256 | 65,059 | 2,721,447 |
| Commercial construction | — | — | 495 | — | 495 |
| Home equity lines of credit | 603 | — | 1,559 | 57,144 | 59,306 |
| Consumer and other loans | 395 | 48,284 | 99,637 | 39,386 | 187,702 |
| Total loans | <u>\$ 818,950</u> | <u>\$ 2,451,696</u> | <u>\$ 2,226,015</u> | <u>\$ 757,075</u> | <u>\$ 6,253,736</u> |

The following table presents the loans, by loan type, that have a fixed interest rate and an adjustable interest rate due after one year:

| (In thousands) | Fixed Interest Rate | Adjustable Interest Rate |
|--------------------------------------------------|------------------------|-----------------------------|
| Residential mortgage | \$ 634,675 | \$ 5,359 |
| Commercial mortgage (including multifamily) | 1,994,878 | 397,785 |
| Commercial loans (including equipment financing) | 1,215,160 | 940,424 |
| Commercial construction | 495 | — |
| Home equity lines of credit | — | 58,703 |
| Consumer and other loans | 103,520 | 83,787 |
| Total loans | <u>\$ 3,948,728</u> | <u>\$ 1,486,058</u> |

The Company has not made nor invested in subprime loans or “Alt-A” type mortgages.

The geographic breakdown of the multifamily portfolio, net of participated multifamily loans, at December 31, 2025 was as follows:

| (Dollars in thousands) | | |
|------------------------|---------------------|-------------|
| New York | \$ 1,014,476 | 55% |
| New Jersey | 582,207 | 31 |
| Pennsylvania | 206,637 | 11 |
| Other | 59,272 | 3 |
| Total Multifamily | <u>\$ 1,862,592</u> | <u>100%</u> |

A further breakdown of the multifamily portfolio by county within each respective State was as follows:

| New Jersey | | New York | | Pennsylvania | |
|-----------------------|-------------|-----------------------|-------------|-----------------------|-------------|
| Essex County | 26% | Bronx County | 42% | Philadelphia County | 57% |
| Hudson County | 24 | Kings County | 26 | Lehigh County | 15 |
| Union County | 20 | New York County | 20 | York County | 12 |
| Bergen County | 10 | Westchester County | 4 | Lycoming County | 4 |
| Morris County | 8 | Queens County | 4 | Bucks County | 3 |
| Monmouth County | 3 | All other NY counties | 4 | All other PA counties | 9 |
| All other NJ counties | 9 | | | | |
| Total | <u>100%</u> | Total | <u>100%</u> | Total | <u>100%</u> |

Principal types of owner occupied commercial real estate properties (by Call Report code), included in commercial mortgage loans on the balance sheet, at December 31, 2025 were:

(Dollars in thousands)

| | | |
|--------------------------------------|-------------------|-------------|
| Industrial (including Warehouse) | \$ 87,818 | 30% |
| Office Buildings/Office Condominiums | 64,693 | 22 |
| Retail Buildings/Shopping Centers | 39,126 | 14 |
| Medical Offices | 23,885 | 8 |
| Other Owner Occupied CRE Properties | 74,279 | 26 |
| Total Owner Occupied CRE Loans | <u>\$ 289,801</u> | <u>100%</u> |

Principal types of non-owner occupied commercial real estate properties (by Call Report code), at December 31, 2025 were as follows. These loans are included in commercial mortgage loans and commercial loans on the Company's balance sheet.

(Dollars in thousands)

| | | |
|-----------------------------------------|---------------------|-------------|
| Retail Buildings/Shopping Centers | \$ 289,507 | 26% |
| Healthcare | 227,535 | 21 |
| Office Buildings/Office Condominiums | 165,954 | 15 |
| Mixed Use (Commercial/Residential) | 106,145 | 10 |
| Hotels and Hospitality | 84,202 | 8 |
| Medical Offices | 73,011 | 7 |
| Industrial (including Warehouse) | 50,252 | 4 |
| Mixed Use (Retail/Office) | 45,859 | 4 |
| Other Non-Owner Occupied CRE Properties | 58,617 | 5 |
| Total Non-Owner Occupied CRE Loans | <u>\$ 1,101,082</u> | <u>100%</u> |

At December 31, 2025 and 2024, the Bank had a concentration in commercial real estate loans as defined by applicable regulatory guidance. The following table presents such concentration levels at December 31, 2025 and 2024:

| | As of December 31, | |
|------------------------------------------------------------------------------------------------------|--------------------|-------------|
| | 2025 | 2024 |
| Multifamily mortgage loans as a percent of total regulatory capital of the Bank | 231% | 225% |
| Non-owner occupied commercial real estate loans as a percent of total regulatory capital of the Bank | 136 | 122 |
| Total CRE concentration | <u>367%</u> | <u>347%</u> |

The CRE concentration as a percentage of regulatory capital is monitored by Management. Management believes it satisfactorily addresses the key elements in the risk management framework laid out by its regulators for the effective management of CRE concentration risks.

GOODWILL: At both December 31, 2025 and 2024, goodwill was \$36.2 million, primarily as a result of the acquisition of registered investment advisors related to the Company's Wealth Management Division. The Bank currently intends to continue to grow its wealth management business through growth in existing relationships, attraction of new clients and acquisitions. Future acquisitions could result in additional goodwill.

DEPOSITS: The following table sets forth the details of total deposits as of December 31:

| (Dollars in thousands) | 2025 | | 2024 | |
|-------------------------------------------|--------------|---------|--------------|---------|
| Noninterest-bearing demand deposits | \$ 1,428,745 | 21.68% | \$ 1,112,734 | 18.16% |
| Interest-bearing checking | 3,448,497 | 52.34 | 3,334,269 | 54.40 |
| Savings | 105,123 | 1.59 | 103,136 | 1.68 |
| Money market | 1,197,995 | 18.18 | 1,078,024 | 17.59 |
| Certificates of deposit - retail | 408,219 | 6.20 | 483,998 | 7.90 |
| Certificates of deposit - listing service | 400 | 0.01 | 6,861 | 0.11 |
| Subtotal deposits | 6,588,979 | 100.00 | 6,119,022 | 99.84 |
| Interest-bearing demand - Brokered | — | — | 10,000 | 0.16 |
| Total deposits | \$ 6,588,979 | 100.00% | \$ 6,129,022 | 100.00% |

At December 31, 2025 and 2024, the Company reported total deposits of \$6.6 billion and \$6.1 billion, an increase of \$460.0 million, or 8 percent. The Company's strategy is to fund a majority of its loan growth with core deposits, which is an important factor in the generation of net interest income. The increase in deposits was primarily due to increases of \$316.0 million in noninterest-bearing demand deposits, \$114.2 million in interest-bearing checking and \$120.0 million in money market deposits. The growth in new client relationships was due to our continued expansion into the metro New York City market; client demand for FDIC insured products offered through our reciprocal deposit program; a focus on providing high-touch client service; and a full array of treasury management products that support core deposit growth. The Company has also successfully focused on:

- Growth in deposits associated with its private banking relationships and
- Business and personal core deposit generation, particularly noninterest-bearing checking accounts.

The Company is a participant in the Reich & Tang demand Deposit Marketplace ("DDM") program and the Promontory Program. The Company uses these deposit sweep services to place customer funds into interest-bearing demand (checking) accounts at other participating banks. Customer funds are placed at one or more participating banks to ensure that each deposit customer is eligible for the full amount of FDIC insurance. As a participant, the Company receives an equal amount of reciprocal deposits from other participating banks. Such average reciprocal deposit balances were \$1.92 billion and \$1.31 billion for 2025 and 2024, respectively.

At December 31, 2025, uninsured/unprotected deposits were approximately \$1.90 billion, or 29 percent of total deposits. This amount was adjusted to exclude \$317 million of public fund deposit balances, which are fully-collateralized by securities and an FHLBNY letter of credit. The Company continues to leverage interest rate swaps to extend the duration to the matched deposits. At December 31, 2025, the Company had transacted pay fixed, receive floating interest rate swaps totaling \$305.0 million in notional amount.

The following table sets forth information concerning the composition of the Company's average balance of deposits and average interest rates paid for the following years:

| (Dollars in thousands) | 2025 | | 2024 | | 2023 | |
|------------------------------------------------------|--------------|-------|--------------|-------|--------------|-------|
| Noninterest-bearing demand | \$ 1,229,755 | —% | \$ 998,497 | —% | \$ 1,040,403 | —% |
| Checking | 3,573,710 | 3.18 | 3,149,550 | 3.76 | 2,777,390 | 3.20 |
| Savings | 104,744 | 0.59 | 105,351 | 0.39 | 124,538 | 0.18 |
| Money markets | 999,858 | 2.75 | 842,606 | 2.95 | 862,686 | 2.14 |
| Certificates of deposit - retail and listing service | 433,633 | 3.45 | 500,842 | 4.19 | 400,155 | 2.93 |
| Interest-bearing demand - brokered | 4,740 | 4.43 | 10,000 | 5.22 | 13,973 | 4.37 |
| Certificates of deposit - brokered | — | — | 58,425 | 5.05 | 67,998 | 4.47 |
| Total deposits | \$ 6,346,440 | 2.47% | \$ 5,665,271 | 2.97% | \$ 5,287,143 | 2.32% |

At December 31, 2025, the Company carried \$ 1.90 billion in deposits that exceed the FDIC insurance limit of \$250,000. At December 31, 2025, we had no deposits that were uninsured for any reason other than being in excess of the maximum amount for federal deposit insurance.

The following table shows the maturity for certificates of deposit of \$250,000 or more as of December 31, 2025 (in thousands):

| | |
|--------------------------------------|-------------------|
| Three months or less | \$ 35,814 |
| Over three months through six months | 67,666 |
| Over six months through year | 29,943 |
| Over year | 4,648 |
| Total | <u>\$ 138,071</u> |

FEDERAL HOME LOAN BANK ADVANCES AND OTHER BORROWINGS: As part of our overall funding and liquidity management program, from time to time we borrow from the Federal Home Loan Bank (the "FHLB").

| (Dollars in thousands) | As of December 31, | | |
|------------------------------------------------|--------------------|------------|------------|
| | 2025 | 2024 | 2023 |
| Amount outstanding at end of the year | \$ 73,267 | \$ — | \$ 403,814 |
| Weighted average interest rate end of the year | 3.96% | —% | 5.62% |
| Average daily balance during the year | \$ 12,067 | \$ 65,299 | \$ 337,777 |
| Weighted average interest rate during the year | 4.50% | 5.89% | 5.39% |
| Maximum month-end balance during the year | \$ 89,048 | \$ 401,655 | \$ 541,796 |

The Company had \$73.3 million of overnight borrowings at the FHLB at a rate of 3.96 percent at December 31, 2025. At December 31, 2024, the Company had no overnight borrowings. The Company had \$403.8 million of overnight borrowings at the FHLB at a rate of 5.62 percent at December 31, 2023.

At December 31, 2025, unused short-term or overnight borrowing commitments totaled \$1.70 billion from the FHLB, \$15.0 million from correspondent banks and \$2.47 billion from the Federal Reserve Bank.

SUBORDINATED DEBT: In December 2017, the Company issued \$35.0 million in aggregate principal amount of fixed-to-floating subordinated notes (the "2017 Notes") to certain institutional investors. The 2017 Notes had a stated maturity of December 15, 2027, and an interest rate reset quarterly to a level equal to the then current three-month LIBOR rate plus 254 basis points, payable quarterly in arrears (which was 7.75 percent at December 31, 2024). The Company fully redeemed these notes plus \$627,000 in unpaid interest on March 15, 2025. The remaining net issuance costs of \$259,000 were written-off during the quarter ended March 31, 2025.

In December 2020, the Company issued \$100.0 million in aggregate principal amount of fixed to floating subordinated notes (the "2020 Notes") to certain institutional investors. The 2020 Notes are non-callable for five years, have a stated maturity of December 22, 2030, and had a fixed rate of 3.50 percent per year until December 22, 2025. From December 23, 2025 to the maturity date or early redemption date, the interest rate will reset quarterly to a level equal to the then current three-month SOFR plus 326 basis points, payable quarterly in arrears (which was 6.93 percent at December 31, 2025). Debt issuance costs incurred totaled \$1.9 million and are being amortized to maturity. The Company fully redeemed these notes, plus any accrued and unpaid interest on March 2, 2026.

Subordinated debt is presented net of issuance cost on the Consolidated Statements of Condition. The subordinated debt issuances are included in the Company's regulatory total capital amount and ratio.

ALLOWANCE FOR CREDIT LOSSES AND RELATED PROVISION: The allowance for credit losses ("ACL") was \$71.0 million at December 31, 2025 compared to \$73.0 million at December 31, 2024. The decrease in the ACL was primarily due to charge-offs of \$26.9 million and changes in the application of the methodology used to calculate the ACL, partially offset by a provision for credit losses of \$23.6 million during 2025.

Charge-offs consisted of \$13.9 million related to several C&I loans and \$13.0 million related to five multifamily property credits that were resolved during 2025. A significant portion of the charge-offs were tied to previously established specific reserves. As those reserves were utilized, both the related loan balances and the previously allocated specific reserves declined, limiting their incremental impact on the overall ACL. The resolutions of these credits reduced portfolio uncertainty and concentration risk. The provision for credit losses of \$23.6 million was driven by loan growth of \$741.4 million and the establishment of \$25.5 million in specific reserves on certain relationships.

At December 31, 2025, the ACL as a percentage of total loans outstanding was 1.14 percent compared to 1.32 percent at December 31, 2024. The decline in the ratio was driven by (i) the use of previously established specific reserves associated with the charge-offs noted above, (ii) strong loan growth during the year, which increased total loans outstanding, and (iii) the Company's annual CECL model recalibration. The recalibration incorporated lower historical loss rates and reflected the current risk portfolio characteristics, resulting in a lower required general reserve.

Although charge-offs were higher in 2025, they were largely related to credits that had been previously identified and reserved and therefore did not represent a broad decline in overall portfolio credit quality. Credit metrics and risk rating trends across the remainder of the portfolio remained stable, and management's forward-looking economic assumptions at December 31, 2025 reflected a stable economic outlook.

Despite the lower ACL ratio, management believes the allowance for credit losses of \$71.0 million, or 1.14 percent of total loans, appropriately reflects the current credit quality, portfolio composition, loan growth, and forward-looking economic conditions, and remains adequate to absorb expected credit losses as of December 31, 2025.

The provision for credit losses was \$23.5 million for 2025, \$7.5 million for 2024 and \$14.1 million for 2023. Net charge-offs were significantly higher at \$25.6 million, as compared to \$392,000 for 2024, as the Company aggressively worked to reduce nonperforming asset balances in 2025. Net charge-offs for the year ended December 31, 2024 included \$5.4 million in recoveries recorded on commercial loans in 2024.

In determining an appropriate amount for the allowance, the Bank segments and aggregates the loan portfolio based on common characteristics. The following segments have been identified:

- a) Primary Residential Mortgages. The Bank originates one- to four-family residential mortgage loans in the Tri-State area (New York, New Jersey and Connecticut), Pennsylvania and Florida. On a case-by-case basis, the Bank will lend in additional states. When reviewing residential mortgage loan applications, detailed verifiable information is gathered on income, assets, employment and a tri-merged credit report obtained from a credit repository that will determine total monthly debt obligations. Utilizing an independent appraisal from an approved appraisal management company, the Bank makes residential mortgage loans up to 80 percent of the appraised value. Maximum loan-to-value ("LTV") is determined based on property type and loan amount. On primary residences and second home properties, LTVs range from a maximum of 80 percent for loan amounts to \$2 million to 60 percent for loan amounts to \$7.5 million. Loans greater than \$7.5 million will also be considered based on the strength of the overall credit profile of the borrower. For investment properties, LTVs range from a maximum of 80 percent for loan amounts to \$2 million to 65 percent for loan amounts to \$5 million. Underwriting guidelines include (i) minimum credit report scores of 680 and (ii) a maximum debt to income ratio of 45 percent. The Bank may consider an exception to any guideline if there are strong compensating factors that mitigate any risk. Generally, the Bank retains in its portfolio residential mortgage loans with fixed-rate maturities of no greater than ten years, which then convert to annually adjusted floating rates. Community Development loans granted under the Affordable Housing Program are offered with 30-year maturities. Loans with longer maturities or lower credit scores are sold to secondary market investors. The Bank does not originate, purchase or carry any sub-prime mortgage loans.

Risk characteristics associated with primary residential mortgage loans typically involve major living or lifestyle changes to the borrower, including: unemployment or other loss of income; unexpected significant expenses, such as for catastrophic events; and divorce or death. In addition, residential mortgage loans that have adjustable rates could expose the borrower to higher debt service requirements in a rising interest rate environment. Further, real estate values could drop significantly and cause the value of the property to fall below the loan amount, creating additional potential exposure for the Bank.

- b) Junior Lien Loan on Residence (which include home equity lines of credit). The Bank provides junior lien loans (“JLL”) and revolving home equity lines of credit against one-to four-family properties in the Tri-State area. Junior lien loans are a revolving home equity line of credit. These loans are subordinate to a first mortgage which may be from another lending institution. The Bank requires that the mortgage securing the JLL be no lower than a second lien position. When reviewing the JLL application, the Bank collects detailed verifiable information regarding income, assets, employment and a credit report that determines total monthly debt obligations. The Bank uses an independent appraisal of the subject property on all applications. LTVs and combined LTVs are capped at 75 percent for home equity lines of credit if the property type is a primary residence. All applications for JLLs adhere to applicable underwriting standards and guidelines. Exceptions can be made to these guidelines with compensating factors that mitigate the risk associated with the exception. Primary risk characteristics associated with JLLs typically involve major living or lifestyle changes to the borrower are the same as noted above for Primary Residential Mortgages.
- c) Multifamily Loans. Multifamily loans are commercial mortgages on residential apartment buildings. Multifamily loans are expected to be repaid from the cash flows of the underlying property so the collective amount of rents must be sufficient to cover all operating expenses, maintenance, taxes and debt service. Increases in vacancy rates, interest rates or other changes in general economic and political conditions can have an impact on the borrower and their ability to repay the loan. Certain markets, such as the Boroughs of New York City, are rent regulated, and as such, feature rents that are below market rates. Historically, rent regulated properties have been characterized by relatively stable occupancy levels and longer-term tenants. It is noted, however, New York City rent regulated buildings have had an increased level of non-paying tenants with a very protracted eviction process, which has negatively impacted rent collections. As a loan asset class for many banks, multifamily loans historically have experienced much lower historical loss rates compared to other types of commercial lending, however, given the stress on the New York rent regulated buildings, it is not clear if this will continue.

The Bank’s loan policy allows loan to appraised value ratios of up to 75 percent and the overall portfolio average loan to value ratio was approximately 60 percent at December 31, 2025 based on appraisals at the time of origination or at renewal or if any update is required per regulations. The majority of all new originations have a ten-year maturity with a repricing of the interest rate after five years.

Multifamily loan terms include prepayment penalties and generally require that the Bank escrow for real estate taxes. Multifamily loans will typically have a minimum debt service coverage ratio that provides for an adequate cushion for unexpected or uncertain events and changes in market conditions. In the loan underwriting process, the Bank requires an independent appraisal and review, appropriate environmental due diligence and an assessment of the property’s condition.

Multifamily properties generally present a lower level of risk as compared to investment commercial real estate projects given that there are a larger number of tenants in the property. The repayment of loans secured by multifamily real estate is typically dependent upon the successful operation of the related real estate property. If the cash flows from the property are reduced (for example, if tenants stop paying rent, leases are not obtained or renewed, or a bankruptcy court modifies a lease term), the borrower’s ability to repay the loan may be impaired.

- d) Owner-Occupied Commercial Real Estate Loans. The Bank provides mortgage loans for owner-occupied commercial real estate properties in the Tri-State area and Pennsylvania.

The terms and conditions of all commercial mortgage loans are tailored to the specific attributes of the borrower and any guarantors as well as the nature of the property and loan purpose.

With an owner-occupied property, a detailed credit assessment is made of the operating business since its ongoing success and profitability will be the primary source of repayment. While owner-occupied properties include the real estate as collateral, the risk assessment of the operating business is more similar to the underwriting of commercial and industrial loans (described below). The Bank evaluates factors such as, but not limited to, the expected sustainability of profits and cash flows, the depth and experience of management and ownership, the nature of competition, and the impact of forces like regulatory change and evolving technology.

Commercial mortgage loans are generally made with an initial fixed rate with periodic rate resets at five years over an underlying market index. Resets may not be automatic and are subject to re-approval. Commercial mortgage loan terms include prepayment penalties and generally require that the Bank escrow for real estate taxes. The Bank

requires an independent appraisal, an assessment of the property's condition, and appropriate environmental due diligence. With all commercial real estate loans, the Bank's standard practice is to require a depository relationship.

- e) Investment Commercial Real Estate Loans. The Bank provides mortgage loans for properties managed as an investment property (non-owner-occupied) in the Tri-State area and Pennsylvania.

The terms and conditions of all commercial mortgage loans are tailored to the specific attributes of the borrower and any guarantors as well as the nature of the property and loan purpose. In the case of investment commercial real estate properties, the Bank reviews, among other things, the composition and mix of the underlying tenants, terms and conditions of the underlying tenant lease agreements, the resources and experience of the sponsor, and the condition and location of the subject property.

Commercial real estate loans are generally considered to have a higher degree of credit risk than multifamily loans as they may be dependent on the ongoing success and operating viability of a fewer number of tenants who are occupying the property and who may have a greater degree of exposure to various industry or economic conditions. To mitigate this risk, the Bank generally requires an assignment of leases, direct recourse to the owners, and a risk appropriate interest rate and loan structure. In underwriting an investment commercial real estate loan, the Bank evaluates the property's historical operating income as well as its projected sustainable cash flows and generally requires a minimum debt service coverage ratio that provides for an adequate cushion for unexpected or uncertain events and changes in market conditions.

Commercial mortgage loans are generally made with an initial fixed rate with periodic rate resets at five years over an underlying market index. Resets may not be automatic and subject to re-approval. Commercial mortgage loan terms include prepayment penalties and generally require that the Bank escrow for real estate taxes. The Bank requires an independent appraisal, an assessment of the property's condition, and appropriate environmental due diligence. With all commercial real estate loans, the Bank's standard practice is to require a depository relationship.

- f) Commercial and Industrial Loans. The Bank provides lines of credit and term loans to operating companies for business purposes. The loans are generally secured by business assets such as accounts receivable, inventory, business vehicles and equipment as well as the stock of the company, if privately held. In addition, these loans may include commercial real estate as collateral to strengthen the Bank's position and further mitigate risk. When underwriting business loans, among other things, the Bank evaluates the historical profitability and debt servicing capacity of the borrowing entity and the financial resources and character of the principal owners and guarantors.

Commercial and industrial loans are typically repaid by the cash flows generated by the borrower's business. The primary risk characteristics are specific to the underlying business and its ability to generate sustainable profitability and resulting positive cash flows. Factors that may influence a business' profitability include, but are not limited to, demand for its products or services, quality and depth of management, degree of competition, regulatory changes, and general economic conditions. Commercial and industrial loans are generally secured by business assets; however, the ability of the Bank to foreclose and realize sufficient value from the assets is often highly uncertain. To mitigate the risk characteristics of commercial and industrial loans, the Bank often requires more frequent reporting requirements from the borrower in order to better monitor its business performance.

- g) Leasing and Equipment Finance. Peapack Capital Corporation ("PCC"), a subsidiary of the Bank, offers a range of finance solutions nationally. PCC provides term loans and leases secured by assets financed for small, mid-size and large companies based in the U.S. Facilities tend to be fully drawn under fixed-rate terms. PCC serves a broad range of industries including transportation, manufacturing, heavy construction and utilities.

Asset risk in PCC's portfolio is generally recognized through changes to loan income, or through changes to lease-related income streams due to fluctuations in lease rates. Changes to lease income can occur when the existing lease contract expires, the asset comes off lease, or the business seeks to enter a new lease agreement. Asset risk may also change depreciation, resulting from changes in the residual value of the operating lease asset or through impairment of the asset carrying value, which can occur at any time during the life of the asset.

Credit risk in PCC's portfolio generally results from the potential default of borrowers or lessees, which may be driven by customer specific or broader industry-related conditions. Credit losses can impact multiple parts of the income statement including an increase in the provision for credit losses, loss of interest/lease/rental income and/or via higher costs and expenses related to the repossession, refurbishment, re-marketing and or re-leasing of assets.

- h) Construction. The Bank selectively provides commercial construction loans for properties located in the Tri-state area. Risks common to commercial construction loans are cost overruns, inaccurate estimates of the time to complete construction, changes in market demand for property, inadequate long-term financing arrangements and declines in real estate values. Changes in market demand for property could lead to longer marketing times resulting in higher carrying costs, declining values, and higher interest rates.
- i) Consumer and Other. These are loans to individuals for household, family and other personal expenditures as well as obligations of states and political subdivisions in the U.S. This also represents all other loans that cannot be categorized in any of the previous mentioned loan segments. Consumer loans generally have higher interest rates and shorter terms than residential loans but tend to have higher credit risk due to the depreciating nature of the collateral securing the loan or in some cases the absence of collateral.

Management believes that the underwriting guidelines previously described adequately address the primary risk characteristics. Further, the Bank has dedicated staff and resources to monitor and collect on any potentially problematic loans.

The following table presents the credit loss experience, by loan type, during the years ended December 31:

| (Dollars in thousands) | 2025 | 2024 | 2023 | 2022 | 2021 |
|------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Average loans outstanding | \$ 5,837,009 | \$ 5,327,594 | \$ 5,396,212 | \$ 5,105,200 | \$ 4,494,473 |
| Allowance for credit losses at beginning of year (A) | \$ 72,992 | \$ 65,888 | \$ 60,829 | \$ 61,697 | \$ 67,309 |
| Day one CECL adjustment | — | — | — | (5,536) | — |
| Loans charged-off during the period: | | | | | |
| Residential mortgage | — | 43 | — | — | 12 |
| Commercial mortgage | 12,991 | 5,379 | 3,422 | 1,450 | 7,137 |
| Commercial | 13,880 | 345 | 5,594 | — | 5,019 |
| Home equity lines of credit | — | — | — | 3 | — |
| Consumer and other | 37 | 39 | 139 | 53 | 80 |
| Total loans charged-off | 26,908 | 5,806 | 9,155 | 1,506 | 12,248 |
| Recoveries during the period: | | | | | |
| Residential mortgage | — | — | 52 | 15 | — |
| Commercial mortgage | 24 | — | — | — | — |
| Commercial | 1,286 | 5,409 | — | 254 | 66 |
| Home equity lines of credit | — | — | — | — | 85 |
| Consumer and other | 44 | 5 | 6 | 2 | 10 |
| Total recoveries | 1,354 | 5,414 | 58 | 271 | 161 |
| Net charge-offs/(recoveries) | 25,554 | 392 | 9,097 | 1,235 | 12,087 |
| Provision charge to expense | 23,601 | 7,496 | 14,156 | 5,903 | 6,475 |
| Allowance for credit losses at end of year | \$ 71,039 | \$ 72,992 | \$ 65,888 | \$ 60,829 | \$ 61,697 |
| Ratios: | | | | | |
| Allowance for credit losses/total loans (B) | 1.14% | 1.32% | 1.21% | 1.15% | 1.28% |
| Allowance for loans collectively evaluated/total loans (B) | 0.94% | 1.09% | 1.13% | 1.12% | 1.20% |
| Nonaccrual loans/total loans (B) | 1.09% | 1.82% | 1.13% | 0.36% | 0.32% |
| Allowance for credit losses/ total nonperforming loans | 104.10% | 72.87% | 107.44% | 320.59% | 396.18% |
| Net charge offs/average loans: | | | | | |
| Residential mortgage | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Commercial mortgage | 0.22% | 0.10% | 0.06% | 0.03% | 0.16% |
| Commercial | 0.22% | -0.10% | 0.10% | 0.00% | 0.11% |
| Home equity lines of credit | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Consumer and other | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Total net charge offs/average loans | 0.44% | 0.00% | 0.16% | 0.03% | 0.27% |

(A) Commencing on January 1, 2022, the allowance calculation is based on the CECL methodology. Prior to January 1, 2022, the calculation was based on the incurred loss methodology. Provision to roll forward the ACL excludes a credit of \$83,000, a provision of \$4,000, a credit of \$65,000 and a provision of \$450,000 at December 31, 2025, 2024, 2023 and 2022, respectively, related to off-balance sheet commitments.

(B) The December 31, 2024, 2023, 2022 and 2021 ACL coverage ratios include PPP loans of \$297,000, \$1.0 million, \$1.7 million and \$13.8 million, respectively.

The following table shows the allocation of the allowance for credit losses and the percentage of each loan category, by collateral type, to total loans as of December 31, of the years indicated:

| (Dollars in thousands) | 2025 | % of Loan Category To Total Loans | 2024 | % of Loan Category To Total Loans | 2023 | % of Loan Category To Total Loans | 2022 | % of Loan Category To Total Loans | 2021 | % of Loan Category To Total Loans |
|------------------------|-----------|-----------------------------------|-----------|-----------------------------------|-----------|-----------------------------------|-----------|-----------------------------------|-----------|-----------------------------------|
| Residential | \$ 5,536 | 11.1 | \$ 4,578 | 11.9 | \$ 4,108 | 11.5 | \$ 3,048 | 10.7 | \$ 1,520 | 11.3 |
| Commercial and other | 62,311 | 85.9 | 67,230 | 86.7 | 60,911 | 87.3 | 57,244 | 88.5 | 59,962 | 87.8 |
| Consumer and other | 3,192 | 3.0 | 1,184 | 1.4 | 869 | 1.2 | 537 | 0.8 | 215 | 0.9 |
| Total | \$ 71,039 | 100.0 | \$ 72,992 | 100.0 | \$ 65,888 | 100.0 | \$ 60,829 | 100.0 | \$ 61,697 | 100.0 |

The portion of the allowance for credit losses allocated to loans collectively evaluated for impairment, commonly referred to as general reserves, was \$59.0 million at December 31, 2025 and \$60.3 million at December 31, 2024. General reserves at December 31, 2025 represented 0.94 percent of loans collectively evaluated for impairment compared to 1.09 percent at December 31, 2024. Though loan balances grew in 2025, the overall general reserve coverage declined primarily due to the annual CECL model recalibration, which incorporated lower historical loss rates resulting in a lower required general reserve. The specific reserves on individually evaluated loans were \$12.0 million at December 31, 2025 compared to \$12.7 million at December 31, 2024.

The allowance for credit losses as a percentage of nonperforming loans increased to 104 percent due to a decrease in nonperforming loans. Nonperforming loans decreased from \$100.2 million to \$68.2 million impacted by \$20.3 million attributed to one commercial loan relationship and \$22.3 million to five multifamily loans that were resolved in 2025. Nonperforming loans are specifically evaluated for impairment. Also, the Company commonly records partial charge-offs of the excess of the principal balance over the fair value, less estimated costs to sell, of collateral for collateral-dependent impaired loans. As a result, the allowance for credit losses does not always change proportionately with changes in nonperforming loans. The Company charged off \$26.6 million on loans identified as collateral-dependent individually evaluated loans during 2025. The Company charged off \$5.4 million on loans identified as collateral-dependent impaired loans during 2024.

ASSET QUALITY: The following table presents various asset quality data at the dates indicated. These tables do not include loans held for sale.

| (Dollars in thousands) | December 31, | | | | |
|------------------------------------------------------------|--------------|------------|-----------|-----------|-----------|
| | 2025 | 2024 | 2023 | 2022 | 2021 |
| Loans past due 30-89 days (A) | \$ 26,555 | \$ 4,870 | \$ 34,589 | \$ 7,592 | \$ 8,606 |
| Modifications | \$ 131,230 | \$ 49,479 | \$ 3,254 | \$ — | \$ — |
| Troubled debt restructured loans (B) | \$ — | \$ — | \$ — | \$ 14,318 | \$ 3,575 |
| Loans past due 90 days or more and still accruing interest | \$ — | \$ — | \$ — | \$ — | \$ — |
| Nonaccrual loans (C) | 68,243 | 100,168 | 61,324 | 18,974 | 15,573 |
| Total nonperforming loans | 68,243 | 100,168 | 61,324 | 18,974 | 15,573 |
| Other real estate owned | — | — | — | 116 | — |
| Total nonperforming assets | \$ 68,243 | \$ 100,168 | \$ 61,324 | \$ 19,090 | \$ 15,573 |
| Ratios: | | | | | |
| Total nonperforming loans/total loans | 1.09% | 1.82% | 1.13% | 0.36% | 0.32% |
| Total nonperforming loans/total assets | 0.91 | 1.43 | 0.95 | 0.30 | 0.26 |
| Total nonperforming assets/total assets | 0.91 | 1.43 | 0.95 | 0.30 | 0.26 |

(A) Included \$14.2 million related to three multifamily loans and \$4.2 million for one equipment lease at December 31, 2025. Included \$16.5 million and \$4.5 million outstanding to U.S. governmental entities at December 31, 2023 and December 31, 2022, respectively. Included \$6.9 million for one equipment lease principally due to administrative issues with the servicer and at the lessee/borrower at December 31, 2021.

- (B) On January 1, 2023, the Company adopted Accounting Standards Update 2022-02, which replaced the accounting and recognition of TDRs.
- (C) The increase in nonaccrual loans in 2024 was largely due to nine multifamily credits totaling \$51.5 million at December 31, 2024. The increase in nonaccrual loans in 2023 was due to one freight credit totaling \$23.5 million and three multifamily credits totaling \$16.6 million at December 31, 2023.

At December 31, 2025, there were no commitments to lend additional funds to borrowers whose loans were classified as nonperforming.

LOAN MODIFICATIONS:

The Company will provide modifications, which may include other than insignificant delays in payment of amounts due, extension of the terms of the notes or reduction in the interest rates on the notes. In certain instances, the Company may grant more than one type of modification.

The following table presents the modified loans, by collateral type, at December 31, 2025:

| (Dollars in thousands) | December 31, 2025 | Number of Relationships |
|------------------------------|------------------------------|----------------------------|
| Primary residential mortgage | \$ 690 | 3 |
| Multifamily property | 102,374 | 21 |
| Commercial and industrial | 28,166 | 13 |
| Total | \$ 131,230 | 37 |

The following table presents the modified loans, by collateral type, at December 31, 2024:

| (Dollars in thousands) | December 31, 2024 | Number of Relationships |
|-----------------------------------|----------------------|----------------------------|
| Primary residential mortgage | \$ 648 | 2 |
| Investment commercial real estate | 17,838 | 2 |
| Commercial and industrial | 30,993 | 9 |
| Total | \$ 49,479 | 13 |

The increase in modified loans was primarily due to modifications related to multifamily property credits during 2025. The increase in multifamily property modifications was driven by various relationships which were impacted by the limitations imposed on rent increases along with higher costs to maintain and operate rental properties. There were \$160,000 in specific reserves on the multifamily property loans and \$5.6 million in specific reserves on the commercial and industrial loans modified in 2025. Each of these loans was performing according to its modified terms as of December 31, 2025.

At December 31, 2025, there were fourteen modified loans totaling \$37.2 million included in nonaccrual loans. At December 31, 2024, there were four modified loans of \$3.6 million included in nonaccrual loans. At December 31, 2025, fourteen modified loans totaling \$37.2 million were included in individually evaluated loans and had specific reserves of \$5.8 million. At December 31, 2024, four modified loans of \$3.6 million were included in individually evaluated loans and had a specific reserve of \$86,000.

Except as disclosed, the Company did not have any potential problem loans at December 31, 2025 or December 31, 2024 that caused Management to have serious doubts as to the ability of such borrowers to comply with the present loan repayment terms and which may result in disclosure of such loans.

The following table presents individually evaluated loans, by collateral type, at December 31, 2025 and 2024:

| (Dollars in thousands) | December 31, 2025 | Number of Relationships | December 31, 2024 | Number of Relationships |
|--------------------------------------------------------------|----------------------|----------------------------|----------------------|----------------------------|
| Primary residential mortgage | \$ 2,573 | 11 | \$ 2,779 | 10 |
| Junior lien loan on residence | 106 | 3 | 92 | 2 |
| Multifamily property | 31,343 | 5 | 53,105 | 10 |
| Investment commercial real estate | 11,557 | 2 | 11,684 | 2 |
| Commercial and industrial | 22,641 | 25 | 30,881 | 21 |
| Lease financing | 23 | 3 | 1,234 | 4 |
| Total | \$ 68,243 | 49 | \$ 99,775 | 49 |
| Specific reserves, included in the allowance for loan losses | \$ 12,034 | | \$ 12,683 | |

Loans individually evaluated totaled \$68.2 million at December 31, 2025 as compared to \$99.8 million at December 31, 2024, all of which were nonaccrual. The decrease was primarily due to the resolution of an equipment financing relationship with a loan balance of \$20.3 million and six multifamily loans with balances totaling \$25.9 million, partially offset by \$17.3 million of commercial and industrial loans and \$4.8 million of multifamily loans that migrated to nonperforming status during 2025. Individually evaluated loans included fourteen modified loans at December 31, 2025, totaling \$37.2 million. Individually evaluated loans included four modified loans totaling \$3.6 million at December 31, 2024.

CONTRACTUAL OBLIGATIONS: Leases represent obligations entered into by the Company for the use of land and premises. The leases generally have escalation terms based upon certain defined indexes. Common area maintenance charges may also apply and are adjusted annually based on the terms of the lease agreements. See Notes 1 and 15 in Notes in Consolidated Financial Statements for further discussion on leases.

Purchase obligations represent legally binding and enforceable agreements to purchase goods and services from third parties and consist of contractual obligations under data processing service agreements. The Company also enters into various routine rental and maintenance contracts for facilities and equipment. These contracts are generally for one year.

The Company is a limited partner in a Small Business Investment Company (“SBIC”). As of December 31, 2025, the Company had unfunded commitments of \$6.7 million for its investment in SBIC qualified funds.

OFF-BALANCE SHEET ARRANGEMENTS: The following table shows the amounts and expected maturities of significant commitments, consisting primarily of letters of credit, as of December 31, 2025.

| (In thousands) | Less Than One Year | 1-3 Years | 3-5 Years | More Than 5 Years | Total |
|------------------------------------------------------|-----------------------|-----------|-----------|----------------------|-----------|
| Financial letters of credit | \$ 49,620 | \$ 4,015 | \$ 2,518 | \$ — | \$ 56,153 |
| Performance letters of credit | 819 | 353 | — | — | 1,172 |
| Interest rate lock commitments-residential mortgages | 10,635 | — | — | — | 10,635 |
| Total letters of credit | \$ 61,074 | \$ 4,368 | \$ 2,518 | \$ — | \$ 67,960 |

Commitments under standby letters of credit, both financial and performance, do not necessarily represent future cash requirements, in that these commitments often expire without being drawn upon.

OTHER INCOME: The following table presents the major components of other income (excluding income from our wealth management operations, which is discussed separately):

| (In thousands) | Years Ended December 31, | | | Change | |
|--------------------------------------------------------------------|--------------------------|------------------|------------------|-----------------|-----------------|
| | 2025 | 2024 | 2023 | 2025 vs 2024 | 2024 vs 2023 |
| Service charges and fees | \$ 4,807 | \$ 5,317 | \$ 5,152 | \$ (510) | \$ 165 |
| Bank owned life insurance | 1,675 | 1,556 | 1,269 | 119 | 287 |
| Loan fee income | 6,525 | 7,460 | 7,429 | (935) | 31 |
| Gains on loans held for sale at fair value (mortgage banking) | 132 | 163 | 91 | (31) | 72 |
| Gain on securities sale, net | 7 | — | — | 7 | — |
| Fair value adjustment for equity securities | 418 | 828 | 181 | (410) | 647 |
| Fee income related to loan level, back-to-back swaps | 492 | — | — | 492 | — |
| (Loss)/gains on loans held for sale at lower of cost or fair value | (364) | 23 | — | (387) | 23 |
| Gain on sale of SBA loans | 1,584 | 1,214 | 2,433 | 370 | (1,219) |
| Corporate advisory fee income | 820 | 1,032 | 219 | (212) | 813 |
| Other income | 2,749 | 71 | 1,057 | 2,678 | (986) |
| Total other income | <u>\$ 18,845</u> | <u>\$ 17,664</u> | <u>\$ 17,831</u> | <u>\$ 1,181</u> | <u>\$ (167)</u> |

2025 compared to 2024

The Company recorded total other income, excluding wealth management fee income, of \$18.8 million in 2025, compared to \$17.7 million for 2024, reflecting an increase of \$1.2 million.

Service charges and fee income decreased in 2025 reflecting our shift from a retail-oriented deposit base to a more commercially focused client portfolio, which typically generates lower fee activity.

The Company provides loans that are partially guaranteed by the SBA, to provide working capital and/or finance the purchase of equipment, inventory or commercial real estate and that could be used for start-up businesses. All SBA loans are underwritten and documented as prescribed by the SBA. The Company generally sells the guaranteed portion of the SBA loans in the secondary market, with the non-guaranteed portion of SBA loans held in the loan portfolio. Gain on sale of SBA loans for 2025 increased by \$370,000 to \$1.6 million for 2025 compared to \$1.2 million in 2024. The 2025 period was positively affected by the greater demand for capital as small business confidence improved, resulting in an increase in origination volumes.

The Company recorded corporate advisory fee income of \$820,000 for 2025 compared to \$1.0 million for 2024. The Company completed one corporate advisory/investment banking acquisition transaction in the third quarter of 2025, as well as one transaction in the first quarter of 2024.

The Company recorded \$492,000 related to loan level, back-to-back swaps in 2025 compared to no fee income for back-to-back swaps recorded in 2024. The program provides a borrower with a degree of interest rate protection on a variable-rate loan, while still providing an adjustable rate to the Company, thus helping to manage the Company's interest rate risk, while contributing to income. The Company expects back-to-back swap activity will continue to be minimal in the current rate environment. Income from the back-to-back swap, corporate advisory fee income and SBA programs are dependent on volume, and may vary from period to period.

Income from the sale of newly originated residential mortgages loans for 2025 decreased to \$132,000 from \$163,000 for the year ended December 31, 2025. The Company continues to be impacted by the industry wide slowdown in refinancing and home purchase activity due to inventory constraints and elevated mortgage rates.

Loan fee income included \$3.5 million of unused commercial credit line fees in 2025 compared to \$3.3 million for 2024. Additionally, the Company recorded \$821,000 of income generated by the Equipment Finance Division related to equipment transfers to lessees in 2025 compared to \$2.6 million for the same 2024 period.

Included in other income was a gain of \$875,000 related to the termination of a lease agreement for a branch location that was no longer in use in 2025. Other income also included \$1.2 million of SBIC income for the year ended December 31, 2025.

During the year ended December 31, 2025, the Company recorded a \$418,000 positive fair value adjustment for CRA equity securities compared to a negative adjustment of \$125,000 for 2024. The positive fair value adjustment was due to a decline in medium-term rates during 2025. Additionally, the Company sold its Visa B shares which resulted in a positive fair value adjustment to equity securities of \$953,000 during the year ended December 31, 2024.

OPERATING EXPENSES: The following table presents the major components of operating expenses:

| (In thousands) | Years Ended December 31, | | | Change | |
|------------------------------------|--------------------------|------------|------------|--------------|--------------|
| | 2025 | 2024 | 2023 | 2025 vs 2024 | 2024 vs 2023 |
| Compensation and employee benefits | \$ 145,492 | \$ 122,325 | \$ 100,524 | \$ 23,167 | \$ 21,801 |
| Premises and equipment | 26,613 | 22,485 | 19,733 | 4,128 | 2,752 |
| FDIC assessment | 4,810 | 3,510 | 2,946 | 1,300 | 564 |
| Other operating expenses: | | | | | |
| Professional and legal fees | 6,675 | 7,309 | 5,710 | (634) | 1,599 |
| Trust department expense | 4,385 | 4,014 | 3,837 | 371 | 177 |
| Telephone | 1,594 | 1,616 | 1,531 | (22) | 85 |
| Loan expense | 2,697 | 1,295 | 1,200 | 1,402 | 95 |
| Amortization of intangible assets | 1,088 | 1,088 | 1,319 | — | (231) |
| Advertising | 2,053 | 2,111 | 1,872 | (58) | 239 |
| Other operating expenses | 11,761 | 9,923 | 9,623 | 1,838 | 300 |
| Total operating expense | \$ 207,168 | \$ 175,676 | \$ 148,295 | \$ 31,492 | \$ 27,381 |

2025 compared to 2024

Operating expenses totaled \$207.2 million in 2025, compared to \$175.7 million in 2024, reflecting an increase of \$31.5 million, or 18 percent. Increased operating expenses in 2025 were principally attributable to the Company's ongoing expansion into the metro New York City market, increased health insurance costs, and annual merit increases. The addition of production teams in Long Island and the expansion of our equipment financing team, which included the opening of two new Long Island offices and related computer and software equipment investments, contributed to an increase in premises and equipment expense in 2025. The increase in loan expense during 2025 was largely due to expenses related to the workout of several equipment finance and multifamily problem loans. FDIC assessment in 2025 increased \$1.3 million compared to 2024, due primarily to higher assessment rates implemented by the FDIC and an increase in the Bank's average total assets subject to assessment.

INCOME TAXES: Income tax expense for the year ended December 31, 2025 was \$15.0 million as compared to \$12.0 million for 2024. The effective tax rate for the year ended December 31, 2025 was 28.6 percent as compared to 26.6 percent for the year ended December 31, 2024. The year ended December 2024 included the impact of discrete, favorable federal return to provision adjustments primarily related to the Company's state tax apportionment rate.

CAPITAL RESOURCES: A solid capital base provides the Company with financial strength and the ability to support future growth and is essential to executing the Company's Strategic Plan. The Company's capital strategy is intended to provide stability to expand its businesses, even in stressed environments. The Company employs quarterly capital stress testing - adverse case and severely adverse case. In the most recent stress test was completed using September 30, 2025 data, under severely adverse case, no growth scenarios, the Bank remains well capitalized over the two-year stress period.

The Company strives to maintain capital levels in excess of internal "triggers" and in excess of those considered to be well capitalized under regulatory guidelines applicable to banks and bank holding companies. Maintaining an adequate capital position supports the Company's goal of providing shareholders an attractive and stable long-term return on investment.

The Company's capital position during 2025 was enhanced by net income of \$37.3 million. Capital also improved as a result of a decline in accumulated other comprehensive loss of \$18.9 million, net of tax. The decrease was primarily due to a \$22.9 million gain related to the available for sale securities portfolio partially offset by a \$4.0 million loss on cash flow hedges.

The increases in capital were partially offset by share repurchases of \$5.4 million and cash dividends of \$3.5 million during the year ended December 31, 2025.

At December 31, 2025, the Company's GAAP capital as a percent of total assets was 8.75 percent. At December 31, 2025, the Company's regulatory leverage, common equity tier 1, tier 1 and total risk-based capital ratios were 8.87 percent, 10.33 percent, 10.33 percent and 12.68 percent, respectively. At December 31, 2025, the Bank's regulatory leverage, common equity tier 1, tier 1 and total risk-based capital ratios were 9.89 percent, 11.52 percent, 11.52 percent and 12.64 percent, respectively. At December 31, 2025, the Company's and the Bank's regulatory capital ratios were all above the ratios to be considered well capitalized under regulatory guidance.

As a result of the enacted Economic Growth, Regulatory Relief, and Consumer Protection Act, the federal banking agencies were required to develop a "Community Bank Leverage Ratio" (the ratio of a bank's tangible equity capital to average total consolidated assets) for financial institutions with assets of less than \$10 billion. A "qualifying community bank" that exceeds this ratio will be deemed to be in compliance with all other capital and leverage requirements, including the capital requirements to be considered "well capitalized" under Prompt Corrective Action statutes. The federal banking agencies set the minimum capital for the new Community Bank Leverage Ratio at 9 percent. The Bank did not opt into the CBLR and will continue to comply with the requirements under Basel III.

To be categorized as well capitalized, the Bank must maintain minimum total risk-based, Tier I risk-based, common equity Tier I and Tier I leverage ratios as set forth in the table.

The Bank's regulatory capital amounts and ratios are presented in the following table:

| (Dollars in thousands) | Actual | | To Be Well Capitalized Under Prompt Corrective Action Provisions | | For Capital Adequacy Purposes | | For Capital Adequacy Purposes Including Capital Conservation Buffer (A) | |
|------------------------------------------------|------------|--------|------------------------------------------------------------------|--------|-------------------------------|-------|-------------------------------------------------------------------------|--------|
| | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio |
| As of December 31, 2025: | | | | | | | | |
| Total capital (to risk-weighted assets) | 807,580 | 12.64% | \$ 638,896 | 10.00% | \$ 511,117 | 8.00% | \$ 670,841 | 10.50% |
| Tier I capital (to risk-weighted assets) | 735,931 | 11.52 | 511,117 | 8.00 | 383,338 | 6.00 | 543,062 | 8.50 |
| Common equity tier I (to risk-weighted assets) | 735,872 | 11.52 | 415,282 | 6.50 | 287,503 | 4.50 | 447,227 | 7.00 |
| Tier I capital (to average assets) | 735,931 | 9.89 | 372,195 | 5.00 | 297,756 | 4.00 | 297,756 | 4.00 |
| As of December 31, 2024: | | | | | | | | |
| Total capital (to risk-weighted assets) | \$ 801,365 | 14.75% | \$ 543,234 | 10.00% | \$ 434,587 | 8.00% | \$ 570,396 | 10.50% |
| Tier I capital (to risk-weighted assets) | 733,389 | 13.50 | 434,587 | 8.00 | 325,940 | 6.00 | 461,749 | 8.50 |
| Common equity tier I (to risk-weighted assets) | 733,383 | 13.50 | 353,102 | 6.50 | 244,455 | 4.50 | 380,264 | 7.00 |
| Tier I capital (to average assets) | 733,389 | 10.57 | 347,006 | 5.00 | 277,605 | 4.00 | 277,605 | 4.00 |

(A) The Basel Rules require the Company and the Bank to maintain a 2.5 percent "capital conservation buffer" on top of the minimum risk-weighted asset ratios. The capital conservation buffer is designed to absorb losses during periods of economic stress. Banking institutions with a ratio of (i) CET1 to risk-weighted assets, (ii) Tier 1 capital to risk-weighted assets or (iii) total capital to risk-weighted assets above the respective minimum but below the capital conservation buffer face constraints on dividends, stock repurchases and discretionary bonus payments to executive officers based on the amount of the shortfall.

The Company's regulatory capital amounts and ratios are presented in the following table:

| (Dollars in thousands) | Actual | | To Be Well Capitalized Under Prompt Corrective Action Provisions | | For Capital Adequacy Purposes | | For Capital Adequacy Purposes Including Capital Conservation Buffer (A) | |
|------------------------------------------------|------------|--------|------------------------------------------------------------------|-------|-------------------------------|-------|-------------------------------------------------------------------------|--------|
| | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio |
| As of December 31, 2025: | | | | | | | | |
| Total capital (to risk-weighted assets) | 811,375 | 12.68% | N/A | N/A | \$ 511,816 | 8.00% | \$ 671,759 | 10.50% |
| Tier I capital (to risk-weighted assets) | 660,696 | 10.33 | N/A | N/A | 383,862 | 6.00 | 543,805 | 8.50 |
| Common equity tier I (to risk-weighted assets) | 660,637 | 10.33 | N/A | N/A | 287,897 | 4.50 | 447,839 | 7.00 |
| Tier I capital (to average assets) | 660,696 | 8.87 | N/A | N/A | 298,086 | 4.00 | 298,086 | 4.00 |
| As of December 31, 2024: | | | | | | | | |
| Total capital (to risk-weighted assets) | \$ 806,404 | 14.84% | N/A | N/A | \$ 434,830 | 8.00% | \$ 570,715 | 10.50% |
| Tier I capital (to risk-weighted assets) | 625,830 | 11.51 | N/A | N/A | 326,123 | 6.00 | 462,007 | 8.50 |
| Common equity tier I (to risk-weighted assets) | 625,824 | 11.51 | N/A | N/A | 244,592 | 4.50 | 380,477 | 7.00 |
| Tier I capital (to average assets) | 625,830 | 9.01 | N/A | N/A | 277,710 | 4.00 | 277,710 | 4.00 |

(A) The Basel Rules require the Company and the Bank to maintain a 2.5 percent “capital conservation buffer” on top of the minimum risk-weighted asset ratios. The capital conservation buffer is designed to absorb losses during periods of economic stress. Banking institutions with a ratio of (i) CET1 to risk-weighted assets, (ii) Tier 1 capital to risk-weighted assets or (iii) total capital to risk-weighted assets above the respective minimum but below the capital conservation buffer face constraints on dividends, stock repurchases and discretionary bonus payments to executive officers based on the amount of the shortfall.

The Dividend Reinvestment Plan of Peapack-Gladstone Financial Corporation, or the “Reinvestment Plan,” allows shareholders of the Company to purchase shares of common stock using cash dividends without payment of any brokerage commissions or other charges. Shareholders may also make voluntary cash payments of up to \$200,000 per quarter to purchase shares of common stock. Voluntary share purchases in the Reinvestment Plan can be filled from the Company's authorized but unissued shares and/or in the open market, at the discretion of the Company. All shares purchased through the Plan in both 2025 and 2024 were purchased in the open market.

Management believes the Company's capital position and capital ratios are adequate at December 31, 2025. Further, Management believes the Company has sufficient common equity to support its planned growth for the immediate future. The Company continually assesses other potential sources of capital to support future growth.

LIQUIDITY: Liquidity refers to an institution's ability to meet short-term requirements including funding of loans, deposit withdrawals and maturing obligations, as well as long-term obligations, including potential capital expenditures. The Company's liquidity risk management is intended to ensure the Company has adequate funding and liquidity to support its assets across a range of market environments and conditions, including stressed conditions. Principal sources of liquidity include cash, temporary investments, securities available for sale, customer deposit inflows, loan repayments and secured borrowings. Other liquidity sources include loan and security sales and loan participations.

Management actively monitors and manages the Company's liquidity position and believes it is sufficient to meet future needs. Cash and cash equivalents, including federal funds sold and interest-earning deposits, totaled \$187.8 million at December 31, 2025. In addition, the Company had \$774.2 million in securities designated as available for sale at December 31, 2025. These securities can be sold, or used as collateral for borrowings, in response to liquidity concerns. Available for sale and held to maturity securities with a carrying value of \$553.2 million and \$93.9 million as of December 31, 2025, respectively, were pledged to secure public funds and for other purposes required or permitted by law. However, only \$46.6

million of pledged securities are encumbered. In addition, the Company generates significant liquidity from scheduled and unscheduled principal repayments of loans and mortgage-backed securities.

As of December 31, 2025, the Company had approximately \$3.63 billion of external borrowing capacity available on a same day basis (subject to any practical constraints affecting the FHLB or FRB), which when combined with balance sheet liquidity provided the Company with 244 percent coverage of our uninsured/unprotected deposits.

The Company has a Board-approved Contingency Funding Plan, which provides a framework for managing adverse liquidity stress and contingent sources of liquidity. The Company conducts liquidity stress testing on a regular basis to ensure sufficient liquidity in a stressed environment.

Peapack-Gladstone Financial Corporation is a separate legal entity from the Bank and must provide for its own liquidity to pay dividends to its shareholders, to repurchase shares of its common stock, satisfy debt obligations and for other corporate purposes. Peapack-Gladstone Financial Corporation's primary source of income is dividends received from the Bank. The Bank's ability to pay dividends is governed by applicable law. At December 31, 2025, Peapack-Gladstone Financial Corporation (unconsolidated basis) had liquid assets of \$15.9 million.

Management believes the Company's liquidity position and sources were adequate at December 31, 2025.

WEALTH MANAGEMENT DIVISION: This division includes: investment management services provided for individuals and institutions; personal trust services, including services as executor, trustee, administrator, custodian and guardian, and other financial planning, tax preparation and advisory services. Officers from the wealth management division are available to provide wealth management, trust and investment services at the Bank's headquarters in Bedminster, New Jersey at private banking locations in Morristown, Princeton, Red Bank, Summit and Teaneck, New Jersey, in New York City, in Long Island and at the Bank's subsidiary, PGB Trust & Investments of Delaware in Greenville, Delaware.

The following table presents certain key aspects of the Wealth Management Division's performance for the years ended December 31, 2025, 2024 and 2023.

| (In thousands) | Years Ended December 31, | | | Change | |
|------------------|--------------------------|-----------|-----------|--------------|--------------|
| | 2025 | 2024 | 2023 | 2025 vs 2024 | 2024 vs 2023 |
| Total fee income | \$ 63,240 | \$ 61,458 | \$ 55,747 | \$ 1,782 | \$ 5,711 |

| | | | |
|--------------------------------------------------------------------|--------------|--------------|--------------|
| Assets under management and/or administration (AUM) (market value) | 13.1 billion | 11.9 billion | 10.9 billion |
|--------------------------------------------------------------------|--------------|--------------|--------------|

The following table presents a roll forward of the Wealth Management Division's assets under management and/or administration for the years ended December 31, 2025, 2024 and 2023.

| (In billions) | 2025 | | 2024 | | 2023 | |
|---------------------|---------|--------|--------|--------|--------|--------|
| | AUM | AUA | AUM | AUA | AUM | AUA |
| Beginning AUM/AUA | \$ 10.6 | \$ 1.3 | \$ 9.7 | \$ 1.3 | \$ 8.6 | \$ 1.3 |
| Inflows | 0.9 | 0.1 | 0.6 | 0.2 | 0.7 | 0.3 |
| Outflows | (1.0) | (0.2) | (0.8) | (0.2) | (0.8) | (0.4) |
| Net other | 0.2 | 0.0 | 0.2 | (0.0) | 0.2 | 0.1 |
| Net Flows | 0.1 | (0.1) | (0.1) | (0.0) | 0.1 | (0.1) |
| Market appreciation | 1.2 | 0.1 | 1.0 | 0.1 | 1.0 | 0.1 |
| Ending AUM/AUA | 11.9 | 1.3 | 10.6 | 1.3 | 9.7 | 1.3 |

The following table presents a breakdown of the Wealth Management Division's assets under management and/or administration by investment class for the years ended December 31, 2025, 2024 and 2023.

| | 2025 | 2024 | 2023 |
|--------------|---------------|---------------|---------------|
| Equities | 70.8% | 70.3% | 68.3% |
| Fixed income | 19.2 | 18.7 | 19.6 |
| Cash/other | 10.0 | 11.0 | 12.1 |
| Total | <u>100.0%</u> | <u>100.0%</u> | <u>100.0%</u> |

The following tables present a breakdown of the Wealth Management Division's fee income for the years ended December 31, 2025, 2024 and 2023.

| | 2025 | 2024 | 2023 |
|--------------|------------------|------------------|------------------|
| Recurring | \$ 60,382 | \$ 57,199 | \$ 51,853 |
| Nonrecurring | 2,478 | 3,613 | 3,110 |
| Brokerage | 380 | 646 | 784 |
| Total fees | <u>\$ 63,240</u> | <u>\$ 61,458</u> | <u>\$ 55,747</u> |

| | 2025 | 2024 | 2023 |
|--------------|-------------|-------------|-------------|
| Recurring | 96% | 93% | 93% |
| Nonrecurring | 4 | 7 | 7 |
| Total fees | <u>100%</u> | <u>100%</u> | <u>100%</u> |

| | 2025 | 2024 | 2023 |
|-----------------------|-------|-------|-------|
| Average bps managed | 0.52% | 0.54% | 0.55% |
| Average bps unmanaged | 0.10% | 0.10% | 0.08% |

2025 compared to 2024

The market value of assets under management and/or administration (“AUM”) at December 31, 2025 and 2024 was \$13.1 billion and \$11.9 billion, respectively, an increase of 10 percent, primarily due to an improved equity market and modest net client inflows.

Wealth management fees increased \$1.8 million, or 3 percent, to \$63.2 million for the year ended December 31, 2025 from \$61.5 million in 2024. The increase in fee income for the year ended December 31, 2025 was largely due to growth in AUM balances driven by the improved equity and bond markets during 2025. Nonrecurring fees were \$2.5 million for the year ended December 31, 2025 as compared to \$3.6 million for the same period in 2024. The prior year reflected elevated levels of trust and estate activity.

The Wealth Management Division currently generates adequate revenue to support the salaries, benefits and other expenses of the wealth division and Management believes it will continue to do so as the Company grows organically and/or by acquisition in future periods.

EFFECTS OF INFLATION AND CHANGING PRICES: The financial statements and related financial data presented herein have been prepared in terms of historical dollars without considering changes in the relative purchasing power of money over time due to inflation. Unlike most industrial companies, virtually all of the assets and liabilities of a financial institution are monetary in nature. As a result, interest rates have a more significant impact on a financial institution’s performance than do general levels of inflation.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Company’s Asset/Liability Committee (“ALCO”) is responsible for developing, implementing and monitoring asset/liability management strategies and advising the Board of Directors on such strategies, as well as the related level of interest rate risk. In this regard, interest rate risk simulation models are prepared on a quarterly basis. These models demonstrate balance sheet gaps and predict changes to net interest income and economic/market value of portfolio equity under various interest rate scenarios. In addition, these models, as well as ALCO processes and reporting, are subject to annual independent third-party review.

ALCO generally manages interest rate risk through the management of capital, cash flows and the duration of assets and liabilities, including sales and purchases of assets, as well as additions of wholesale borrowings and other sources of medium/longer-term funding.

The following strategies are among those used to manage interest rate risk:

- Actively market C&I loans, which tend to have adjustable-rate features, and which generate customer relationships that can result in higher core deposit accounts;
- Actively market equipment finance leases and loans, which tend to have shorter terms and higher interest rates than real estate loans;
- Limit residential mortgage portfolio originations to adjustable-rate and/or shorter-term and/or “relationship” loans that result in core deposit and/or wealth management relationships;
- Actively market core deposit relationships, which are generally longer duration liabilities;
- Utilize medium-to-longer term certificates of deposit and/or wholesale borrowings to extend liability duration;
- Utilize interest rate swaps to extend liability duration;
- Utilize a loan level / back-to-back interest rate swap program, which converts a borrower’s fixed rate loan to adjustable rate for the Company;
- Closely monitor and actively manage the investment portfolio, including management of duration, prepayment and interest rate risk;
- Maintain adequate levels of capital; and
- Utilize loan sales.

The interest rate swap program is administered by ALCO and follows procedures and documentation in accordance with regulatory guidance and standards as set forth in ASC 815 for cash flow hedges. The program incorporates pre-purchase analysis, liability designation, sensitivity analysis, correlation analysis, daily mark-to-market analysis and collateral posting as required. The Board is advised of all swap activity. In these swaps, the Company is receiving floating and paying fixed interest rates with total notional value of \$305.0 million as of December 31, 2025.

In addition, the Company initiated a loan level / back-to-back swap program in support of its commercial lending business. Pursuant to this program, the Company extends a floating-rate loan and executes a floating to fixed swap with the borrower. At the same time, the Company executes a third-party swap, the terms of which fully offset the fixed exposure and, result in a final floating-rate exposure for the Company. As of December 31, 2025, \$429.3 million of notional value in swaps were executed and outstanding with borrowers under this program.

As noted above, ALCO uses simulation modeling to analyze the Company’s net interest income sensitivity, as well as the Company’s economic value of portfolio equity under various interest rate scenarios. The models are based on the actual maturity and repricing characteristics of rate sensitive assets and liabilities. The models incorporate certain prepayment and interest rate assumptions, which management believes to be reasonable as of December 31, 2025. The models assume changes in interest rates without any proactive change in the balance sheet by management. In the models, the forecasted shape of the yield curve remained static as of December 31, 2025.

In an immediate and sustained 100 basis point increase in market rates at December 31, 2025, net interest income would decrease approximately 1.6 percent for year 1 and increase 2.2 percent for year 2, compared to a flat interest rate scenario. In an immediate and sustained 100 basis point decrease in market rates at December 31, 2025, net interest income would increase approximately 0.4 percent for year 1 and decrease 4.5 percent for year 2, compared to a flat interest rate scenario.

In an immediate and sustained 200 basis point increase in market rates at December 31, 2025, net interest income would decrease approximately 3.1 percent for year 1 and increase 4.3 percent for year 2, compared to a flat interest rate scenario. In an immediate and sustained 200 basis point decrease in market rates at December 31, 2025, net interest income for year 1 would increase approximately 0.7 percent, when compared to a flat interest rate scenario. In year 2, net interest income would decrease 9.4 percent, when compared to a flat interest rate scenario.

The Company's interest rate sensitivity models indicate the Company is liability sensitive as of December 31, 2025 and that net interest income would decline in a rising rate environment, but improve in a falling rate environment.

The table below shows the estimated changes in the Company’s economic value of portfolio equity (“EVPE”) that would result from an immediate parallel change in the market interest rates at December 31, 2025.

(Dollars in thousands)

| Change In Interest Rates (Basis Points) | Estimated EVPE (A) | Estimated Increase/ Decrease in EVPE | | EVPE as a Percentage of Present Value of Assets (B) | |
|--------------------------------------------------|-----------------------|-----------------------------------------|---------|--------------------------------------------------------|---------------------------------------|
| | | Amount | Percent | EVPE Ratio (C) | Increase/(Decrease) (basis points) |
| +200 | \$ 892,453 | \$ (31,678) | (3.43)% | 12.53% | 5 |
| +100 | 906,364 | (17,767) | (1.92) | 12.49 | 1 |
| Flat interest rates | 924,131 | — | — | 12.48 | — |
| -100 | 932,247 | 8,116 | 0.88 | 12.35 | (13) |
| -200 | 887,698 | (36,433) | (3.94) | 11.60 | (88) |

(A) EVPE is the discounted present value of expected cash flows from assets and liabilities.

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

(C) EVPE ratio represents EVPE divided by the present value of assets.

Certain shortcomings are inherent in the methodologies used in determining interest rate risk. Simulation modeling requires making certain assumptions that may or may not reflect the manner in which actual yields and costs respond to changes in market interest rates. In this regard, the modeling assumes that the composition of our interest-sensitive assets and liabilities existing at the beginning of a period remains constant over the period being measured and assumes that a particular change in interest rates is reflected uniformly across the yield curve regardless of the duration or repricing of specific assets and liabilities. Accordingly, although the information provides an indication of our interest rate risk exposure at a particular point in time, such measurements are not intended to and do not provide a precise forecast of the effect of changes in market interest rates on our net interest income and will differ from actual results.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Shareholders and the Board of Directors of Peapack-Gladstone Financial Corporation
Bedminster, New Jersey

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated statements of condition of Peapack-Gladstone Financial Corporation (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of income, comprehensive income, shareholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control – Integrated Framework: (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control – Integrated Framework: (2013) issued by COSO.

Basis for Opinions

The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the financial statements included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Allowance for Credit Losses – Qualitative Factors

As described in Note 1 to the consolidated financial statements, the Company accounts for credit losses under ASC 326, Financial Instruments – Credit Losses. ASC 326 requires the measurement of expected lifetime credit losses for financial assets measured at amortized cost at the reporting date. As of December 31, 2025, the balance of the allowance for credit losses on loans was \$71.0 million.

Management employs a process and methodology to estimate the ACL on pooled loans that evaluated both the quantitative and qualitative factors. The methodology for evaluating quantitative factors includes pooling loans into portfolio segments for loans that share common characteristics.

For pooled loans, the Company utilizes a discounted cash flow (“DCF”) methodology to estimate credit losses. The DCF Model captures losses over the historical charge-off and prepayment cycle and applies those losses at a loan level over the remaining maturity of the loan. The model then calculates a historical loss rate using the average losses over the reporting period, which is then applied to each segment utilizing a standard reversion rate.

This loss rate is then supplemented with adjustments for reasonable and supportable forecasts of relevant economic indicators. Also included in the ACL are qualitative factors based on the risks present for each portfolio segment. These qualitative factors include the following: levels of and trends in delinquencies and impaired loans; effects of any changes in risk selection and underwriting standards; other changes in lending policies, procedures and practices; experience, ability and depth of lending management and other relevant staffing and experience; industry conditions; and effects of changes in credit concentrations. These factors are susceptible to change, which may be significant. Management performed a hypothetical sensitivity analysis to understand the impact of changes in the economic forecast as a key input in their allowance for credit losses for collectively evaluated loans; the output of this analysis forms the maximum loss rate for the qualitative factors.

We identified auditing the qualitative component of the ACL on pooled loans in the commercial and industrial, multifamily, and investment commercial real estate loan segments as a critical audit matter because the methodology to determine the estimate of credit losses relies on management judgment for key assumptions that may materially affect the estimate. Performing audit procedures to evaluate the qualitative factors on the commercial and industrial, multifamily, owner-occupied commercial real estate and investment commercial real estate loan segments involved a high degree of auditor judgment and required significant effort, including the need to involve more experienced audit personnel including the use of internal specialists.

The primary procedures we performed to address this critical audit matter included:

- Testing the effectiveness of controls over the evaluation of the ACL on pooled loans, including controls addressing:
 - o Methodology and accounting policies related to the qualitative factors.
 - o Data inputs, judgments and calculations used to determine the qualitative factors.
 - o Information technology general controls and application controls.
 - o Management’s review of the qualitative factors.
- Substantively testing management’s process related to, the ACL on pooled loans, which included:
 - o Evaluation of the Company’s ACL methodology and accounting policies related to pooled loans.
 - o Testing the mathematical accuracy of the calculation.

- o Testing the completeness and accuracy of data used in the calculation including utilizing internal specialists to assist in testing the accuracy of the underlying data used to develop the historical loss rate.

Evaluation of the reasonableness of management's judgments related to qualitative factors to determine if they are calculated to conform with management's policies and were consistently applied period over period. Our evaluation considered evidence from internal and external sources and loan portfolio composition and performance.

/s/ Crowe LLP
Crowe LLP

We have served as the Company's auditor since 2006.

Livingston, New Jersey
March 11, 2026

CONSOLIDATED STATEMENTS OF CONDITION

| (In thousands, except share and per share data) | December 31, | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| | 2025 | 2024 |
| ASSETS | | |
| Cash and due from banks | \$ 8,712 | \$ 8,492 |
| Federal funds sold | — | — |
| Interest-earning deposits | 179,108 | 382,875 |
| Total cash and cash equivalents | 187,820 | 391,367 |
| Securities held to maturity (fair value \$87,491 at December 31, 2025 and \$88,650 at December 31, 2024) | 95,862 | 101,635 |
| Securities available for sale | 774,203 | 784,544 |
| CRA equity security, at fair value | 13,459 | 13,041 |
| FHLB and FRB stock, at cost (A) | 14,605 | 12,373 |
| Loans held for sale, at fair value | 450 | — |
| Loans held for sale, at lower of cost or fair value | 4,437 | 8,594 |
| Loans | 6,253,736 | 5,512,326 |
| Less: allowance for credit losses | 71,039 | 72,992 |
| Net loans | 6,182,697 | 5,439,334 |
| Premises and equipment | 39,164 | 28,888 |
| Accrued interest receivable | 31,971 | 29,898 |
| Bank owned life insurance | 47,761 | 47,981 |
| Goodwill | 36,212 | 36,212 |
| Other intangible assets | 7,627 | 8,714 |
| Finance lease right-of-use assets | 844 | 985 |
| Operating lease right-of-use assets | 39,886 | 40,289 |
| Deferred tax assets, net | 772 | 16,381 |
| Other assets | 48,639 | 51,002 |
| Total assets | \$ 7,526,409 | \$ 7,011,238 |
| LIABILITIES | | |
| Deposits: | | |
| Noninterest-bearing demand deposits | \$ 1,428,745 | \$ 1,112,734 |
| Interest-bearing deposits: | | |
| Checking | 3,448,497 | 3,334,269 |
| Savings | 105,123 | 103,136 |
| Money market accounts | 1,197,995 | 1,078,024 |
| Certificates of deposit - retail | 408,219 | 483,998 |
| Certificates of deposit - listing service | 400 | 6,861 |
| Subtotal deposits | 6,588,979 | 6,119,022 |
| Interest-bearing demand – Brokered | — | 10,000 |
| Total deposits | 6,588,979 | 6,129,022 |
| Short-term borrowings | 73,267 | — |
| Finance lease liabilities | 1,186 | 1,348 |
| Operating lease liabilities | 43,294 | 43,569 |
| Subordinated debt, net | 99,030 | 133,561 |
| Due to brokers | — | 18,514 |
| Accrued expenses and other liabilities | 62,447 | 79,375 |
| Total liabilities | 6,868,203 | 6,405,389 |
| SHAREHOLDERS' EQUITY | | |
| Preferred stock (no par value; authorized 500,000 shares) | — | — |
| Common stock (no par value; stated value \$0.83 per share; authorized 42,000,000 shares; issued shares, 21,707,259 at December 31, 2025 and 21,535,856 at December 31, 2024; outstanding shares, 17,558,019 at December 31, 2025 and 17,586,616 at December 31, 2024) | 18,096 | 17,953 |
| Surplus | 353,267 | 348,264 |
| Treasury stock at cost (4,149,240 shares at December 31, 2025 and 3,949,240 shares at December 31, 2024) | (122,953) | (117,509) |
| Retained earnings | 457,357 | 423,552 |
| Accumulated other comprehensive loss | (47,561) | (66,411) |
| Total shareholders' equity | 658,206 | 605,849 |
| Total liabilities and shareholders' equity | \$ 7,526,409 | \$ 7,011,238 |

(A) FHLB means "Federal Home Loan Bank" and FRB means "Federal Reserve Bank."

See accompanying notes to consolidated financial statements

CONSOLIDATED STATEMENTS OF INCOME

| (In thousands, except per share data) | Years Ended December 31, | | |
|-------------------------------------------------------------------|--------------------------|------------------|------------------|
| | 2025 | 2024 | 2023 |
| INTEREST INCOME | | | |
| Loans, including fees | \$ 321,328 | \$ 290,755 | \$ 278,170 |
| Taxable securities | 31,513 | 23,402 | 19,743 |
| Tax-exempt securities | — | — | 22 |
| Interest-earning deposits | 9,684 | 13,644 | 6,075 |
| Total interest income | 362,525 | 327,801 | 304,010 |
| INTEREST EXPENSE | | | |
| Savings and interest-bearing deposit accounts | 141,629 | 143,758 | 107,490 |
| Certificates of deposit | 14,970 | 20,984 | 11,736 |
| Borrowed funds | 543 | 3,848 | 18,204 |
| Finance lease liability | 53 | 89 | 191 |
| Subordinated debt | 4,210 | 6,644 | 6,651 |
| Subtotal – interest expense | 161,405 | 175,323 | 144,272 |
| Interest-bearing demand - brokered | 210 | 522 | 611 |
| Interest on certificates of deposits – brokered | — | 2,950 | 3,038 |
| Total interest expense | 161,615 | 178,795 | 147,921 |
| Net interest income before provision for credit losses | 200,910 | 149,006 | 156,089 |
| Provision for credit losses | 23,518 | 7,500 | 14,091 |
| Net interest income after provision for credit losses | 177,392 | 141,506 | 141,998 |
| OTHER INCOME | | | |
| Wealth management fee income | 63,240 | 61,458 | 55,747 |
| Service charges and fees | 4,807 | 5,317 | 5,152 |
| Bank owned life insurance | 1,675 | 1,556 | 1,269 |
| Gain on loans held for sale at fair value (mortgage banking) | 132 | 163 | 91 |
| (Loss)/gain on loans held for sale at lower of cost or fair value | (364) | 23 | — |
| Fee income related to loan level, back-to-back swaps | 492 | — | — |
| Gain on sale of SBA loans | 1,584 | 1,214 | 2,433 |
| Corporate advisory fee income | 820 | 1,032 | 219 |
| Other income | 9,274 | 7,531 | 8,486 |
| Securities gains | 7 | — | — |
| Fair value adjustment for equity securities | 418 | 828 | 181 |
| Total other income | 82,085 | 79,122 | 73,578 |
| OPERATING EXPENSES | | | |
| Compensation and employee benefits | 145,492 | 122,325 | 100,524 |
| Premises and equipment | 26,613 | 22,485 | 19,733 |
| FDIC insurance expense | 4,810 | 3,510 | 2,946 |
| Other operating expenses | 30,253 | 27,356 | 25,092 |
| Total operating expenses | 207,168 | 175,676 | 148,295 |
| Income before income tax expense | 52,309 | 44,952 | 67,281 |
| Income tax expense | 14,983 | 11,964 | 18,427 |
| Net income | \$ 37,326 | \$ 32,988 | \$ 48,854 |
| EARNINGS PER SHARE | | | |
| Basic | \$ 2.12 | \$ 1.87 | \$ 2.74 |
| Diluted | 2.10 | 1.85 | 2.71 |

See accompanying notes to consolidated financial statements

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| (In thousands) | Years Ended December 31, | | |
|----------------------------------------------------------------|--------------------------|-----------|-----------|
| | 2025 | 2024 | 2023 |
| Net income | \$ 37,326 | \$ 32,988 | \$ 48,854 |
| Other comprehensive income/(loss): | | | |
| Unrealized gains/(losses) on available for sale securities: | | | |
| Unrealized gains/(losses) arising during the period | 32,068 | (4,112) | 11,179 |
| Reclassification adjustment for amounts included in net income | (7) | — | — |
| | 32,061 | (4,112) | 11,179 |
| Tax effect | (9,232) | 1,773 | (16) |
| Net of tax | 22,829 | (2,339) | 11,163 |
| Unrealized gains/(losses) on cash flow hedge: | | | |
| Unrealized holding (losses)/gains arising during the period | (5,386) | 1,001 | (2,391) |
| Reclassification adjustment for amounts included in net income | — | — | (84) |
| | (5,386) | 1,001 | (2,475) |
| Tax effect | 1,407 | (195) | 645 |
| Net of tax | (3,979) | 806 | (1,830) |
| Total other comprehensive income/(loss) | 18,850 | (1,533) | 9,333 |
| Total comprehensive income | \$ 56,176 | \$ 31,455 | \$ 58,187 |

See accompanying notes to consolidated financial statements

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

| (In thousands, except share and per share data) | Preferred Stock | Common Stock | Surplus | Treasury Stock | Retained Earnings | Accumulated Other Comprehensive (Loss) | Total |
|-----------------------------------------------------------------------------------------------------------|-----------------|--------------|------------|----------------|-------------------|----------------------------------------|------------|
| Balance at January 1, 2023 | | | | | | | |
| 17,813,451 common shares outstanding | \$ — | \$ 17,513 | \$ 338,706 | \$ (97,826) | \$ 348,798 | \$ (74,211) | \$ 532,980 |
| Net income 2023 | — | — | — | — | 48,854 | — | 48,854 |
| Other comprehensive gain | — | — | — | — | — | 9,333 | 9,333 |
| Restricted stock units issued 434,000 shares | — | 362 | (362) | — | — | — | — |
| Restricted stock units repurchased on vesting to pay taxes, (107,918) shares | — | (90) | (3,153) | — | — | — | (3,243) |
| Amortization of restricted stock units | — | — | 10,751 | — | — | — | 10,751 |
| Cash dividends declared on common stock (\$0.20 per share) | — | — | — | — | (3,558) | — | (3,558) |
| Shares repurchase, (455,341) shares | — | — | — | (12,494) | — | — | (12,494) |
| Common stock options exercised, 2,600 net of 60 used to exercise and related taxes benefits, 2,540 shares | — | 2 | 40 | — | — | — | 42 |
| Issuance of shares for Employee Stock Purchase plan, 33,748 shares | — | 28 | 988 | — | — | — | 1,016 |
| Issuance of common stock for acquisition, 19,197 shares | — | 16 | (16) | — | — | — | — |
| Balance at December 31, 2023 | | | | | | | |
| 17,739,677 common shares outstanding | \$ — | \$ 17,831 | \$ 346,954 | \$ (110,320) | \$ 394,094 | \$ (64,878) | \$ 583,681 |

| (In thousands, except share and per share data) | Preferred Stock | Common Stock | Surplus | Treasury Stock | Retained Earnings | Accumulated Other Comprehensive (Loss) | Total |
|-----------------------------------------------------------------------------|-----------------|--------------|------------|----------------|-------------------|----------------------------------------|------------|
| Balance at January 1, 2024 | | | | | | | |
| 17,739,677 common shares outstanding | \$ — | \$ 17,831 | \$ 346,954 | \$ (110,320) | \$ 394,094 | \$ (64,878) | \$ 583,681 |
| Net income 2024 | — | — | — | — | 32,988 | — | 32,988 |
| Other comprehensive loss | — | — | — | — | — | (1,533) | (1,533) |
| Restricted stock units issued 148,989 shares | — | 124 | (124) | — | — | — | — |
| Restricted stock units repurchased on vesting to pay taxes, (36,625) shares | — | (31) | (846) | — | — | — | (877) |
| Amortization of restricted stock units | — | — | 5,788 | — | — | — | 5,788 |
| Modification of restricted stock units distributed in cash | — | — | (4,336) | — | — | — | (4,336) |
| Cash dividends declared on common stock (\$0.20 per share) | — | — | — | — | (3,530) | — | (3,530) |
| Shares repurchase, (300,000) shares | — | — | — | (7,189) | — | — | (7,189) |
| Issuance of shares for Employee Stock Purchase Plan, 34,575 shares | — | 29 | 828 | — | — | — | 857 |
| Balance at December 31, 2024 | | | | | | | |
| 17,586,616 common shares outstanding | \$ — | \$ 17,953 | \$ 348,264 | \$ (117,509) | \$ 423,552 | \$ (66,411) | \$ 605,849 |

| | Preferred Stock | Common Stock | Surplus | Treasury Stock | Retained Earnings | Accumulated Other Comprehensive (Loss) | Total |
|--------------------------------------------------------------------------------|--------------------|------------------|-------------------|---------------------|----------------------|----------------------------------------------|-------------------|
| Balance at January 1, 2025 | \$ — | \$ 17,953 | \$ 348,264 | \$ (117,509) | \$ 423,552 | \$ (66,411) | \$ 605,849 |
| Net income 2025 | — | — | — | — | 37,326 | — | 37,326 |
| Other comprehensive income | — | — | — | — | — | 18,850 | 18,850 |
| Restricted stock units issued 175,124 shares | — | 147 | (147) | — | — | — | — |
| Restricted stock units repurchased on vesting to pay taxes, (42,284) shares | — | (36) | (1,213) | — | — | — | (1,249) |
| Amortization of restricted stock units | — | — | 5,320 | — | — | — | 5,320 |
| Cash dividends declared on common stock (\$0.20 per share) | — | — | — | — | (3,521) | — | (3,521) |
| Shares repurchase, (200,000) shares | — | — | — | (5,444) | — | — | (5,444) |
| Issuance of shares for Employee Stock Purchase Plan, 38,563 shares | — | 32 | 1,101 | — | — | — | 1,133 |
| Equity adjustment related to REIT minority interest | — | — | (58) | — | — | — | (58) |
| Balance at December 31, 2025 | <u>\$ —</u> | <u>\$ 18,096</u> | <u>\$ 353,267</u> | <u>\$ (122,953)</u> | <u>\$ 457,357</u> | <u>\$ (47,561)</u> | <u>\$ 658,206</u> |
| 17,558,019 common shares outstanding | | | | | | | |

See accompanying notes to consolidated financial statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

| (In thousands) | Years Ended December 31, | | |
|-----------------------------------------------------------------------------------|--------------------------|------------------|------------------|
| | 2025 | 2024 | 2023 |
| Operating activities: | | | |
| Net income | \$ 37,326 | \$ 32,988 | \$ 48,854 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation | 4,115 | 3,539 | 3,688 |
| Amortization of premium and accretion of discount on securities, net | (85) | 242 | 578 |
| Amortization of restricted stock | 5,320 | 5,788 | 10,751 |
| Amortization of intangible assets | 1,087 | 1,088 | 1,319 |
| Amortization of subordinated debt costs | 469 | 287 | 287 |
| Provision for credit losses | 23,518 | 7,500 | 14,091 |
| Stock-based compensation and employee stock purchase plan expense | 199 | 154 | 178 |
| Deferred tax expense/(benefit) | 7,784 | (14,297) | (15,276) |
| Fair value adjustment for equity security | (418) | (828) | (181) |
| Gain on sale of securities, available for sale, net | (7) | — | — |
| Proceeds from sales of loans held for sale (A) | 29,217 | 28,886 | 41,355 |
| Loans originated for sale (A) | (23,794) | (29,308) | (30,000) |
| Gain on loans held for sale (A) | (1,716) | (1,377) | (2,524) |
| Loss/(gain) on loans held for sale at lower of cost or fair value | 364 | (23) | — |
| Loss on disposal of fixed assets | 304 | 102 | 6 |
| Gain on life insurance death benefit | (8) | (236) | (41) |
| Increase in cash surrender value of life insurance, net | (48) | (318) | (457) |
| (Increase)/decrease in accrued interest receivable | (2,073) | 778 | (5,519) |
| Increase in other assets | (15,351) | (27,055) | (3,324) |
| (Decrease)/increase in accrued expenses and other liabilities | (23,071) | 63,193 | 6,295 |
| Net cash provided by operating activities | 43,132 | 71,103 | 70,080 |
| Investing activities: | | | |
| Principal repayments, maturities and calls of securities held to maturity | 5,693 | 6,034 | 4,803 |
| Principal repayments, maturities and calls of securities available for sale | 722,821 | 661,474 | 633,737 |
| Redemptions for FHLB & FRB stock | 27,081 | 59,709 | 115,947 |
| Sales of securities available for sale | 53,182 | — | — |
| Proceeds from sales of equity securities | — | 953 | — |
| Purchase of securities held to maturity | — | — | (10,347) |
| Purchase of securities available for sale | (733,429) | (899,669) | (619,025) |
| Purchase of FHLB & FRB stock | (29,313) | (41,038) | (116,319) |
| Proceeds from sale of loans held for sale at lower of cost or fair value | 886 | 23 | — |
| Net increase in loans, net of participations sold | (768,131) | (83,397) | (153,112) |
| Sales of OREO | — | — | 116 |
| Purchases of premises and equipment | (14,317) | (8,097) | (3,275) |
| Disposal of premises and equipment | (237) | 428 | (6) |
| Proceeds from life insurance death benefit | — | 154 | — |
| Net cash used in investing activities | (735,764) | (303,426) | (147,481) |

| | Years Ended December 31, | | |
|--------------------------------------------------------------------------------|--------------------------|-------------------|-------------------|
| | 2025 | 2024 | 2023 |
| Financing activities: | | | |
| Net increase in deposits | 459,957 | 854,908 | 68,950 |
| Net increase/(decrease) in short-term borrowings | 73,267 | (403,814) | 24,284 |
| Dividends paid on common stock | (3,521) | (3,530) | (3,558) |
| Exercise of stock options, net of stock swaps | — | — | 42 |
| Restricted stock repurchased on vesting to pay taxes | (1,249) | (877) | (3,243) |
| Issuance of restricted stock | — | (4,336) | — |
| Redemption of subordinated debt | (35,000) | — | — |
| Equity adjustment related to REIT minority interest | (58) | — | — |
| Issuance of shares for employee stock purchase plan | 1,133 | 857 | 1,016 |
| Shares repurchased | (5,444) | (7,189) | (12,494) |
| Net cash provided by financing activities | 489,085 | 436,019 | 74,997 |
| Net (decrease)/increase in cash and cash equivalents | (203,547) | 203,696 | (2,404) |
| Cash and cash equivalents at beginning of period | 391,367 | 187,671 | 190,075 |
| Cash and cash equivalents at end of period | <u>\$ 187,820</u> | <u>\$ 391,367</u> | <u>\$ 187,671</u> |
| Supplemental disclosures of cash flow information | | | |
| Cash paid during the period for: | | | |
| Interest | \$ 163,971 | \$ 170,801 | \$ 141,166 |
| Income tax, net | 19,681 | 17,672 | 18,474 |
| Right-of-use asset obtained in exchange for operating lease liabilities | 4,320 | 32,302 | 1,926 |

(A) Includes mortgage loans originated with the intent to sell which are carried at fair value. In addition, includes the guaranteed portion of SBA loans, which are carried at the lower of cost or fair value.

See accompanying notes to consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Organization: The consolidated financial statements of the Company are prepared on the accrual basis and include the accounts of the Company and its wholly-owned subsidiary, Peapack Private Bank & Trust (the "Bank"). The consolidated financial statements also include the Bank's wholly-owned subsidiaries:

- Peapack Capital Corporation ("PCC")
- Peapack-Gladstone Mortgage Group, Inc., which owns 99 percent of Peapack Ventures, LLC and 79 percent of Peapack-Gladstone Realty, Inc., a New Jersey real estate investment company
- PGB Trust & Investments of Delaware, which owns one percent of Peapack Ventures, LLC
- Peapack Ventures, LLC, which owns the remaining 21 percent of Peapack-Gladstone Realty, Inc.
- Peapack-Gladstone Realty, Inc.
- PGB Securities, Inc.

While the following footnotes include the collective results of the Company, the Bank and their subsidiaries, these footnotes primarily reflect the Bank's and its subsidiaries' activities. All significant intercompany balances and transactions have been eliminated from the accompanying consolidated financial statements.

Business: The Bank is a commercial bank that provides private banking services to businesses, non-profits and consumers. Wealth management services are also provided through its subsidiary, PGB Trust & Investments of Delaware. The Bank is subject to competition from other financial institutions and other financial service companies, is regulated by certain federal and state agencies and undergoes periodic examinations by those regulatory authorities.

Basis of Financial Statement Presentation: The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles. In preparing the financial statements, Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses and disclosure of contingent assets and liabilities as of the date of the statement of condition. Actual results could differ from those estimates.

Segment Information: The Company has two reportable segments as determined by the Chief Financial Officer, who is the designated Chief Operating Decision Maker (the "CODM"), based upon information provided about the Company's products and services offered, primarily distinguished between banking and wealth management services provided by the Bank's wealth management division. They are also distinguished by the level of information provided to the CODM, who uses such information to review performance of various components of the business. The CODM evaluates the financial performance of the Company's business segments such as by evaluating revenue streams, significant expenses, and budget to actual results in assessing the performance of the Company's segments and in the determination of allocating resources. The CODM uses revenue streams to evaluate product pricing and significant expense to assess performance of each segment to evaluate compensation of certain employees. Segment pretax profit or loss is used to assess the performance of the banking segment by monitoring the margin between interest revenue and interest expense. Segment pretax profit or loss is used to assess the performance of the Wealth Management Division by monitoring wealth management fee income and assets under management and/or administration ("AUM"). Loans and investments primarily provide the revenues in the banking operation and wealth management fee income provides the revenues for the Wealth Management Division. Interest expense, provision for credit losses, payroll and premises and equipment provide the significant expenses in the banking segment, while payroll, occupancy and trust expenses are the significant expenses in the Wealth Management Division. All operations are domestic.

The Banking segment includes: commercial (includes C&I and equipment financing), commercial real estate, multifamily, residential and consumer lending activities; treasury management services; C&I advisory services; escrow management; deposit generation; operation of ATMs; telephone and internet banking services; merchant credit card services and customer support sales.

The Wealth Management Division includes: investment management services for individuals and institutions; personal trust services, including services as executor, trustee, administrator, custodian; and other financial planning and advisory services. This segment also includes the activity from the Delaware subsidiary, PGB Trust and Investments of Delaware. The majority

of wealth management fees are collected on a monthly or quarterly basis and are calculated on either a fixed or tiered fee schedule, based upon the market value of AUM. Other non AUM-based revenues such as personal or fiduciary tax return preparation fees, executor fees, trust termination fees and/or financial planning and advisory fees are charged as services are rendered.

Cash and Cash Equivalents: For purposes of the statements of cash flows, cash and cash equivalents include cash and due from banks, interest-earning deposits and federal funds sold. Generally, federal funds are sold for one-day periods. Cash equivalents are of original maturities of 90 days or less. Net cash flows are reported for customer loan and deposit transactions and short-term borrowings with original maturities of 90 days or less.

Interest-Earning Deposits in Other Financial Institutions: Interest-earning deposits in other financial institutions mature within one year and are carried at cost.

Securities: Under Accounting Standards Update ("ASU") 2016-13, debt securities available-for-sale are measured at fair value and subject to impairment testing. When an available-for-sale debt securities is considered impaired, the Company must determine if the decline in fair value has resulted from a credit-related loss or other factors and then, (1) recognize an allowance for credit losses ("ACL") by a charge to earnings for the credit-related component (if any) of the decline in fair value, and (2) recognize in other comprehensive income (loss) any non-credit related components of the fair value change. If the amount of the amortized cost basis expected to be recovered increases in a future period, the valuation reserve would be reduced, but not more than the amount of the current existing reserve for that security.

Debt securities are classified as held to maturity and carried at amortized cost when Management has the positive intent and ability to hold them to maturity. Under ASU 2016-13, held-to-maturity securities in a loss position are evaluated to determine if the decline in fair value has resulted from a credit-related loss or other factors and then, recognize a provision to the ACL through a charge to earnings for the decline in fair value. The Company also has an investment in a Community Reinvestment Act ("CRA") investment fund, which is classified as an equity security.

Interest income includes amortization of purchase premiums and discounts. Premiums and discounts on securities are amortized on the level-yield method without anticipating prepayments, except for mortgage-backed securities where prepayments are anticipated and premiums on callable debt securities, which are amortized to the earliest call date. Gains and losses on sales are recorded on the trade date and determined using the specific identification method.

Federal Home Loan Bank (FHLB) and Federal Reserve Bank (FRB) Stock: The Bank is a member of the FHLB system. Members are required to own a certain amount of FHLB stock, based on the level of borrowings and other factors. FHLB stock is carried at cost, classified as a restricted security and periodically evaluated for impairment based on ultimate recovery of par value. Cash and stock dividends are reported as income.

The Bank is also a member of the Federal Reserve Bank of New York and required to own a certain amount of FRB stock. FRB stock is carried at cost and classified as a restricted security. Cash and stock dividends are reported as income.

Loans Held for Sale: Mortgage loans originated with the intent to sell in the secondary market are carried at fair value, as determined by outstanding commitments from investors.

Mortgage loans held for sale are generally sold with servicing rights released; therefore, no servicing rights are recorded. Gains and losses on sales of mortgage loans, shown as gain on sale of loans on the Statement of Income, are based on the difference between the selling price and the carrying value of the related loan sold.

SBA loans originated with the intent to sell in the secondary market are carried at the lower of cost or fair value. SBA loans are generally sold with the servicing rights retained. Gains and losses on the sale of SBA loans are based on the difference between the selling price and the carrying value of the related loan sold. Total SBA loans serviced totaled \$132.5 million and \$139.4 million as of December 31, 2025 and 2024, respectively. SBA loans held for sale, including gains and losses, totaled \$4.8 million and \$9.3 million as of December 31, 2025 and 2024, respectively. The servicing asset recorded was not material.

Loans originated with the intent to hold and subsequently transferred to loans held for sale are carried at the lower of cost or fair value. These are loans that the Company no longer has the intent to hold for the foreseeable future.

Loans: Loans that Management has the intent and ability to hold for the foreseeable future or until maturity are stated at the principal amount outstanding. Interest on loans is recognized based upon the principal amount outstanding. Loans are stated at face value, less purchased premium and discounts and net deferred fees. Loan origination fees and certain direct loan

origination costs are deferred and recognized on a level-yield method, over the life of the loan as an adjustment to the loan's yield. The definition of recorded investment in loans includes accrued interest receivable and deferred fees/cost, however, for the Company's loan disclosures, accrued interest and deferred fees/costs were excluded as the impact was not material.

Loans are considered past due when they are not paid within 30 days in accordance with contractual terms. The accrual of income on loans, including impaired loans, is discontinued if, in the opinion of Management, principal or interest is not likely to be paid in accordance with the terms of the loan agreement, or when principal or interest is past due 90 days or more. All interest accrued but not received for loans placed on nonaccrual status are reversed against interest income. Payments received on nonaccrual loans are recorded as principal payments, but do not diminish the borrower's obligation. A nonaccrual loan is returned to accrual status only when interest and principal payments are brought current and future payments are reasonably assured, generally after the Bank receives contractual payments for a minimum of six consecutive months. Commercial loans are generally charged off, in whole or in part, after an analysis is completed which indicates that collectability of the full principal balance is in doubt. Consumer loans are generally charged off after they become 120 days past due. Subsequent payments are credited to income only if collection of principal is not in doubt. If principal and interest payments are brought contractually current and future collectability is reasonably assured, loans are returned to accrual status. Nonaccrual mortgage loans are generally charged off when the value of the underlying collateral does not cover the outstanding principal balance. The majority of the Company's loans are secured by real estate in New Jersey, metropolitan New York and, to a lesser extent, Pennsylvania.

Allowance for Credit Losses: Current Expected Credit Losses ("CECL") requires the immediate recognition of estimated credit losses expected to occur over the estimated remaining life of the asset. The forward-looking concept of CECL requires loss estimates to consider historical experience, current conditions and reasonable and supportable economic forecasts.

The allowance for credit losses ("ACL") on loans held for investment is the combination of the allowance for loan losses and the reserve for unfunded loan commitments. The allowance for loan losses is reported as a reduction of the amortized cost basis of loans, while the reserve for unfunded loan commitments is included within "other liabilities" on the Consolidated Statements of Condition. The estimate of credit loss for unfunded loan commitments incorporates assumptions for both the likelihood and amount of funding over the estimated life of the commitments, including adjustments for current conditions and reasonable and supportable economic forecasts. Management periodically reviews and updates its assumptions for estimated funding rates. The amortized cost basis of loans does not include accrued interest receivable, which is included in "accrued interest receivable" on the Consolidated Statements of Condition. The "Provision for credit losses" on the Consolidated Statements of Income is a combination of the provision for credit losses and the provision for unfunded loan commitments.

ACL in accordance with CECL methodology

With respect to pools of similar loans that are collectively evaluated, an appropriate level of allowance is determined by portfolio segment using a discounted cash flow ("DCF") model. The DCF model captures losses over the historical charge-off and prepayment cycle and applies those losses at a loan level over the remaining maturity of the loan. The model then calculates a historical loss rate using the average losses over the reporting period, which is then applied to each segment utilizing a standard reversion rate. This loss rate is then supplemented with adjustments for reasonable and supportable forecasts of relevant economic indicators, including but not limited to unemployment rates, national gross domestic product and other indices. Forecast data is sourced from Moody's Analytics, a firm widely recognized for its research, analysis, and economic forecasts. Expected credit losses are estimated over the contractual term of the loans, adjusted for expected prepayments when appropriate. Also included in the ACL are qualitative factors based on the risks present for each portfolio segment. These qualitative factors include: levels of and trends in delinquencies and impaired loans; effects of any changes in risk selection and underwriting standards; other changes in lending policies, procedures and practices; experience, ability and depth of lending management and other relevant staffing and experience; industry conditions; and effects of changes in credit concentrations. These factors could also include social, political, economic, and terrorist events or activities. All of these factors are susceptible to change, which may be significant. As a result of this detailed process, the ACL results in two forms of allocations, quantitative and qualitative. These two components represent the total ACL deemed adequate to cover current expected credit losses in the loan portfolio.

When management identifies loans that do not share common risk characteristics (i.e., are not similar to other loans within a pool) they are evaluated on an individual basis. These loans are not included in the collective evaluation. For loans identified as having a likelihood of foreclosure or that the borrower is experiencing financial difficulty, a collateral dependent approach is used. These are loans for which the repayment is expected to be provided substantially through the operation or sale of the collateral. Under CECL, for collateral dependent loans, the Company has adopted the practical expedient method to measure the ACL based on the fair value of collateral. The ACL is calculated on an individual loan basis based on the shortfall

between the fair value of the loan's collateral, which is adjusted for liquidation costs/discounts, and amortized cost. If the fair value of the collateral exceeds the amortized cost, no allowance is required.

The CECL methodology requires a significant amount of management judgment in determining the appropriate ACL. Several of the steps in the methodology involve judgment and are subjective in nature including, among other things: segmenting the loan portfolio; determining the amount of loss history to consider; selecting predictive econometric regression models that use appropriate macroeconomic variables; determining the methodology to forecast prepayments; selecting the most appropriate economic forecast scenario; determining the length of the reasonable and supportable forecast and reversion periods; estimating expected utilization rates on unfunded loan commitments; and assessing relevant and appropriate qualitative factors. In addition, the CECL methodology is dependent on economic forecasts, which are inherently imprecise and will change from period to period. Although the ACL is considered appropriate, there can be no assurance that it will be sufficient to absorb future losses.

In determining an appropriate amount for the allowance, the Bank segments and evaluates the loan portfolio based on Federal call report codes, which are based on collateral or purpose. The following portfolio classes have been identified:

Primary Residential Mortgages. The Bank originates one- to- four-family residential mortgage loans in the Tri-State area (New York, New Jersey and Connecticut), Pennsylvania and Florida. Loans are secured by first liens on the primary residence or investment property. Primary risk characteristics associated with residential mortgage loans typically involve major living or lifestyle changes to the borrower, including: unemployment or other loss of income; unexpected significant expenses, such as for major medical issues or catastrophic events; and divorce or death. In addition, residential mortgage loans that have adjustable rates could expose the borrower to higher debt service requirements in a rising interest rate environment. Further, real estate values could drop significantly and cause the value of the property to fall below the loan amount, creating additional potential loss exposure for the Bank.

Junior Lien Loan on Residence (which include home equity lines of credit). The Bank provides junior lien loans ("JLL") and revolving home equity lines of credit against one- to- four-family properties in the Tri-State area. These loans are subordinate to a first mortgage, which may be from another lending institution. Primary risk characteristics associated with JLLs and home equity lines of credit typically involve: major living or lifestyle changes to the borrower; including unemployment or other loss of income; unexpected significant expenses, such as for major medical issues or catastrophic events; and divorce or death. In addition, home equity lines of credit typically are made with variable or floating interest rates, which could expose the borrower to higher debt service requirements in a rising interest rate environment. Further, real estate values could drop significantly and cause the value of the property to fall below the loan amount, creating additional potential loss exposure for the Bank.

Multifamily. The Bank provides mortgage loans for multifamily properties (i.e., buildings which have five or more residential units). Multifamily loans are expected to be repaid from the cash flows of the underlying property so the collective amount of rents must be sufficient to cover all operating expenses, property management and maintenance, taxes and debt service. Increases in vacancy rates, interest rates of other changes in general economic conditions can have an impact on the borrower and its ability to repay the loan.

Owner-Occupied Commercial Real Estate Loans. The Bank provides mortgage loans for owner-occupied commercial real estate properties in the Tri-State area and Pennsylvania. Commercial real estate properties primarily include retail buildings/shopping centers, hotels, office/medical buildings and industrial/warehouse space. Some properties are mixed use as they are a combination of building types, such as a building with retail space on the ground floor and either residential apartments or office suites on the upper floors. Commercial real estate loans are generally considered to have a higher degree of credit risk as they may be dependent on the ongoing success and operating viability of a fewer number of tenants who are occupying the property and who may have a greater degree of exposure to economic conditions.

Investment Commercial Real Estate Loans. The Bank provides mortgage loans for properties managed as an investment property (non-owner-occupied) in the Tri-State area and Pennsylvania. Non-owner-occupied properties primarily include retail buildings/shopping centers, hotels, office/medical buildings and industrial/warehouse space. Some properties are considered "mixed use." Commercial real estate loans are generally considered to have a higher degree of credit risk as they may be dependent on the ongoing success and operating viability of a fewer number of tenants who are occupying the property and who may have a greater degree of exposure to economic conditions.

Commercial and Industrial Loans. The Bank provides lines of credit and term loans to operating companies for business purposes. The loans are generally secured by business assets such as accounts receivable, inventory, business vehicles and equipment as well as the stock of the company, if privately held. Commercial and industrial loans are typically repaid by the cash flows generated by the borrower's business operation. The primary risk characteristics are specific to the underlying business and its ability to generate sustainable profitability and resulting positive cash flows. Factors that may influence a business' profitability include, but are not limited to, demand for its products or services, quality and depth of management, degree of competition, regulatory changes, and general economic conditions. To mitigate the risk characteristics of commercial and industrial loans, these loans often include commercial real estate as collateral and the Bank will often require more frequent reporting requirements from the borrower in order to better monitor its business performance. However, the ability of the Bank to foreclose and realize sufficient value from the assets is often highly uncertain.

Equipment finance and Leasing. PCC offers a wide range of equipment finance solutions nationally and goes to market through capital markets, intermediary, vendor and direct platforms. PCC provides term loans and leases secured by assets financed for U.S. based companies and governments. Payment terms are typically payable in monthly or quarterly installments under fixed-rate terms. Lease transactions may contain renewal or purchase options that allow the lessee options at the end of the lease term. PCC estimates the expected residual value of the leased property at lease inception by considering both internal and third party valuations and may obtain partial or full residual value guarantees to reduce its residual asset risk. PCC serves a broad range of industries including transportation, manufacturing, medical, construction and utilities. Credit risk in PCC's portfolio generally results from the potential default of borrowers or lessees, which may be driven by customer specific or broader industry-related conditions. Credit losses can impact multiple parts of the income statement including loss of interest/lease/rental income and/or higher costs and expenses related to the repossession, refurbishment, re-marketing and or re-leasing of assets. PCC's ongoing risk management strategy for residual assets includes regular reviews of estimated residual value, which may result in an impairment of the asset carrying value at any time during the life of the asset.

Construction. The Bank provides commercial construction loans for properties located in the Tri-state area. Risks common to commercial construction loans are cost overruns, inaccurate estimates of the time needed to complete construction, inaccurate estimates of the period of construction, changes in market demand for property, inadequate long-term financing arrangements and declines in real estate values. Changes in market demand for property could lead to longer marketing times resulting in higher carrying costs, declining values, and higher interest rates.

Consumer and Other. These are loans to individuals for household, family and other personal expenditures as well as obligations of states and political subdivisions in the U.S. This also represents all other loans that cannot be categorized in any of the previous mentioned loan segments. Consumer loans generally have higher interest rates and shorter terms than residential loans but tend to have higher credit risk due to the depreciating nature of the collateral securing the loan or in some cases the absence of collateral.

Loan Modifications: The Company will provide modifications, which may include other than insignificant delays in payment of amounts due, extension of the terms of the notes or reduction in the interest rates on the notes. In certain instances, the Company may grant more than one type of modification. Loan modifications are disclosed in accordance with ASU 2022-02, "Financial Instruments-Credit Losses (Topic 326): Troubled Debt Restructuring and Vintage Disclosures."

Leases: At inception, contracts are evaluated to determine whether the contract constitutes a lease agreement. For contracts that are determined to be an operating lease, a corresponding right-of-use ("ROU") asset and operating lease liability are recorded as separate line items on the Consolidated Statements of Condition. An ROU asset represents the Company's right to use an underlying asset during the lease term and a lease liability represents the Company's commitment to make contractually obligated lease payments. Operating lease ROU assets and liabilities are recognized at the commencement date of the lease and are based on the present value of lease payments over the lease term. The measurement of the operating lease ROU asset includes any lease payments made.

If the rate implicit in the lease is not readily determinable, the incremental collateralized borrowing rate is used to determine the present value of lease payments. This rate gives consideration to the applicable FHLB over-collateralized borrowing rates and is based on the information available at the commencement date. The Company has elected to apply the short-term lease measurement and recognition exemption to leases with an initial term of 12 months or less; therefore, these leases are not recorded on the Company's statement of condition, but rather, lease expense is recognized over the lease term on a

straight-line basis. The Company's lease agreements may include options to extend or terminate the lease. The Company's decision to exercise renewal options is based on an assessment of its current business needs and market factors at the time of the renewal. The Company maintains certain property and equipment under direct financing and operating leases. Substantially all of the leases in which the Company is the lessee are comprised of real estate property for branches, wealth management offices and office space and are classified as operating leases.

The ROU asset is measured at the amount of the lease liability adjusted for lease incentives received, and cumulative prepaid or accrued rent if the lease payments are uneven throughout the lease term, any unamortized initial direct costs, and any impairment of the ROU asset. Operating lease expense consists of: a single lease cost allocated over the remaining lease term on a straight-line basis and any impairment of the ROU asset. However, variable lease payments are not included in the lease liability.

There are no terms or conditions related to residual value guarantees and no restrictions or covenants that would impact the Company's ability to pay dividends or to incur additional financial obligations.

Premises and Equipment: Land is carried at cost. Premises and equipment are stated at cost, less accumulated depreciation. Depreciation charges are computed using the straight-line method. Equipment and other fixed assets are depreciated over the estimated useful lives, which range from three to ten years. Premises are depreciated over the estimated useful life of 40 years, while leasehold improvements are amortized on a straight-line basis over the shorter of their estimated useful lives or the term of the lease. Expenditures for maintenance and repairs are expensed as incurred. The cost of major renewals and improvements are capitalized. Gains or losses realized on routine dispositions are recorded as other income or other expense.

Other Real Estate Owned ("OREO"): OREO acquired through foreclosure on loans secured by real estate is initially recorded at fair value, less estimated costs to sell. Physical possession of residential real estate property collateralizing a residential mortgage loan occurs when legal title is obtained upon completion of foreclosure or when the borrower conveys all interest in the property to satisfy the loan through completion of a deed in lieu of foreclosure or through a similar legal agreement. The assets are subsequently accounted for at the lower of cost or fair value, as established by a current appraisal, less estimated costs to sell. Any write-downs at the date of foreclosure are charged to the allowance for credit losses. Expenses incurred to maintain these properties, losses resulting from write-downs after the date of foreclosure, and realized gains and losses upon sale of the properties are included in other non-interest expense and other non-interest income, as appropriate.

Bank Owned Life Insurance ("BOLI"): The Bank has purchased life insurance policies on certain key executives. BOLI is recorded at the amount that can be realized under the insurance contract at the statement of condition, which is the cash surrender value adjusted for other charges or other amounts due that are probable at settlement.

Loan Commitments and Related Financial Instruments: Financial instruments include off-balance sheet credit instruments, such as commitments to make loans and commercial letters of credit issued to meet customer financing needs. The face amount for these items represents the exposure to loss, before considering customer collateral or ability to repay. Such financial instruments are recorded when they are funded.

Derivatives: At the inception of a derivative contract, the Company designates the derivative as one of three types based on the Company's intentions and belief as to likely effectiveness as a hedge. These three types are (1) a hedge of the fair value of a recognized asset or liability or of an unrecognized firm commitment ("fair value hedge"), (2) a hedge of a forecasted transaction or the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow hedge"), or (3) an instrument with no hedging designation. For a fair value hedge, the gain or loss on the derivative, as well as the offsetting loss or gain on the hedged item, are recognized in current earnings as fair values change. For a cash flow hedge, the gain or loss on the derivative is reported in other comprehensive income and is reclassified into earnings in the same periods during which the hedged transaction affects earnings. For cash flow hedges, changes in the fair value of derivatives that are not highly effective in hedging the changes in fair value or expected cash flows of the hedged item are recognized immediately in current earnings. Changes in the fair value of derivatives that do not qualify for hedge accounting are reported currently in earnings, as non-interest income. When hedge accounting is discontinued on a fair value hedge that no longer qualifies as an effective hedge, the derivative continues to be reported at fair value in the statement of condition, but the carrying amount of the hedged item is no longer adjusted for future changes in fair value. The adjustment to the carrying amount of the hedged item that existed at the date hedge accounting is discontinued is amortized over the remaining life of the hedged item into earnings.

Net cash settlements on derivatives that qualify for hedge accounting are recorded in interest income or interest expense, based on the item being hedged. Net cash settlements on derivatives that do not qualify for hedge accounting are reported in

non-interest income. Cash flows on hedges are classified in the cash flow statement the same as the cash flows of the items being hedged.

The Company formally documents the relationship between derivatives and hedged items, as well as the risk-management objective and the strategy for undertaking hedge transactions at the inception of the hedging relationship. This documentation includes linking fair value or cash flow hedges to specific assets and liabilities on the statement of condition or to specific firm commitments or forecasted transactions. The Company discontinues hedge accounting when it determines that the derivative is no longer effective in offsetting changes in the fair value or cash flows of the hedged item, the derivative is settled or terminates, a hedged forecasted transaction is no longer probable, a hedged firm commitment is no longer firm, or treatment of the derivative as a hedge is no longer appropriate or intended.

When hedge accounting is discontinued, subsequent changes in fair value of the derivative are recorded as non-interest income. When a cash flow hedge is discontinued but the hedged cash flows or forecasted transactions are still expected to occur, gains or losses that were accumulated in other comprehensive income are amortized into earnings over the same periods which the hedged transactions will affect earnings.

The Company also offers facility specific / loan level swaps to its customers and offsets its exposure from such contracts by entering into mirror image swaps with a financial institution / swap counterparty (loan level/back-to-back swap program). The customer accommodations and any offsetting swaps are treated as non-hedging derivative instruments which do not qualify for hedge accounting ("standalone derivatives"). The notional amount of the swaps does not represent amounts exchanged by the parties. The amount exchanged is determined by reference to the notional amount and the other terms of the individual contracts. The fair value of the swaps is recorded as both an asset and a liability, in other assets and other liabilities, respectively, in equal amounts for these transactions. The Company is exposed to losses if a customer counterparty fails to make its payments under a contract in which the Company is in a net receiving position. At this time, the Company anticipates that its counterparties will be able to fully satisfy their obligations under the agreements. All of the contracts to which the Company is a party settle monthly. Further, the Company has netting agreements with the dealers with which it does business.

Income Taxes: The Company files a consolidated Federal income tax return. State income tax returns are filed either on a combined or separate company basis based on the current laws and regulations of the state.

The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of events that have been included in its financial statements or tax returns. The measurement of deferred tax assets and liabilities is based on the enacted tax rates. Such tax assets and liabilities are adjusted for the effect of a change in tax rates in the period of enactment.

The Company recognizes a tax position as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50 percent likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded.

The Company is no longer subject to examination by the U.S. Federal tax authorities for years prior to 2022 or by state and local tax authorities for years prior to 2020.

The Company recognizes interest and/or penalties related to income tax matters in income tax expense.

Employee's Savings and Investment Plan: The Company has a 401(k) profit-sharing and investment plan, which covers substantially all salaried employees over the age of 21 with at least 12 months of service.

Stock-Based Compensation: Compensation cost is recognized for stock options and restricted stock awards/units issued to employees and non-employee directors, based on the fair value of these awards at the date of grant. A Black-Scholes model is utilized to estimate the fair value of stock options, while the fair value of the Company's common stock at the date of grant is used for restricted stock awards/units. Compensation expense is recognized over the required service or performance period, generally defined as the vesting period. For awards with time-based vesting, compensation expense is recognized on a straight-line basis over the requisite service period. The stock options granted under these plans are exercisable at a price equal to the fair value of common stock on the date of grant and expire not more than ten years after the date of grant.

During the first quarter of 2024, the Company adopted the Peapack-Gladstone Financial Corporation 2024 Phantom Stock Plan (the "Phantom Plan"). The Phantom Plan allows the Company to issue performance-based and service-based awards

which will be paid in cash. The award of a phantom unit entitles the participant to a cash payment equal to the value of the unit on the vesting date, which is the fair market value of a common share of the Company's stock on such vesting date.

Employee Stock Purchase Plan (“ESPP”): The 2014 ESPP expired in April 2024 and was replaced by the 2024 ESPP, which was approved by shareholders on April 30, 2024 and allowed for the issuance of 150,000 shares.

The ESPP allows for the purchase of shares during four three-month Offering Periods of each calendar year. The Offering Periods end on March 31, June 30, September 30 and December 31 of each calendar year.

Each participant in the Offering Period is granted an option to purchase a number of shares and may contribute between one percent and 15 percent of their compensation. At the end of each Offering Period, the number of shares to be purchased by the employee is determined by dividing the employee’s contributions accumulated during the Offering Period by the applicable purchase price. The purchase price is an amount equal to 85 percent of the closing market price of a share of common stock on the purchase date. Participation in the ESPP is voluntary and employees can cancel their purchases at any time during the period without penalty. The fair value of each share purchase right is determined using the Black-Scholes option pricing model.

The Company recorded \$199,000, \$154,000 and \$178,000 of expense in salaries and employee benefits expense for the years ended December 31, 2025, 2024 and 2023, respectively, related to the ESPP. Total shares issued under the ESPP for the years ended December 31, 2025, 2024 and 2023 were 38,563, 34,575 and 33,748, respectively.

Earnings Per Share (“EPS”): In calculating earnings per share, there are no adjustments to net income available to common shareholders, which is the numerator of both the Basic and Diluted EPS. The weighted average number of shares outstanding used in the denominator for Diluted EPS is increased from the denominator used for Basic EPS by the effect of potentially dilutive common stock equivalents utilizing the treasury stock method. Common stock options outstanding are common stock equivalents, as are restricted stock units until vested.

The following table shows the calculation of both basic and diluted earnings per share for the years ended December 31, 2025, 2024 and 2023:

| (In thousands, except share and per share data) | 2025 | 2024 | 2023 |
|-------------------------------------------------|------------|------------|------------|
| Net income available to common shareholders | \$ 37,326 | \$ 32,988 | \$ 48,854 |
| Basic weighted average shares outstanding | 17,612,244 | 17,664,640 | 17,849,558 |
| Plus: common stock equivalents | 137,635 | 175,121 | 199,494 |
| Diluted weighted average shares outstanding | 17,749,879 | 17,839,761 | 18,049,052 |
| Earnings per share: | | | |
| Basic | \$ 2.12 | \$ 1.87 | \$ 2.74 |
| Diluted | 2.10 | 1.85 | 2.71 |

Restricted stock units totaling 18,583, 107,727 and 387,768 were not included in the computation of diluted earnings per share because they were anti-dilutive as of December 31, 2025, 2024 and 2023, respectively. Anti-dilutive shares are common stock equivalents with weighted average grant date values in excess of the average market value for the periods presented.

Loss Contingencies: Loss contingencies, including claims and legal actions arising in the ordinary course of business, are recorded as liabilities when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. Management does not believe there are any such matters that will have a material effect on the financial statements.

Restrictions on Cash: Cash on hand or on deposit with the Federal Reserve Bank of New York was required to meet regulatory reserve and clearing requirements.

Comprehensive Income/(Loss): Comprehensive income/(loss) consists of net income and the change during the period in the Company’s net unrealized gains or losses on securities available for sale and unrealized gains and losses on cash flow hedge, net of tax, less adjustments for realized gains and losses.

Shareholders’ Equity: Treasury stock is carried at cost.

Transfers of Financial Assets: Transfers of financial assets are accounted for as sales, when control over the assets has been relinquished. Control over transferred assets is deemed to be surrendered when the assets have been isolated from the

Company, the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity.

Goodwill and Other Intangible Assets: Goodwill is generally determined as the excess of the fair value of the consideration transferred, plus the fair value of any noncontrolling interests in the acquiree (if any), over the fair value of the net assets acquired and liabilities assumed as of the acquisition date. Goodwill assets acquired in a purchase business combination and determined to have an indefinite useful life is not amortized but tested for impairment at least annually or more frequently if events and circumstances exist that indicate that a goodwill impairment test should be performed. The Company performs its annual goodwill impairment test in the third quarter of every year. Goodwill was primarily attributable to the Bank's wealth acquisitions. Management monitors the impact of changes in the financial markets and includes these assessments in our impairment process.

Other intangible assets primarily consist of customer relationship intangible assets arising from acquisitions are amortized on an accelerated method over their estimated useful lives, which range from 5 to 15 years.

Reclassification: Certain reclassifications have been made in the prior periods' financial statements in order to conform to the current year's presentation and had no effect on the consolidated income statements or the consolidated statements of changes in shareholders' equity.

Accounting Pronouncements: In November 2023, the FASB issued ASU 2023-07, *Segment Reporting - Improvements to Reportable Segment Disclosures (Topic 280)*, to improve reportable segment disclosure requirements through enhanced disclosures about significant segments and became effective in 2024 and for interim periods in 2025. See Note 19 for additional information on business segments.

In December 2023, the FASB issued ASU 2023-09, *Income Tax - Improvements to Income Tax Disclosures (Topic 740)*, which requires reporting companies to break out their income tax expense and tax rate reconciliation in more detail. For public companies, the requirements will become effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company has elected to retrospectively adopt the expanded disclosure requirements of this ASU in Note 11 - Income Taxes in its annual financial statements as of December 31, 2025. The ASU did not have a material impact to the financial statements of the Company.

In March 2024, the FASB issued ASU No. 2024-01, *Compensation-Stock Compensation (Topic 718): Scope Applications of Profits Interests and Similar Awards*. ASU 2024-01 adds an example to Topic 718 which illustrates how to apply the scope guidance to determine whether profits interest and similar awards should be accounted for as share-based payment arrangements under Topic 718 or under other U.S. GAAP. ASU 2024-01 is effective for annual periods beginning after December 15, 2024, although early adoption is permitted. This ASU did not have an impact on our consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income (Subtopic 220-40): Disaggregation of Income Statement Expenses*. This amendment requires public business entities to provide additional disaggregated disclosures in the notes to the financial statements for certain income statement expense captions. The amendment enhances disclosure requirements but does not change the recognition, measurement, or presentation of expenses on the face of the financial statements. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of this guidance.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments - Credit Losses (Topic 326), Measurement of Credit Losses for Accounts Receivable and Contract Assets*. The amendments in this update provide the option to elect a practical expedient to assume that the current conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when developing a reasonable and supportable forecast as part of estimating expected credit losses on these assets. This amendment is effective for the Company for fiscal years beginning after December 15, 2025 and interim periods within those fiscal years. The Company does not expect adoption of ASU 2025-05 to have a material impact on its consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40), Targeted Improvements to the Accounting for Internal-Use Software*. This amendment clarifies and modernizes the accounting for costs related to internal-use software. The amendments remove all references to project stages throughout Subtopic 350-40 and clarify the threshold entities apply to begin capitalizing costs. The amendments will be effective for the

Company for fiscal years beginning after December 15, 2027 and interim periods within those fiscal years. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

2. INVESTMENT SECURITIES

A summary of amortized cost and approximate fair value of investment securities available for sale and held to maturity included in the consolidated statements of condition as of December 31, 2025 and 2024 follows:

| (In thousands) | 2025 | | | | |
|----------------------------------------|----------------|------------------------|-------------------------|-----------------------------|------------|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Allowance For Credit Losses | Fair Value |
| Securities Available for Sale: | | | | | |
| U.S. government-sponsored agencies | \$ 244,833 | \$ — | \$ (33,610) | \$ — | \$ 211,223 |
| Mortgage-backed securities-residential | 561,794 | 3,551 | (34,980) | — | 530,365 |
| SBA pool securities | 19,345 | — | (2,133) | — | 17,212 |
| Corporate bond | 15,500 | 250 | (347) | — | 15,403 |
| Total securities available for sale | \$ 841,472 | \$ 3,801 | \$ (71,070) | \$ — | \$ 774,203 |
| Securities Held to Maturity: | | | | | |
| U.S. government-sponsored agencies | \$ 40,000 | \$ — | \$ (1,125) | \$ — | \$ 38,875 |
| Mortgage-backed securities-residential | 55,862 | 23 | (7,269) | — | 48,616 |
| Total securities held to maturity | \$ 95,862 | \$ 23 | \$ (8,394) | \$ — | \$ 87,491 |

| (In thousands) | 2024 | | | | |
|----------------------------------------|----------------|------------------------|-------------------------|-----------------------------|------------|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Allowance For Credit Losses | Fair Value |
| Securities Available for Sale: | | | | | |
| U.S. government-sponsored agencies | \$ 244,813 | \$ — | \$ (47,899) | \$ — | \$ 196,914 |
| Mortgage-backed securities-residential | 595,789 | 1,086 | (48,263) | — | 548,612 |
| SBA pool securities | 27,772 | — | (3,290) | — | 24,482 |
| Corporate bond | 15,500 | 105 | (1,069) | — | 14,536 |
| Total securities available for sale | \$ 883,874 | \$ 1,191 | \$ (100,521) | \$ — | \$ 784,544 |
| Securities Held to Maturity: | | | | | |
| U.S. government-sponsored agencies | \$ 40,000 | \$ — | \$ (2,666) | \$ — | \$ 37,334 |
| Mortgage-backed securities-residential | 61,635 | — | (10,319) | — | 51,316 |
| Total securities held to maturity | \$ 101,635 | \$ — | \$ (12,985) | \$ — | \$ 88,650 |

The amortized cost and fair value of investment securities available for sale and held to maturity as of December 31, 2025, by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or repay obligations with or without call or prepayment penalties. Securities not due at a single maturity, such as mortgage-backed securities and SBA pool securities are shown separately.

| (In thousands) | Available for Sale | | Held to Maturity | |
|----------------------------------------|--------------------|------------|------------------|------------|
| | Amortized Cost | Fair Value | Amortized Cost | Fair Value |
| Maturing in: | | | | |
| One year or less | \$ — | \$ — | \$ 15,000 | \$ 14,916 |
| After one year through five years | 85,000 | 78,020 | 25,000 | 23,959 |
| After five years through ten years | 120,426 | 104,333 | — | — |
| After ten years | 54,907 | 44,273 | — | — |
| | 260,333 | 226,626 | 40,000 | 38,875 |
| Mortgage-backed securities-residential | 561,794 | 530,365 | 55,862 | 48,616 |
| SBA pool securities | 19,345 | 17,212 | — | — |
| Total | \$ 841,472 | \$ 774,203 | \$ 95,862 | \$ 87,491 |

Securities available for sale with a fair value of \$553.2 million and \$558.9 million as of December 31, 2025 and December 31, 2024, respectively, were pledged, but not necessarily encumbered, to secure public funds and for other purposes required or permitted by law. In addition, securities held to maturity with a carrying value of \$93.9 million and \$99.6 million were also pledged as of December 31, 2025 and December 31, 2024, respectively, for the same purposes.

The following is a summary of gross gains, gross losses and net tax benefit related to proceeds on sales of securities available for sale for the years ended December 31:

| (In thousands) | 2025 | 2024 | 2023 |
|-------------------|-----------|------|------|
| Proceeds on sales | \$ 53,182 | \$ — | \$ — |
| Gross gains | 7 | — | — |
| Net tax expense | (2) | — | — |

The following table presents the Company's available for sale and held to maturity securities with continuous unrealized losses and the approximate fair value of these investments as of December 31, 2025 and 2024.

| (In thousands) | 2025 | | | | | |
|----------------------------------------|---------------------|-------------------|----------------------------------------------------|-------------------|------------|-------------------|
| | Less Than 12 Months | | Duration of Unrealized Loss 12 Months or Longer | | Total | |
| | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses |
| Securities Available for Sale: | | | | | | |
| U.S. government-sponsored agencies | \$ — | \$ — | \$ 211,223 | \$ (33,610) | \$ 211,223 | \$ (33,610) |
| Mortgage-backed securities-residential | 42,035 | (79) | 205,749 | (34,901) | 247,784 | (34,980) |
| SBA pool securities | — | — | 17,212 | (2,133) | 17,212 | (2,133) |
| Corporate bond | — | — | 9,652 | (347) | 9,652 | (347) |
| Total securities available for sale | \$ 42,035 | \$ (79) | \$ 443,836 | \$ (70,991) | \$ 485,871 | \$ (71,070) |
| Securities Held to Maturity: | | | | | | |
| U.S. government-sponsored agencies | \$ — | \$ — | \$ 38,875 | \$ (1,125) | \$ 38,875 | \$ (1,125) |
| Mortgage-backed securities-residential | — | — | 43,737 | (7,269) | 43,737 | (7,269) |
| Total securities held to maturity | \$ — | \$ — | \$ 82,612 | \$ (8,394) | \$ 82,612 | \$ (8,394) |
| Total securities | \$ 42,035 | \$ (79) | \$ 526,448 | \$ (79,385) | \$ 568,483 | \$ (79,464) |

| (In thousands) | 2024 | | | | | |
|--------------------------------------------|---------------------|-------------------|----------------------------------------------------|---------------------|-------------------|---------------------|
| | Less Than 12 Months | | Duration of Unrealized Loss 12 Months or Longer | | Total | |
| | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses |
| Securities Available for Sale: | | | | | | |
| U.S. government-sponsored agencies | \$ — | \$ — | \$ 196,914 | \$ (47,899) | \$ 196,914 | \$ (47,899) |
| Mortgage-backed securities-residential | 171,531 | (2,063) | 216,735 | (46,200) | 388,266 | (48,263) |
| SBA pool securities | 4,861 | (11) | 19,621 | (3,279) | 24,482 | (3,290) |
| Corporate Bond | — | — | 8,931 | (1,069) | 8,931 | (1,069) |
| Total securities available for sale | \$ 176,392 | \$ (2,074) | \$ 442,201 | \$ (98,447) | \$ 618,593 | \$ (100,521) |
| Securities Held to Maturity: | | | | | | |
| U.S. government-sponsored agencies | \$ — | \$ — | \$ 37,334 | \$ (2,666) | \$ 37,334 | \$ (2,666) |
| Mortgage-backed securities-residential | — | — | 51,316 | (10,319) | 51,316 | (10,319) |
| Total securities held to maturity | \$ — | \$ — | \$ 88,650 | \$ (12,985) | \$ 88,650 | \$ (12,985) |
| Total securities | \$ 176,392 | \$ (2,074) | \$ 530,851 | \$ (111,432) | \$ 707,243 | \$ (113,506) |

Available for sale and held to maturity securities are evaluated to determine if a decline in fair value below the amortized cost basis has resulted from a credit loss or other factors. An unrealized loss related to credit factors would be recorded through an allowance for credit losses. The allowance is limited to the amount by which the security's amortized cost basis exceeds the fair value. An unrealized loss on available for sale securities that has not been recorded through an allowance for credit losses shall be recorded through other comprehensive income, net of applicable taxes. Investment securities will be written down to fair value through the Consolidated Statements of Income when management intends to sell, or may be required to sell, the securities before they recover in value. The issuers of securities currently in a continuous loss position continue to make timely principal and interest payments and none of these securities were past due or were placed in nonaccrual status at December 31, 2025. Primarily all of the investment securities are backed by loans guaranteed by either U.S. government agencies or U.S. government-sponsored entities, and management believes that default is highly unlikely given the lack of historical credit losses and governmental backing. Management believes that the unrealized losses on these securities are a function of changes in market interest rates and credit spreads, not changes in credit quality. Therefore, no allowance for credit losses was recorded for the years ended December 31, 2025, December 31, 2024 or December 31, 2023.

The Company has an investment in a CRA investment fund with a fair value of \$13.5 million and \$13.0 million at December 31, 2025 and 2024, respectively. The investment is classified as an equity security in our Consolidated Statements of Condition. This security had a gain of \$418,000 for the year ended December 31, 2025, a loss of \$125,000 for the year ended December 31, 2024 and a gain of \$181,000 for the year ended December 31, 2023. This amount is included in the fair value adjustment for equity securities on the Consolidated Statements of Income. Additionally, the Company sold its Visa B shares which resulted in a positive fair value adjustment to equity securities of \$953,000 recognized in our Consolidated Statements of Income during the year ended December 31, 2024.

3. LOANS

The following table presents loans outstanding, by type of loan, as of December 31:

| (Dollars in thousands) | 2025 | % of Total Loans | 2024 | % of Total Loans |
|-----------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Residential mortgage | \$ 647,766 | 10.36% | \$ 614,840 | 11.15% |
| Multifamily mortgage | 1,862,592 | 29.78 | 1,799,754 | 32.65 |
| Commercial mortgage | 774,428 | 12.38 | 588,104 | 10.67 |
| Commercial loans (including equipment financing) | 2,721,447 | 43.52 | 2,389,105 | 43.34 |
| Commercial construction | 495 | 0.01 | — | — |
| Home equity lines of credit | 59,306 | 0.95 | 42,327 | 0.77 |
| Consumer loans, including fixed rate home equity loans | 187,360 | 2.99 | 77,785 | 1.41 |
| Other loans | 342 | 0.01 | 411 | 0.01 |
| Total loans | \$ 6,253,736 | 100.00% | \$ 5,512,326 | 100.00% |

In determining an appropriate amount for the allowance, the Bank segments and aggregates the loan portfolio based on common characteristics. The following pool segments identified as of December 31, 2025 and 2024 are based on the CECL methodology:

| (Dollars in thousands) | 2025 | % of Total Loans | 2024 | % of Total Loans |
|-------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
| Primary residential mortgage | \$ 632,890 | 10.12% | \$ 609,038 | 11.05% |
| Junior lien loan on residence | 61,420 | 0.98 | 45,307 | 0.82 |
| Multifamily property | 1,862,592 | 29.79 | 1,799,754 | 32.66 |
| Owner-occupied commercial real estate | 289,801 | 4.64 | 275,089 | 4.99 |
| Investment commercial real estate | 1,101,082 | 17.61 | 978,436 | 17.75 |
| Commercial and industrial | 1,823,557 | 29.17 | 1,489,466 | 27.03 |
| Lease financing | 266,038 | 4.26 | 222,497 | 4.04 |
| Construction | 24,959 | 0.40 | 11,204 | 0.20 |
| Consumer and other | 189,633 | 3.03 | 80,165 | 1.46 |
| Total loans | \$ 6,251,972 | 100.00% | \$ 5,510,956 | 100.00% |
| Net deferred costs | 1,764 | | 1,370 | |
| Total loans including net deferred costs | \$ 6,253,736 | | \$ 5,512,326 | |

The Company, through the Bank, may extend credit to officers, directors and their associates. These loans are subject to the Company's normal lending policy and Federal Reserve Bank Regulation O.

The following table shows the changes in loans to officers, directors and their associates:

| (In thousands) | 2025 | 2024 |
|-------------------------------------------------------------|-----------------|-----------------|
| Balance, beginning of year | \$ 3,103 | \$ 3,297 |
| New loans | 1,600 | 81 |
| Repayments | (951) | (275) |
| Loans with individuals no longer considered related parties | (1,508) | — |
| Balance, at end of year | \$ 2,244 | \$ 3,103 |

The following tables present the recorded investment in nonaccrual and loans past due over 90 days still on accrual by class of loans as of December 31, 2025 and 2024:

| (In thousands) | 2025 | | |
|-----------------------------------|-------------------------------------------------------|------------------|---------------------------------------------------------------|
| | Nonaccrual With No Allowance for Credit Loss | Nonaccrual | Loans Past Due Over 90 Days and Still Accruing Interest |
| | | | |
| Primary residential mortgage | \$ 2,573 | \$ 2,573 | \$ — |
| Junior lien loan on residence | 106 | 106 | — |
| Multifamily property | 14,671 | 31,343 | — |
| Investment commercial real estate | 9,628 | 11,557 | — |
| Commercial and industrial | 8,973 | 22,641 | — |
| Lease financing | 23 | 23 | — |
| Total | \$ 35,974 | \$ 68,243 | \$ — |

| (In thousands) | 2024 | | |
|-----------------------------------|-------------------------------------------------------|-------------------|---------------------------------------------------------------|
| | Nonaccrual With No Allowance for Credit Loss | Nonaccrual | Loans Past Due Over 90 Days and Still Accruing Interest |
| | | | |
| Primary residential mortgage | \$ 3,168 | \$ 3,168 | \$ — |
| Junior lien loan on residence | 92 | 92 | — |
| Multifamily property | 15,294 | 53,105 | — |
| Investment commercial real estate | 9,754 | 11,684 | — |
| Commercial and industrial | 5,394 | 30,881 | — |
| Lease financing | 434 | 1,234 | — |
| Consumer and other | 4 | 4 | — |
| Total | \$ 34,140 | \$ 100,168 | \$ — |

The following tables present the recorded investment in past due loans as of December 31, 2025 and 2024 by class of loans, excluding nonaccrual loans:

| (In thousands) | 2025 | | | |
|-------------------------------|---------------------------|---------------------------|-------------------------------------|-------------------|
| | 30-59 Days Past Due | 60-89 Days Past Due | Greater Than 90 Days Past Due | Total Past Due |
| | | | | |
| Primary residential mortgage | \$ 7,121 | \$ 799 | \$ — | \$ 7,920 |
| Junior lien loan on residence | — | 64 | — | 64 |
| Multifamily property | 4,642 | 9,576 | — | 14,218 |
| Commercial and industrial | 4,228 | 125 | — | 4,353 |
| Total | \$ 15,991 | \$ 10,564 | \$ — | \$ 26,555 |

| (In thousands) | 2024 | | | |
|-------------------------------|---------------------------|---------------------------|-------------------------------------|-------------------|
| | 30-59 Days Past Due | 60-89 Days Past Due | Greater Than 90 Days Past Due | Total Past Due |
| | | | | |
| Primary residential mortgage | \$ 1,143 | \$ 199 | \$ — | \$ 1,342 |
| Junior lien loan on residence | — | 23 | — | 23 |
| Commercial and industrial | 1,696 | 1,809 | — | 3,505 |
| Total | \$ 2,839 | \$ 2,031 | \$ — | \$ 4,870 |

Credit Quality Indicators:

The Bank places all commercial loans into various credit risk rating categories based on an assessment of the expected ability of the borrowers to properly service their debt. The assessment considers numerous factors including, but not limited to, current financial information on the borrower, historical payment experience, strength of any guarantor, nature of and value of any collateral, acceptability of the loan structure and documentation, relevant public information and current economic trends. This credit risk rating analysis is performed when the loan is initially underwritten and then annually based on set criteria in the loan policy.

In addition, the Bank has engaged an independent loan review firm to validate risk ratings and to ensure compliance with our policies and procedures. This review of the following types of loans is performed quarterly:

- A large sample of relationships or new lending to existing relationships greater than \$1,000,000 originated since the prior review;
- All criticized and classified rated borrowers with relationship exposure of more than \$500,000;
- A large sample of Pass-rated (including Pass Watch) borrowers with total relationships in excess of \$1,000,000 and a small sample of Pass related relationships less than \$1,000,000;
- All leveraged loans of \$1,000,000 or greater;
- At least two borrowing relationships managed by each commercial banker;
- Any new Federal Reserve Bank Regulation “O” loan commitments over \$1,000,000; and
- Any other credits requested by Bank senior management or a member of the Board of Directors and any borrower for which the reviewer determines a review is warranted based upon knowledge of the portfolio, local events, industry stresses, etc.

The review excludes borrowers with commitments of less than \$500,000.

The Bank uses the following regulatory definitions for criticized and classified risk ratings:

Special Mention: These loans have a potential weakness that deserves Management’s close attention. If left uncorrected, the potential weaknesses may result in deterioration of the repayment prospects for the loans or of the institution’s credit position at some future date.

Substandard: These loans are inadequately protected by the current net worth and paying capacity of the obligor or of the collateral pledged, if any. Loans so classified have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that the institution will sustain some loss if the deficiencies are not corrected.

Doubtful: These loans have all the weaknesses inherent in those classified as substandard, with the added characteristic that the weaknesses make collection or liquidation in full highly questionable and improbable, based on currently existing facts, conditions and values.

Loans not meeting the criteria above that are analyzed individually as part of the above described process are considered to be pass-rated loans.

With the adoption of CECL, loans that are in the process of or expected to be in foreclosure are deemed to be collateral dependent with respect to measuring potential loss and allowance adequacy and are individually evaluated by Management. Loans that do not share common risk characteristics are also evaluated on an individual basis. All other loans are evaluated using a linear discounted cashflow methodology for measuring potential loss and allowance adequacy.

The following is a summary of the credit risk profile of loans by internally assigned grade as of December 31, 2025 and 2024 based on originations for the periods indicated; the years represent the year of origination for non-revolving loans:

Grade as of December 31, 2025 for Loans Originated During

| (In thousands) | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 and Prior | Revolving | Revolving- Term | Total |
|----------------------------------------------------|---------------------|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|--------------------|---------------------|
| Primary residential mortgage: | | | | | | | | | |
| Pass | \$ 85,591 | \$ 71,744 | \$ 84,353 | \$ 100,859 | \$ 65,826 | \$ 213,686 | \$ — | \$ 7,595 | \$ 629,654 |
| Special mention | — | — | — | — | — | — | — | — | — |
| Substandard | — | — | 1,341 | 725 | — | 1,170 | — | — | 3,236 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total primary residential mortgages | 85,591 | 71,744 | 85,694 | 101,584 | 65,826 | 214,856 | — | 7,595 | 632,890 |
| Current period gross charge-offs | — | — | — | — | — | — | — | — | — |
| Junior lien loan on residence: | | | | | | | | | |
| Pass | — | — | 456 | 966 | 53 | 640 | 53,187 | 6,013 | 61,315 |
| Special mention | — | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | — | 104 | 1 | 105 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total junior lien loan on residence | — | — | 456 | 966 | 53 | 640 | 53,291 | 6,014 | 61,420 |
| Current period gross charge-offs | — | — | — | — | — | — | — | — | — |
| Multifamily property: | | | | | | | | | |
| Pass | 228,337 | 23,563 | 50,982 | 404,551 | 582,573 | 457,032 | 525 | 44,575 | 1,792,138 |
| Special mention | — | — | — | — | 9,577 | 4,510 | — | — | 14,087 |
| Substandard | — | — | — | 11,888 | 14,337 | 30,142 | — | — | 56,367 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total multifamily property | 228,337 | 23,563 | 50,982 | 416,439 | 606,487 | 491,684 | 525 | 44,575 | 1,862,592 |
| Current period gross charge-offs | — | — | — | 6,724 | — | 6,267 | — | — | 12,991 |
| Owner-occupied commercial real estate: | | | | | | | | | |
| Pass | 66,950 | 31,903 | 4,051 | 21,019 | 42,915 | 95,725 | 15,980 | 9,947 | 288,490 |
| Special mention | — | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | 1,311 | — | — | 1,311 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total owner-occupied commercial real estate | 66,950 | 31,903 | 4,051 | 21,019 | 42,915 | 97,036 | 15,980 | 9,947 | 289,801 |
| Current period gross charge-offs | — | — | — | — | — | — | — | — | — |
| Investment commercial real estate: | | | | | | | | | |
| Pass | 282,992 | 40,256 | 99,050 | 127,401 | 70,298 | 386,318 | 21,975 | 35,928 | 1,064,218 |
| Special mention | — | — | — | 22,030 | — | 3,277 | — | — | 25,307 |
| Substandard | — | — | — | 9,628 | — | 1,929 | — | — | 11,557 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total investment commercial real estate | 282,992 | 40,256 | 99,050 | 159,059 | 70,298 | 391,524 | 21,975 | 35,928 | 1,101,082 |
| Current period gross charge-offs | — | — | — | — | — | — | — | — | — |
| Commercial and industrial: | | | | | | | | | |
| Pass | 474,578 | 299,802 | 71,416 | 95,215 | 92,549 | 11,815 | 694,850 | 25,386 | 1,765,611 |
| Special mention | — | — | 935 | — | 6,870 | 647 | 3,000 | 181 | 11,633 |
| Substandard | — | 10,234 | 1,249 | — | 120 | 2,377 | 19,634 | 12,699 | 46,313 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total commercial and industrial | 474,578 | 310,036 | 73,600 | 95,215 | 99,539 | 14,839 | 717,484 | 38,266 | 1,823,557 |
| Current period gross charge-offs | — | 232 | 2,517 | 11,087 | — | 44 | — | — | 13,880 |
| Lease financing: | | | | | | | | | |
| Pass | 103,440 | 38,742 | 31,353 | 29,541 | 38,229 | 23,992 | 718 | — | 266,015 |
| Special mention | — | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | 23 | — | — | 23 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total lease financing | 103,440 | 38,742 | 31,353 | 29,541 | 38,229 | 24,015 | 718 | — | 266,038 |
| Current period gross charge-offs | — | — | — | — | — | — | — | — | — |
| Construction loans: | | | | | | | | | |
| Pass | 5,500 | — | — | — | — | — | 19,459 | — | 24,959 |
| Special mention | — | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | — | — | — | — |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total commercial construction loans | 5,500 | — | — | — | — | — | 19,459 | — | 24,959 |
| Current period gross charge-offs | — | — | — | — | — | — | — | — | — |
| Consumer and other loans: | | | | | | | | | |
| Pass | 140,823 | — | — | — | 149 | 2,623 | 43,417 | 2,621 | 189,633 |
| Special mention | — | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | — | — | — | — |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total consumer and other loans | 140,823 | — | — | — | 149 | 2,623 | 43,417 | 2,621 | 189,633 |
| Current period gross charge-offs | — | — | — | — | — | 4 | — | 33 | 37 |
| Total: | | | | | | | | | |
| Pass | 1,388,211 | 506,010 | 341,661 | 779,552 | 892,592 | 1,191,831 | 850,111 | 132,065 | 6,082,033 |
| Special mention | — | — | 935 | 22,030 | 16,447 | 8,434 | 3,000 | 181 | 51,027 |
| Substandard | — | 10,234 | 2,590 | 22,241 | 14,457 | 36,952 | 19,738 | 12,700 | 118,912 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total Loans | \$ 1,388,211 | \$ 516,244 | \$ 345,186 | \$ 823,823 | \$ 923,496 | \$ 1,237,217 | \$ 872,849 | \$ 144,946 | \$ 6,251,972 |
| Total Current Period Gross Charge-offs | \$ — | \$ 232 | \$ 2,517 | \$ 17,811 | \$ — | \$ 6,315 | \$ — | \$ 33 | \$ 26,908 |

Grade as of December 31, 2024 for Loans Originated During

| (In thousands) | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 and Prior | Revolving | Revolving- Term | Total |
|----------------------------------------------------|-------------------|-------------------|-------------------|---------------------|-------------------|---------------------|-------------------|--------------------|---------------------|
| Primary residential mortgage: | | | | | | | | | |
| Pass | \$ 73,532 | \$ 90,214 | \$ 109,903 | \$ 73,777 | \$ 53,434 | \$ 198,266 | \$ 405 | \$ 5,663 | \$ 605,194 |
| Special mention | — | — | — | — | — | — | — | — | — |
| Substandard | — | 1,075 | 93 | — | 442 | 2,234 | — | — | 3,844 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total primary residential mortgages | 73,532 | 91,289 | 109,996 | 73,777 | 53,876 | 200,500 | 405 | 5,663 | 609,038 |
| Current period gross charge-offs | — | 43 | — | — | — | — | — | — | 43 |
| Junior lien loan on residence: | | | | | | | | | |
| Pass | 1,357 | 2,468 | 1,874 | 419 | 55 | 2,409 | 30,792 | 5,841 | 45,215 |
| Special mention | — | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | — | 91 | 1 | 92 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total junior lien loan on residence | 1,357 | 2,468 | 1,874 | 419 | 55 | 2,409 | 30,883 | 5,842 | 45,307 |
| Current period gross charge-offs | — | — | — | — | — | — | — | — | — |
| Multifamily property: | | | | | | | | | |
| Pass | 29,275 | 51,583 | 456,162 | 602,288 | 117,288 | 414,192 | 1,950 | 43,488 | 1,716,226 |
| Special mention | — | — | — | 11,961 | — | 7,719 | — | — | 19,680 |
| Substandard | — | — | 13,366 | 7,195 | — | 43,287 | — | — | 63,848 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total multifamily property | 29,275 | 51,583 | 469,528 | 621,444 | 117,288 | 465,198 | 1,950 | 43,488 | 1,799,754 |
| Current period gross charge-offs | — | — | — | 2,088 | — | 3,291 | — | — | 5,379 |
| Owner-occupied commercial real estate: | | | | | | | | | |
| Pass | 32,693 | 7,662 | 24,802 | 43,469 | 18,970 | 126,666 | 14,647 | 3,707 | 272,616 |
| Special mention | — | — | — | 1,148 | — | — | — | — | 1,148 |
| Substandard | — | — | — | — | — | 1,325 | — | — | 1,325 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total owner-occupied commercial real estate | 32,693 | 7,662 | 24,802 | 44,617 | 18,970 | 127,991 | 14,647 | 3,707 | 275,089 |
| Current period gross charge-offs | — | — | — | — | — | — | — | — | — |
| Investment commercial real estate: | | | | | | | | | |
| Pass | 39,906 | 123,864 | 169,645 | 136,994 | 55,551 | 371,046 | 18,473 | 38,620 | 954,099 |
| Special mention | — | — | — | — | — | 12,653 | — | — | 12,653 |
| Substandard | — | — | 9,754 | — | — | 1,930 | — | — | 11,684 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total investment commercial real estate | 39,906 | 123,864 | 179,399 | 136,994 | 55,551 | 385,629 | 18,473 | 38,620 | 978,436 |
| Current period gross charge-offs | — | — | — | — | — | — | — | — | — |
| Commercial and industrial: | | | | | | | | | |
| Pass | 425,315 | 127,304 | 133,067 | 132,237 | 10,760 | 33,985 | 537,844 | 12,554 | 1,413,066 |
| Special mention | — | 210 | — | 12,205 | — | 187 | — | 435 | 13,037 |
| Substandard | 10,307 | 4,352 | 19,252 | 52 | 2,040 | 4,417 | 12,484 | 10,448 | 63,352 |
| Doubtful | — | — | — | — | — | — | — | 11 | 11 |
| Total commercial and industrial | 435,622 | 131,866 | 152,319 | 144,494 | 12,800 | 38,589 | 550,328 | 23,448 | 1,489,466 |
| Current period gross charge-offs | 93 | — | — | — | 241 | — | — | 11 | 345 |
| Lease financing: | | | | | | | | | |
| Pass | 46,585 | 43,887 | 38,297 | 47,659 | 23,711 | 21,124 | — | — | 221,263 |
| Special mention | — | — | — | — | — | — | — | — | — |
| Substandard | — | 800 | — | — | — | 434 | — | — | 1,234 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total lease financing | 46,585 | 44,687 | 38,297 | 47,659 | 23,711 | 21,558 | — | — | 222,497 |
| Current period gross charge-offs | — | — | — | — | — | — | — | — | — |
| Construction loans: | | | | | | | | | |
| Pass | — | — | — | — | — | — | 11,204 | — | 11,204 |
| Special mention | — | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | — | — | — | — |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total commercial construction loans | — | — | — | — | — | — | 11,204 | — | 11,204 |
| Current period gross charge-offs | — | — | — | — | — | — | — | — | — |
| Consumer and other loans: | | | | | | | | | |
| Pass | 31,687 | 100 | 4,943 | 3,265 | 120 | 4,009 | 33,194 | 2,843 | 80,161 |
| Special mention | — | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | — | 4 | — | 4 |
| Doubtful | — | — | — | — | — | — | — | — | — |
| Total consumer and other loans | 31,687 | 100 | 4,943 | 3,265 | 120 | 4,009 | 33,198 | 2,843 | 80,165 |
| Current period gross charge-offs | — | — | — | — | — | 3 | — | 36 | 39 |
| Total: | | | | | | | | | |
| Pass | 680,350 | 447,082 | 938,693 | 1,040,108 | 279,889 | 1,171,697 | 648,509 | 112,716 | 5,319,044 |
| Special mention | — | 210 | — | 25,314 | — | 20,559 | — | 435 | 46,518 |
| Substandard | 10,307 | 6,227 | 42,465 | 7,247 | 2,482 | 53,627 | 12,579 | 10,449 | 145,383 |
| Doubtful | — | — | — | — | — | — | — | 11 | 11 |
| Total Loans | \$ 690,657 | \$ 453,519 | \$ 981,158 | \$ 1,072,669 | \$ 282,371 | \$ 1,245,883 | \$ 661,088 | \$ 123,611 | \$ 5,510,956 |
| Total Current Period Gross Charge-offs | \$ 93 | \$ 43 | \$ — | \$ 2,088 | \$ 241 | \$ 3,294 | \$ — | \$ 47 | \$ 5,806 |

At December 31, 2025, \$68.2 million of substandard loans were individually evaluated as compared to \$99.8 million at December 31, 2024. The decrease in individually evaluated substandard loans was primarily due to the resolution of three multifamily loans totaling \$16.1 million and three equipment finance related loans totaling \$20.3 million during 2025.

Total charge-offs increased by \$21.1 million to \$26.9 million for the year ended December 31, 2025. Charge-offs consisted of \$13.9 million related to several C&I loans and \$13.0 million related to five multifamily property credits that were resolved during 2025. A significant portion of the charge-offs were tied to previously established specific reserves.

Loan Modifications: The Company will provide modifications, which may include other than insignificant delays in payment of amounts due, extension of the terms of the notes or reduction in the interest rates on the notes. In certain instances, the Company may grant more than one type of modification. All accruing modified loans were paying in accordance with their modified terms as of December 31, 2025. The Company has not committed to lend additional amounts as of December 31, 2025 to customers with outstanding loans that are classified as modified loans. The following tables provide information related to the modifications during the year ended December 31, 2025 by pool segment and type of concession granted:

| | <u>Significant Payment Delay</u> | |
|------------------------------|------------------------------------------|---------------------------------------------------|
| | <u>Year ended December 31, 2025</u> | |
| (Dollars in thousands) | Amortized Cost Basis at Period End | % of Total Class of Financing Receivable |
| Primary residential mortgage | \$ 690 | 0.11 % |
| Multifamily property | 49,012 | 2.63 |
| Commercial and industrial | 9,664 | 0.53 |
| Total | <u>\$ 59,366</u> | <u>3.27 %</u> |

| | <u>Term Extension</u> | |
|---------------------------|------------------------------------------|---------------------------------------------------|
| | <u>Year ended December 31, 2025</u> | |
| (Dollars in thousands) | Amortized Cost Basis at Period End | % of Total Class of Financing Receivable |
| Commercial and industrial | \$ 11,810 | 0.65 % |
| Total | <u>\$ 11,810</u> | <u>0.65 %</u> |

| | <u>Interest Rate Reduction and Significant Payment Delay</u> | |
|------------------------|------------------------------------------------------------------|---------------------------------------------------|
| | <u>Year ended December 31, 2025</u> | |
| (Dollars in thousands) | Amortized Cost Basis at Period End | % of Total Class of Financing Receivable |
| Multifamily property | \$ 50,481 | 2.71 % |
| Total | <u>\$ 50,481</u> | <u>2.71 %</u> |

| | <u>Significant Payment Delay and Term Extension</u> | |
|---------------------------|---------------------------------------------------------|---------------------------------------------------|
| | <u>Year ended December 31, 2025</u> | |
| (Dollars in thousands) | Amortized Cost Basis at Period End | % of Total Class of Financing Receivable |
| Commercial and industrial | \$ 416 | 0.02 % |
| Total | <u>\$ 416</u> | <u>0.02 %</u> |

| | Interest Rate Reduction, Significant Payment Delay and Term Extension | |
|-------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------------------------|
| | Year ended December 31, 2025 | |
| | Amortized Cost Basis at Period End | % of Total Class of Financing Receivable |
| (Dollars in thousands) | | |
| Multifamily property | \$ 2,882 | 0.15% |
| Total | \$ 2,882 | 0.15% |

The following tables provide information related to the modifications during the year ended December 31, 2024 by pool segment and type of concession granted:

| | Significant Payment Delay | |
|-------------------------------|---------------------------------------------------|-------------------------------------------------------------|
| | Year ended December 31, 2024 | |
| | Amortized Cost Basis at Period End | % of Total Class of Financing Receivable |
| (Dollars in thousands) | | |
| Primary residential mortgage | \$ 648 | 0.11% |
| Commercial and industrial | 571 | 0.04 |
| Total | \$ 1,219 | 0.15% |

| | Interest Rate Reduction and Term Extension | |
|-------------------------------|-------------------------------------------------------|-------------------------------------------------------------|
| | Year Ended December 31, 2024 | |
| | Amortized Cost Basis at Period End | % of Total Class of Financing Receivable |
| (Dollars in thousands) | | |
| Commercial and industrial | \$ 12,138 | 0.81% |
| Total | \$ 12,138 | 0.81% |

| | Significant Payment Delay and Term Extension | |
|-----------------------------------|---------------------------------------------------------|-------------------------------------------------------------|
| | Year Ended December 31, 2024 | |
| | Amortized Cost Basis at Period End | % of Total Class of Financing Receivable |
| (Dollars in thousands) | | |
| Investment commercial real estate | \$ 17,838 | 1.82% |
| Commercial and industrial | 15,300 | 1.03 |
| Total | \$ 33,138 | 2.85% |

The following table depicts the payment status of the loans that were modified to a borrower experiencing financial difficulties as of December 31, 2025:

| | Payment Status at December 31, 2025 | | |
|-------------------------------|--------------------------------------------|--------------------------------|------------------------------|
| | Current | 30-89 Days Past Due | 90+ Days Past Due |
| | | | |
| (Dollars in thousands) | | | |
| Primary residential mortgage | \$ 690 | \$ — | \$ — |
| Multifamily property | 94,071 | 8,303 | — |
| Commercial and industrial | 28,166 | — | — |
| Total | \$ 122,927 | \$ 8,303 | \$ — |

The following table depicts the payment status of the loans that were modified to a borrower experiencing financial difficulties as of December 31, 2024:

| (Dollars in thousands) | Payment Status at December 31, 2024 | | |
|-----------------------------------|-------------------------------------|---------------------|-------------------|
| | Current | 30-89 Days Past Due | 90+ Days Past Due |
| Primary residential mortgage | \$ 533 | \$ 115 | \$ — |
| Investment commercial real estate | 17,838 | — | — |
| Commercial and industrial | 28,009 | — | 2,984 |
| Total | \$ 46,380 | \$ 115 | \$ 2,984 |

The Company has not committed to lend additional amounts as of December 31, 2025 to customers with outstanding loans that are classified as modified loans.

The following table presents loans by class that were modified that failed to comply with the modified terms in the year following modification and resulted in a payment default during the year ended December 31, 2025:

| (Dollars in thousands) | Amortized Cost Basis of Modified Loans That Subsequently Defaulted Year Ended December 31, 2025 | | | |
|------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------------------------------------|
| | Significant Payment Delay | Combination Interest Rate Reduction and Significant Payment Delay | Combination Interest Rate Reduction, Term Extension and Significant Payment Delay | Significant Payment Delay and Term Extension |
| Primary residential mortgage | \$ 597 | \$ — | \$ — | \$ — |
| Multifamily property | 46,683 | 23,343 | 2,882 | — |
| Commercial and industrial | — | — | — | 416 |
| Total | \$ 47,280 | \$ 23,343 | \$ 2,882 | \$ 416 |

The following table presents loans by class that were modified that failed to comply with the modified terms in the year following modification and resulted in a payment default during the year December 31, 2024:

| (Dollars in thousands) | Amortized Cost Basis of Modified Loans That Subsequently Defaulted Year Ended December 31, 2024 | |
|-----------------------------------|-------------------------------------------------------------------------------------------------|----------------------------------------------|
| | Significant Payment Delay | Significant Payment Delay and Term Extension |
| Primary residential mortgage | \$ 648 | \$ — |
| Investment commercial real estate | — | 17,838 |
| Commercial and industrial | 503 | — |
| Total | \$ 1,151 | \$ 17,838 |

Upon the Company's determination that a modified loan (or portion of a loan) has subsequently been deemed uncollectible, the loan (or portion of the loan) is written off. Therefore, the amortized cost basis of the loan is reduced by the uncollectible amount and the allowance for credit losses is adjusted by the same amount.

4. ALLOWANCE FOR CREDIT LOSSES

The ACL on loans held for investment is the combination of the allowance for credit losses on loans and the reserve for unfunded loan commitments. The ACL is reported as a reduction of the amortized cost basis of loans, while the reserve for unfunded loan commitments is included within "other liabilities" on the Consolidated Statements of Condition. The estimate of credit loss for unfunded commitments incorporates assumptions for both the likelihood and amount of funding over the estimated life of the commitments, including adjustments for current conditions and reasonable and supportable economic forecasts. Management periodically reviews and updates its assumptions for estimated funding rates. The "provision for

credit losses" on the Consolidated Statements of Income is a combination of the provision for credit losses and the provision for unfunded loan commitments.

The Company does not estimate expected credit losses on accrued interest receivable ("AIR") on loans, as AIR is reversed or written off when the full collection of the AIR related to a loan becomes doubtful. AIR on loans totaled \$28.5 million at December 31, 2025 and \$26.2 million at December 31, 2024.

The following tables present the loan balances by segment, and the corresponding balances in the allowance as of December 31, 2025 and 2024.

| (In thousands) | December 31, 2025 | | | | | |
|---------------------------------------|------------------------------------|---------------------------------------------------------|------------------------------------|---------------------------------------------------------|---------------------|------------------|
| | Total Individually Evaluated Loans | Ending ACL Attributable To Individually Evaluated Loans | Total Loans Collectively Evaluated | Ending ACL Attributable To Loans Collectively Evaluated | Total Loans | Total Ending ACL |
| | | \$ | \$ | \$ | \$ | \$ |
| Primary residential mortgage | 2,573 | — | 630,317 | 5,328 | 632,890 | 5,328 |
| Junior lien loan on residence | 106 | — | 61,314 | 208 | 61,420 | 208 |
| Multifamily property | 31,343 | 3,574 | 1,831,249 | 8,884 | 1,862,592 | 12,458 |
| Owner-occupied commercial real estate | — | — | 289,801 | 3,630 | 289,801 | 3,630 |
| Investment commercial real estate | 11,557 | 994 | 1,089,525 | 12,993 | 1,101,082 | 13,987 |
| Commercial and industrial | 22,641 | 7,466 | 1,800,916 | 21,919 | 1,823,557 | 29,385 |
| Lease financing | 23 | — | 266,015 | 2,554 | 266,038 | 2,554 |
| Construction | — | — | 24,959 | 297 | 24,959 | 297 |
| Consumer and other | — | — | 189,633 | 3,192 | 189,633 | 3,192 |
| Total ACL | \$ 68,243 | \$ 12,034 | \$ 6,183,729 | \$ 59,005 | \$ 6,251,972 | \$ 71,039 |

| (In thousands) | December 31, 2024 | | | | | |
|---------------------------------------|------------------------------------|---------------------------------------------------------|------------------------------------|---------------------------------------------------------|---------------------|------------------|
| | Total Individually Evaluated Loans | Ending ACL Attributable To Individually Evaluated Loans | Total Loans Collectively Evaluated | Ending ACL Attributable To Loans Collectively Evaluated | Total Loans | Total Ending ACL |
| | | \$ | \$ | \$ | \$ | \$ |
| Primary residential mortgage | 2,779 | — | 606,259 | 4,398 | 609,038 | 4,398 |
| Junior lien loan on residence | 92 | — | 45,215 | 180 | 45,307 | 180 |
| Multifamily property | 53,105 | 5,149 | 1,746,649 | 12,504 | 1,799,754 | 17,653 |
| Owner-occupied commercial real estate | — | — | 275,089 | 3,208 | 275,089 | 3,208 |
| Investment commercial real estate | 11,684 | 735 | 966,752 | 10,950 | 978,436 | 11,685 |
| Commercial and industrial | 30,881 | 6,678 | 1,458,585 | 26,397 | 1,489,466 | 33,075 |
| Lease financing | 1,234 | 121 | 221,263 | 1,367 | 222,497 | 1,488 |
| Construction | — | — | 11,204 | 121 | 11,204 | 121 |
| Consumer and other | — | — | 80,165 | 1,184 | 80,165 | 1,184 |
| Total ACL | \$ 99,775 | \$ 12,683 | \$ 5,411,181 | \$ 60,309 | \$ 5,510,956 | \$ 72,992 |

Individually evaluated loans include nonaccrual loans of \$68.2 million at December 31, 2025 and \$99.8 million at December 31, 2024. Individually evaluated loans did not include any performing modified loans at December 31, 2025. An allowance of \$5.8 million was allocated to modified loans at December 31, 2025, of which \$5.6 million was allocated for one commercial and industrial relationship. All accruing modified loans were paying in accordance with their modified terms as of December 31, 2025.

The ACL was \$71.0 million as of December 31, 2025, compared to \$73.0 million at December 31, 2024. The decrease in the ACL was primarily due to charge-offs of \$26.9 million during 2025. Charge-offs of \$13.9 million were related to several

C&I loans with an additional \$13.0 million related to five multifamily property credits that were resolved in 2025. A significant portion of the charge-offs were tied to previously established specific reserves. The reduction in the ACL due to charge-offs was partially offset by a provision for credit losses of \$23.6 million.

The ACL as a percentage of loans was 1.14 percent and 1.32 percent at December 31, 2025 and 2024, respectively. The decline in the ratio was driven by (i) the use of previously established specific reserves associated with the charge-offs noted above, (ii) strong loan growth during the year, which increased total loans outstanding, and (iii) the Company's annual CECL model recalibration. The recalibration incorporated lower historical loss rates and reflected the current risk portfolio characteristics, resulting in a lower required general reserve.

Although charge-offs were higher in 2025, they were largely related to credits that had been previously identified and reserved and therefore did not represent a broad decline in overall portfolio credit quality. Credit metrics and risk rating trends across the remainder of the portfolio remained stable, and management's forward-looking economic assumptions at December 31, 2025 reflected a stable economic outlook.

Despite the lower ACL ratio, management believes the allowance for credit losses of \$71.0 million, or 1.14 percent of total loans, appropriately reflects the current credit quality, portfolio composition, loan growth, and forward-looking economic conditions, and remains adequate to absorb expected credit losses as of December 31, 2025.

Under Topic 326, the Company's methodology for determining the ACL on loans is based upon historic net charge-offs, and key assumptions, including economic forecasts, reversion periods, prepayments and qualitative adjustments. The allowance is measured on a collective, or pool, basis when similar risk characteristics exist. Loans that do not share common risk characteristics are evaluated on an individual basis and are excluded from the collective evaluation.

The following tables present collateral dependent loans individually evaluated by segment as of December 31, 2025 and 2024:

| | December 31, 2025 | | | |
|---------------------------------------------------|--------------------------------|------------------------|----------------------|-----------------------------------------------|
| | Unpaid Principal Balance | Recorded Investment | Related Allowance | Average Individually Evaluated Loans |
| (In thousands) | | | | |
| With no related allowance recorded: | | | | |
| Primary residential mortgage (A) | \$ 2,761 | \$ 2,573 | \$ — | \$ 2,979 |
| Junior lien loan on residence (A) | 117 | 106 | — | 109 |
| Multifamily property (B) | 15,264 | 14,671 | — | 33,732 |
| Investment commercial real estate (C) | 12,500 | 9,628 | — | 9,682 |
| Commercial and industrial (A)(C)(D) | 9,057 | 8,600 | — | 21,608 |
| Lease financing (E) | 126 | 23 | — | 821 |
| Total loans with no related allowance | <u>\$ 39,825</u> | <u>\$ 35,601</u> | <u>\$ —</u> | <u>\$ 68,931</u> |
| With related allowance recorded: | | | | |
| Multifamily property (B) | \$ 16,862 | \$ 16,672 | \$ 3,574 | \$ 14,748 |
| Investment commercial real estate (C) | 1,929 | 1,929 | 994 | 1,929 |
| Commercial and industrial (A)(C)(D) | 14,041 | 14,041 | 7,466 | 7,630 |
| Total loans with related allowance | <u>\$ 32,832</u> | <u>\$ 32,642</u> | <u>\$ 12,034</u> | <u>\$ 24,307</u> |
| Total loans individually evaluated for impairment | <u>\$ 72,657</u> | <u>\$ 68,243</u> | <u>\$ 12,034</u> | <u>\$ 93,238</u> |

- (A) Secured by residential real estate.
- (B) Secured by multifamily residential properties.
- (C) Secured by commercial real estate.
- (D) Secured by all business assets.
- (E) Secured by machinery and equipment.

| | December 31, 2024 | | | |
|---------------------------------------------------|--------------------------------|------------------------|----------------------|------------------------------|
| (In thousands) | Unpaid Principal Balance | Recorded Investment | Specific Reserves | Average Impaired Loans |
| With no related allowance recorded: | | | | |
| Primary residential mortgage (A) | \$ 2,935 | \$ 2,779 | \$ — | \$ 1,851 |
| Junior lien loan on residence (A) | 97 | 92 | — | 101 |
| Multifamily property (B) | 15,320 | 15,295 | — | 16,968 |
| Investment commercial real estate (C) | 12,500 | 9,754 | — | 9,810 |
| Commercial and industrial (A)(C)(D) | 3,885 | 2,738 | — | 3,558 |
| Lease financing (E) | 542 | 434 | — | 1,363 |
| Total loans with no related allowance | <u>\$ 35,279</u> | <u>\$ 31,092</u> | <u>\$ —</u> | <u>\$ 33,651</u> |
| With related allowance recorded: | | | | |
| Multifamily property (B) | \$ 37,874 | \$ 37,810 | \$ 5,149 | \$ 17,020 |
| Investment commercial real estate (C) | 1,930 | 1,930 | 735 | 1,126 |
| Commercial and industrial (A)(C)(D)(E) | 31,145 | 28,143 | 6,678 | 27,962 |
| Lease financing (E) | 845 | 800 | 121 | 867 |
| Total loans with related allowance | <u>\$ 71,794</u> | <u>\$ 68,683</u> | <u>\$ 12,683</u> | <u>\$ 46,975</u> |
| Total loans individually evaluated for impairment | <u>\$ 107,073</u> | <u>\$ 99,775</u> | <u>\$ 12,683</u> | <u>\$ 80,626</u> |

- (A) Secured by residential real estate.
(B) Secured by multifamily residential properties.
(C) Secured by commercial real estate.
(D) Secured by all business assets.
(E) Secured by machinery and equipment.

Interest income recognized on individually evaluated loans for the years ended December 31, 2025 and 2024 was not material. The Company did not recognize any income on non-accruing impaired loans for the years ended December 31, 2025 and 2024.

The activity in the allowance for credit losses for the years ended December 31, 2025, 2024 and 2023 are summarized below:

| (In thousands) | January 1, 2025 Beginning ACL | Charge- Offs | Recoveries | Provision/ (Credit)(A) | December 31, 2025 Ending ACL |
|---------------------------------------|----------------------------------------|--------------------|-----------------|---------------------------|---------------------------------------|
| Primary residential mortgage | \$ 4,398 | \$ — | \$ — | \$ 930 | \$ 5,328 |
| Junior lien loan on residence | 180 | — | — | 28 | 208 |
| Multifamily property | 17,653 | (12,991) | 24 | 7,772 | 12,458 |
| Owner-occupied commercial real estate | 3,208 | — | — | 422 | 3,630 |
| Investment commercial real estate | 11,685 | — | — | 2,302 | 13,987 |
| Commercial and industrial | 33,075 | (13,880) | 1,286 | 8,904 | 29,385 |
| Lease financing | 1,488 | — | — | 1,066 | 2,554 |
| Construction | 121 | — | — | 176 | 297 |
| Consumer and other | 1,184 | (37) | 44 | 2,001 | 3,192 |
| Total ACL | <u>\$ 72,992</u> | <u>\$ (26,908)</u> | <u>\$ 1,354</u> | <u>\$ 23,601</u> | <u>\$ 71,039</u> |

- (A) Provision to roll forward the ACL excludes a credit of \$83,000 for off-balance sheet commitments.

| | January 1, 2024 Beginning ACL | Charge-Offs | Recoveries | Provision/ (Credit)(A) | December 31, 2024 Ending ACL |
|---------------------------------------|----------------------------------------|-------------------|-----------------|---------------------------|---------------------------------------|
| (In thousands) | | | | | |
| Primary residential mortgage | \$ 3,931 | \$ (43) | \$ — | \$ 510 | \$ 4,398 |
| Junior lien loan on residence | 177 | — | — | 3 | 180 |
| Multifamily property | 8,782 | (5,379) | — | 14,250 | 17,653 |
| Owner-occupied commercial real estate | 4,840 | — | — | (1,632) | 3,208 |
| Investment commercial real estate | 15,403 | — | — | (3,718) | 11,685 |
| Commercial and industrial | 29,707 | (345) | 2,195 | 1,518 | 33,075 |
| Lease financing | 1,663 | — | 3,214 | (3,389) | 1,488 |
| Construction | 516 | — | — | (395) | 121 |
| Consumer and other | 869 | (39) | 5 | 349 | 1,184 |
| Total ACL | <u>\$ 65,888</u> | <u>\$ (5,806)</u> | <u>\$ 5,414</u> | <u>\$ 7,496</u> | <u>\$ 72,992</u> |

(A) Provision to roll forward the ACL excludes a provision of \$4,000 for off-balance sheet commitments.

| | January 1, 2023 Beginning ACL | Charge-Offs | Recoveries | Provision/ (Credit)(A) | December 31, 2023 Ending ACL |
|---------------------------------------|----------------------------------------|-------------------|--------------|---------------------------|---------------------------------------|
| (In thousands) | | | | | |
| Primary residential mortgage | \$ 2,894 | \$ — | \$ 52 | \$ 985 | \$ 3,931 |
| Junior lien loan on residence | 154 | — | — | 23 | 177 |
| Multifamily property | 8,849 | (2,223) | — | 2,156 | 8,782 |
| Owner-occupied commercial real estate | 4,835 | — | — | 5 | 4,840 |
| Investment commercial real estate | 15,480 | (1,199) | — | 1,122 | 15,403 |
| Commercial and industrial | 25,530 | — | — | 4,177 | 29,707 |
| Lease financing | 2,314 | (5,594) | — | 4,943 | 1,663 |
| Construction | 236 | — | — | 280 | 516 |
| Consumer and other | 537 | (139) | 6 | 465 | 869 |
| Total ACL | <u>\$ 60,829</u> | <u>\$ (9,155)</u> | <u>\$ 58</u> | <u>\$ 14,156</u> | <u>\$ 65,888</u> |

(A) Provision to roll forward the ACL excludes a credit of \$65,000 for off-balance sheet commitments.

Allowance for Credit Losses on Off Balance Sheet Commitments

The following tables present the activity in the ACL for off balance sheet commitments for the years ended December 31, 2025, 2024 and 2023:

| | January 1, 2025 ACL | Provision (Credit) | December 31, 2025 Ending ACL |
|-------------------------------|---------------------------|-----------------------|------------------------------------|
| (In thousands) | | | |
| Off balance sheet commitments | \$ 691 | \$ (83) | \$ 608 |
| Total ACL | <u>\$ 691</u> | <u>\$ (83)</u> | <u>\$ 608</u> |

| | January 1, 2024 ACL | Provision (Credit) | December 31, 2024 Ending ACL |
|-------------------------------|---------------------------|-----------------------|------------------------------------|
| (In thousands) | | | |
| Off balance sheet commitments | \$ 687 | \$ 4 | \$ 691 |
| Total ACL | <u>\$ 687</u> | <u>\$ 4</u> | <u>\$ 691</u> |

| (In thousands) | January 1, 2023 ACL | Provision (Credit) | December 31, 2023 Ending ACL |
|-------------------------------|---------------------------|-----------------------|------------------------------------|
| Off balance sheet commitments | \$ 752 | \$ (65) | \$ 687 |
| Total ACL | <u>\$ 752</u> | <u>\$ (65)</u> | <u>\$ 687</u> |

5. PREMISES AND EQUIPMENT

The following table presents premises and equipment as of December 31,

| (In thousands) | 2025 | 2024 |
|--------------------------------|------------------|------------------|
| Land and land improvements | \$ 7,726 | \$ 6,881 |
| Buildings | 15,853 | 13,385 |
| Furniture and equipment | 36,175 | 30,022 |
| Leasehold improvements | 23,539 | 15,654 |
| Projects in progress | <u>1,097</u> | <u>4,767</u> |
| | 84,390 | 70,709 |
| Less: accumulated depreciation | <u>45,226</u> | <u>41,821</u> |
| Total | <u>\$ 39,164</u> | <u>\$ 28,888</u> |

The following table presents finance lease right-of-use assets as of December 31,

| (In thousands) | 2025 | 2024 |
|--------------------------------|---------------|---------------|
| Finance lease | \$ 2,813 | \$ 2,814 |
| Less: accumulated depreciation | <u>1,969</u> | <u>1,829</u> |
| Total | <u>\$ 844</u> | <u>\$ 985</u> |

Projects in progress represents costs associated with smaller renovation or equipment installation projects at various locations.

The Company recorded depreciation expense of \$4.1 million, \$3.5 million, and \$3.7 million for the years ended December 31, 2025, 2024, and 2023, respectively.

The Company modified the existing lease for its corporate headquarters building in 2024 which is classified as an operating lease right-of-use asset in accordance with lease accounting guidance. The lease arrangement requires monthly payments through 2036. Under the previous lease, the main office was classified as a finance lease with related depreciation expense of \$202,000 in 2024 and \$607,000 in 2023.

The Company also leases its Gladstone branch after completing a sale-leaseback transaction involving the property in 2011. The lease arrangement requires monthly payments through 2031. The deferred gain was removed as a cumulative-effect adjustment in accordance with lease accounting guidance. Related depreciation expense and accumulated depreciation of \$141,000 is included in each of the 2025, 2024 and 2023 results.

The following is a schedule by year of future minimum lease payments under finance lease right-of-use asset, together with the present value of net minimum lease payments as of December 31, 2025:

| (In thousands) | |
|---------------------------------------------|-----------------|
| 2026 | \$ 215 |
| 2027 | 226 |
| 2028 | 226 |
| 2029 | 226 |
| 2030 | 226 |
| Thereafter | 225 |
| Total minimum lease payments | 1,344 |
| Less: amount representing interest | 158 |
| Present value of net minimum lease payments | <u>\$ 1,186</u> |

6. DEPOSITS

Time deposits over \$250,000 totaled \$138.1 million and \$137.3 million at December 31, 2025 and 2024, respectively. These totals exclude brokered certificates of deposit.

The following table sets forth the details of total deposits as of December 31:

| (Dollars in thousands) | 2025 | | 2024 | |
|-------------------------------------------|---------------------|---------------|---------------------|---------------|
| Noninterest-bearing demand deposits | \$ 1,428,745 | 21.7% | \$ 1,112,734 | 18.2% |
| Interest-bearing checking (A) | 3,448,497 | 52.3 | 3,334,269 | 54.4 |
| Savings | 105,123 | 1.6 | 103,136 | 1.7 |
| Money market (B) | 1,197,995 | 18.2 | 1,078,024 | 17.5 |
| Certificates of deposit - retail | 408,219 | 6.2 | 483,998 | 7.9 |
| Certificates of deposit - listing service | 400 | 0.0 | 6,861 | 0.1 |
| Subtotal deposits | <u>6,588,979</u> | <u>100.0</u> | <u>6,119,022</u> | <u>99.8</u> |
| Interest-bearing demand - Brokered | — | — | 10,000 | 0.2 |
| Total deposits | <u>\$ 6,588,979</u> | <u>100.0%</u> | <u>\$ 6,129,022</u> | <u>100.0%</u> |

(A) Interest-bearing checking includes \$1.98 billion at December 31, 2025 and \$1.57 billion at December 31, 2024 of reciprocal balances in the Reich & Tang or Promontory Demand Deposit Marketplace programs, respectively.

(B) Money market includes \$165.6 million at December 31, 2025 and \$85.3 million at December 31, 2024 of reciprocal balances in the Promontory Demand Deposit Marketplace program.

The scheduled maturities of time deposits as of December 31, 2025 are as follows:

| (In thousands) | |
|----------------|-------------------|
| 2026 | \$ 393,580 |
| 2027 | 13,406 |
| 2028 | 479 |
| 2029 | 805 |
| 2030 | 349 |
| Over 5 Years | — |
| Total | <u>\$ 408,619</u> |

7. FEDERAL HOME LOAN BANK ADVANCES AND OTHER BORROWINGS

At December 31, 2025, the Company had \$73.3 million of overnight borrowings at the FHLB at a rate of 3.96 percent. At December 31, 2024, the Company had no overnight borrowings. At December 31, 2025, unused short-term overnight borrowing commitments totaled \$1.70 billion from the FHLB, \$15.0 million from correspondent bankers and \$2.47 billion at the Federal Bank of New York.

8. FAIR VALUE

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

- Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3: Significant unobservable inputs that reflect a company's own assumptions about the assumptions that market participants would use in pricing as asset or liability.

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

Investment Securities: The fair values for investment securities are determined by quoted market prices (Level 1). For securities where quoted prices are not available, fair values are calculated based on market prices of similar securities (Level 2). For securities where quoted prices or market prices of similar securities are not available, fair values are calculated using discounted cash flows or other market indicators (Level 3).

Loans Held for Sale, at Fair Value: The fair value of loans held for sale is determined using quoted prices for similar assets, adjusted for specific attributes of that loan or other observable market data, such as outstanding commitments from third party investors (Level 2).

Derivatives: The fair values of derivatives are based on valuation models using observable market data as of the measurement date (Level 2). Our derivatives are traded in an over-the-counter market where quoted market prices are not always available. Therefore, the fair values of derivatives are determined using quantitative models that utilize multiple market inputs. The inputs will vary based on the type of derivative, but could include interest rates, prices and indices to generate continuous yield or pricing curves, prepayment rates, and volatility factors to value the position. The majority of market inputs are actively quoted and can be validated through external sources, including brokers, market transactions and third-party pricing services.

Individually Evaluated Loans: The fair value of collateral dependent loans with specific allocations of the allowance for credit losses is generally based on recent real estate appraisals. These appraisals may utilize a single valuation approach or a combination of approaches including comparable sales and the income approach. Individually evaluated loans may, in some cases, also be measured by the discounted cash flow methodology where payments are anticipated. Adjustments are routinely made in the appraisal process by the independent appraisers to adjust for differences between the comparable sales and income data available. Such adjustments are usually significant and typically result in a Level 3 classification of the inputs for determining fair value.

Appraisals for collateral-dependent impaired loans are performed by certified general appraisers (for commercial properties) or certified residential appraisers (for residential properties) whose qualifications and licenses have been reviewed and verified by Management. Once received, a member of the Credit Department reviews the assumptions and approaches utilized in the appraisal, as well as the overall resulting fair value in comparison with independent data sources such as recent market data or industry-wide statistics. Appraisals on collateral dependent impaired loans and other real estate owned (consistent for all loan types) are obtained on an annual basis, unless a significant change in the market or other factors warrants a more frequent appraisal. On an annual basis, Management compares the actual selling price of any collateral that has been sold to the most recent appraised value to determine what additional adjustment should be made to the appraisal value to arrive at fair value for other properties. The most recent analysis performed indicated that a discount up to 15 percent should be applied to appraisals on properties. The discount is determined based on the nature of the underlying properties, aging of appraisal and other factors. For each collateral-dependent impaired loan we consider other factors, such as certain indices or other market information, as well as property specific circumstances to determine if an adjustment to the appraised value is needed. In situations where there is evidence of change in value, the Bank will determine if there is need for an adjustment to the specific reserve on the collateral dependent impaired loans. When the Bank applies an interim adjustment, it generally shows the adjustment as an incremental specific reserve against the loan until it has received the full updated appraisal. All

collateral-dependent impaired loans and other real estate owned valuations were supported by an appraisal less than 12 months old or in the process of obtaining an appraisal as of December 31, 2025.

The following tables summarize, at the dates indicated, assets measured at fair value on a recurring basis, including financial assets for which the Company has elected the fair value option:

| (In thousands) | December 31, 2025 | Fair Value Measurements Using | | |
|----------------------------------------|-------------------|----------------------------------------------------------------|-----------------------------------------------|-------------------------------------------|
| | | Quoted Prices In Active Markets For Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Assets: | | | | |
| Securities available for sale: | | | | |
| U.S. government-sponsored agencies | \$ 211,223 | \$ — | \$ 211,223 | \$ — |
| Mortgage-backed securities-residential | 530,365 | — | 530,365 | — |
| SBA pool securities | 17,212 | — | 17,212 | — |
| Corporate bond | 15,403 | — | 15,403 | — |
| CRA investment fund | 13,459 | 13,459 | — | — |
| Derivatives: | | | | |
| Cash flow hedges | 2,441 | — | 2,441 | — |
| Loan level swaps | 8,376 | — | 8,376 | — |
| Total | \$ 798,479 | \$ 13,459 | \$ 785,020 | \$ — |
| Liabilities: | | | | |
| Derivatives: | | | | |
| Cash flow hedges | 12 | — | 12 | — |
| Loan level swaps | 8,376 | — | 8,376 | — |
| Total | \$ 8,388 | \$ — | \$ 8,388 | \$ — |
| (In thousands) | December 31, 2024 | | | |
| Assets: | | | | |
| Securities available for sale: | | | | |
| U.S. government-sponsored agencies | \$ 196,914 | \$ — | \$ 196,914 | \$ — |
| Mortgage-backed securities-residential | 548,612 | — | 548,612 | — |
| SBA pool securities | 24,482 | — | 24,482 | — |
| Corporate bond | 14,536 | — | 14,536 | — |
| CRA investment fund | 13,041 | 13,041 | — | — |
| Derivatives: | | | | |
| Cash flow hedges | 7,815 | — | 7,815 | — |
| Loan level swaps | 22,275 | — | 22,275 | — |
| Total | \$ 827,675 | \$ 13,041 | \$ 814,634 | \$ — |
| Liabilities: | | | | |
| Derivatives: | | | | |
| Loan level swaps | 22,275 | — | 22,275 | — |
| Total | \$ 22,275 | \$ — | \$ 22,275 | \$ — |

The Company has elected the fair value option for certain loans held for sale. These loans are intended for sale and the Company believes that the fair value is the best indicator of the resolution of these loans. Interest income is recorded based on the contractual terms of the loan and in accordance with the Company's policy on loans held for investment. None of these loans are 90 days or more past due or on nonaccrual as of December 31, 2025 and December 31, 2024.

The following table presents residential loans held for sale, at fair value, at the dates indicated:

| | December 31, 2025 | December 31, 2024 |
|-----------------------------------------------------|-------------------|-------------------|
| Residential loans contractual balance | \$ 445 | \$ — |
| Fair value adjustment | 5 | — |
| Total fair value of residential loans held for sale | \$ 450 | \$ — |

The following tables summarize, at the date indicated, assets measured at fair value on a non-recurring basis:

| | | Fair Value Measurements Using | | |
|---------------------------------------|-------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|
| | | Quoted Prices In Active Markets For Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| (In thousands) | December 31, 2025 | | | |
| Assets: | | | | |
| Individually evaluated loans: | | | | |
| Multifamily property (A) | \$ 13,098 | \$ — | \$ — | \$ 13,098 |
| Investment commercial real estate (A) | 935 | — | — | 935 |
| Commercial and industrial (A) | 6,575 | — | — | 6,575 |

(A) These amounts represent the carrying amounts on the Consolidated Statements of Condition for individually evaluated loans.

The significant unobservable (Level 3) inputs used in the fair value measurement of collateral for individually evaluated loans primarily relate to customized discounting criteria applied to the customer's reported amount of collateral. The amount of the collateral discount depends upon the condition and marketability of the underlying collateral. As the Company's primary objective in the event of default would be to monetize the collateral to settle the outstanding balance of the loan, less marketable collateral would receive a larger discount. During the reported periods, collateral discounts ranged from approximately 10 percent to 50 percent.

| | | Fair Value Measurements Using | | |
|---------------------------------------|-------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------|
| | | Quoted Prices In Active Markets For Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| (In thousands) | December 31, 2024 | | | |
| Assets: | | | | |
| Individually evaluated loans: | | | | |
| Multifamily property (A) | \$ 32,661 | \$ — | \$ — | \$ 32,661 |
| Investment commercial real estate (A) | 1,195 | — | — | 1,195 |
| Commercial and industrial (A) | 21,465 | — | — | 21,465 |
| Lease financing (A) | 679 | — | — | 679 |

(A) These amounts represent the carrying amounts on the Consolidated Statements of Condition for individually evaluated loans.

The significant unobservable (Level 3) inputs used in the fair value measurement of collateral for individually evaluated loans primarily relate to customized discounting criteria applied to the customer's reported amount of collateral. The amount of the collateral discount depends upon the condition and marketability of the underlying collateral. As the Company's primary

objective in the event of default would be to monetize the collateral to settle the outstanding balance of the loan, less marketable collateral would receive a larger discount. During the reported periods, collateral discounts ranged from approximately 10 percent to 50 percent.

The carrying amounts and estimated fair values of financial instruments at December 31, 2025 are as follows:

| (In thousands) | Carrying Amount | Fair Value Measurements at December 31, 2025 Using | | | | Total |
|--------------------------------------------------------|--------------------|----------------------------------------------------|------------|-----------|------|--------------|
| | | Level 1 | Level 2 | Level 3 | | |
| Financial assets | | | | | | |
| Cash and cash equivalents | \$ 187,820 | \$ 187,820 | \$ — | \$ — | \$ — | \$ 187,820 |
| Securities available for sale | 774,203 | — | 774,203 | — | — | 774,203 |
| Securities held to maturity | 95,862 | — | 87,491 | — | — | 87,491 |
| CRA investment fund | 13,459 | 13,459 | — | — | — | 13,459 |
| FHLB and FRB stock | 14,605 | — | — | — | — | N/A |
| Loans held for sale, at fair value | 450 | — | 450 | — | — | 450 |
| Loans held for sale, at lower of cost or fair value | 4,437 | — | 4,819 | — | — | 4,819 |
| Loans, net of allowance for credit losses | 6,182,697 | — | — | 6,172,779 | — | 6,172,779 |
| Accrued interest receivable | 31,971 | — | 3,441 | 28,530 | — | 31,971 |
| Accrued interest receivable loan level swaps (A) | 541 | — | 541 | — | — | 541 |
| Cash flow hedges | 2,441 | — | 2,441 | — | — | 2,441 |
| Loan level swaps | 7,835 | — | 7,835 | — | — | 7,835 |
| Financial liabilities | | | | | | |
| Deposits | \$ 6,588,979 | \$ 6,180,360 | \$ 406,932 | \$ — | \$ — | \$ 6,587,292 |
| Short-term borrowings | 73,267 | — | 73,267 | — | — | 73,267 |
| Subordinated debt | 99,030 | — | — | 97,388 | — | 97,388 |
| Accrued interest payable | 5,788 | 5,025 | 744 | 19 | — | 5,788 |
| Accrued interest payable loan level swaps (B) | 541 | — | 541 | — | — | 541 |
| Cash flow hedges | 12 | — | 12 | — | — | 12 |
| Loan level swaps | 7,835 | — | 7,835 | — | — | 7,835 |

(A) Included in other assets in the Consolidated Statements of Condition.

(B) Included in accrued expenses and other liabilities in the Consolidated Statements of Condition.

The carrying amounts and estimated fair values of financial instruments at December 31, 2024 are as follows:

| (In thousands) | Carrying Amount | Fair Value Measurements at December 31, 2024 Using | | | |
|-----------------------------------------------------|-----------------|----------------------------------------------------|------------|-----------|--------------|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | |
| Cash and cash equivalents | \$ 391,367 | \$ 391,367 | \$ — | \$ — | \$ 391,367 |
| Securities available for sale | 784,544 | — | 784,544 | — | 784,544 |
| Securities held to maturity | 101,635 | — | 88,650 | — | 88,650 |
| CRA investment fund | 13,041 | 13,041 | — | — | 13,041 |
| FHLB and FRB stock | 12,373 | — | — | — | N/A |
| Loans held for sale, at lower of cost or fair value | 8,594 | — | 9,315 | — | 9,315 |
| Loans, net of allowance for loan losses | 5,439,334 | — | — | 5,198,085 | 5,198,085 |
| Accrued interest receivable | 29,898 | — | 3,695 | 26,203 | 29,898 |
| Accrued interest receivable loan level swaps (A) | 849 | — | 849 | — | 849 |
| Cash flow hedges | 7,815 | — | 7,815 | — | 7,815 |
| Loan level swaps | 21,426 | — | 21,426 | — | 21,426 |
| Financial liabilities | | | | | |
| Deposits | \$ 6,129,022 | \$ 5,638,163 | \$ 488,026 | \$ — | \$ 6,126,189 |
| Subordinated debt | 133,561 | — | — | 125,750 | 125,750 |
| Accrued interest payable | 8,354 | 6,327 | 1,881 | 146 | 8,354 |
| Accrued interest payable loan level swaps (B) | 849 | — | 849 | — | 849 |
| Loan level swaps | 21,426 | — | 21,426 | — | 21,426 |

(A) Included in other assets in the Consolidated Statements of Condition.

(B) Included in accrued expenses and other liabilities in the Consolidated Statements of Condition.

The methods and assumptions, not previously presented, used to estimate fair values are described as follows:

Cash and cash equivalents: The carrying amounts of cash and short-term instruments approximate fair values and are classified as either Level 1 or Level 2. Cash and due from banks is classified as Level 1.

CRA investment fund: The fair value of the investment fund is determined by quoted prices in an active market.

FHLB and FRB stock: It is not practicable to determine the fair value of FHLB or FRB stock due to restrictions placed on its transferability.

Loans held for sale, at lower of cost or fair value: The fair value of loans held for sale is determined using quoted prices for similar assets, adjusted for specific attributes of that loan or other observable market data, such as outstanding commitments from third party investors. Loans held for sale are classified as Level 2.

Loans: At December 31, 2025 and 2024, respectively, the exit price observations are obtained from a third-party using its proprietary valuation model and methodology and may not reflect actual or prospective market valuations. The valuation utilizes a discounted cash-flow based model relying on various assumptions including the probability of default, loss given default, portfolio liquidity and remaining term of the portfolio.

Deposits: The fair values disclosed for demand deposits (e.g., interest and noninterest checking, savings and money market accounts) are, by definition, equal to the amount payable on demand at the reporting date, (i.e., the carrying amount) resulting in a Level 1 classification. The carrying amounts of variable-rate certificates of deposit approximate the fair values at the reporting date resulting in Level 2 classification. Fair values for fixed rate certificates of deposit are estimated using a discounted cash flow calculation that applies interest rates currently being offered on certificates to a schedule of aggregated expected monthly maturities on time deposits resulting in a Level 2 classification.

Overnight borrowings: The carrying amounts of overnight borrowings approximate fair values and are classified as Level 2.

Federal Home Loan Bank advances: The fair values of the Company's long-term borrowings are estimated using discounted cash flow analyses based on the current borrowing rates for similar types of borrowing arrangements resulting in a Level 2 classification.

Subordinated debentures: The fair values of the Company's subordinated debentures are estimated using discounted cash flow analyses based on the current borrowing rates for similar types of borrowing arrangements resulting in a Level 3 classification.

Accrued interest receivable/payable: The carrying amounts of accrued interest approximate fair value resulting in a Level 2 or Level 3 classification. Accrued interest on deposits and securities are included in Level 2. Accrued interest on loans and subordinated debt are included in Level 3.

Off-balance sheet instruments: Fair values for off-balance sheet, credit-related financial instruments are based on fees currently charged to enter into similar agreements, taking into account the remaining terms of the agreements and the counterparties' credit standing. The fair value of commitments is not material.

9. REVENUE FROM CONTRACTS WITH CUSTOMERS:

All of the Company's revenue from contracts with customers in the scope of ASC 606 is recognized within noninterest income.

The following table presents the sources of noninterest income for the years ended December 31:

| (In thousands) | 2025 | 2024 | 2023 |
|---------------------------------|------------------|------------------|------------------|
| Service charges on deposits | | | |
| Overdraft fees | \$ 414 | \$ 455 | \$ 518 |
| Interchange income | 1,037 | 1,033 | 1,182 |
| Other | 3,356 | 3,829 | 3,452 |
| Wealth management fees (A) | 63,240 | 61,458 | 55,747 |
| Gain/(loss) on sale of property | 304 | (102) | (6) |
| Gain on lease termination | 875 | — | — |
| Corporate advisory fee income | 820 | 1,032 | 219 |
| Other (B) | 12,039 | 11,417 | 12,466 |
| Total noninterest other income | <u>\$ 82,085</u> | <u>\$ 79,122</u> | <u>\$ 73,578</u> |

(A) Includes investment brokerage fees.

(B) All of the other category is outside the scope of ASC 606.

The following table presents the sources of noninterest income by operating segment for the years ended December 31:

| Revenue by Operating Segment | 2025 | | |
|-------------------------------|------------------|-------------------|------------------|
| | Banking | Wealth Management | Total |
| Service charges on deposits | | | |
| Overdraft fees | \$ 414 | \$ — | \$ 414 |
| Interchange income | 1,037 | — | 1,037 |
| Other | 3,356 | — | 3,356 |
| Wealth management fees (A) | — | 63,240 | 63,240 |
| Gain on sale of property | 304 | — | 304 |
| Gain on lease termination | 875 | — | 875 |
| Corporate advisory fee income | 820 | — | 820 |
| Other (B) | 11,449 | 590 | 12,039 |
| Total noninterest income | <u>\$ 18,255</u> | <u>\$ 63,830</u> | <u>\$ 82,085</u> |

| Revenue by Operating Segment | 2024 | | |
|-------------------------------|-----------------------------|-------------------|------------------|
| | Banking | Wealth Management | Total |
| | Service charges on deposits | | |
| Overdraft fees | \$ 455 | \$ — | \$ 455 |
| Interchange income | 1,033 | — | 1,033 |
| Other | 3,829 | — | 3,829 |
| Wealth management fees (A) | — | 61,458 | 61,458 |
| Loss on sale of property | (102) | — | (102) |
| Corporate advisory fee income | 1,032 | — | 1,032 |
| Other (B) | 10,633 | 784 | 11,417 |
| Total noninterest income | <u>\$ 16,880</u> | <u>\$ 62,242</u> | <u>\$ 79,122</u> |

| Revenue by Operating Segment | 2023 | | |
|-------------------------------|-----------------------------|-------------------|------------------|
| | Banking | Wealth Management | Total |
| | Service charges on deposits | | |
| Overdraft fees | \$ 518 | \$ — | \$ 518 |
| Interchange income | 1,182 | — | 1,182 |
| Other | 3,452 | — | 3,452 |
| Wealth management fees (A) | — | 55,747 | 55,747 |
| Loss on sale of property | (6) | — | (6) |
| Corporate advisory fee income | 219 | — | 219 |
| Other (B) | 11,288 | 1,178 | 12,466 |
| Total noninterest income | <u>\$ 16,653</u> | <u>\$ 56,925</u> | <u>\$ 73,578</u> |

(A) Includes investment brokerage fees.

(B) All of the other category is outside the scope of ASC 606.

A description of the Company's revenue streams accounted for under ASC 606 follows:

Service charges on deposit accounts: The Company earns fees from its deposit customers for certain transaction account maintenance, and overdraft fees. Transaction-based fees, which include services such as ATM use fees, stop payment charges, statement rendering, and ACH fees, are recognized at the time the transaction is executed as that is the point in time the Company fulfills the customer's request. Account maintenance fees, which relate primarily to monthly maintenance, are earned over the course of a month, representing the period the Company satisfies the performance obligation. Overdraft fees are recognized at the point in time that the overdraft occurs. Service charges on deposits are withdrawn from the customer's account balance.

Interchange income: The Company earns interchange fees from debit cardholder transactions conducted through the Visa payment network. Interchange fees from cardholder transactions represent a percentage of the underlying transaction value and are recognized daily, concurrently with the transaction processing services provided to the cardholder. Interchange income is presented gross of cardholder rewards. Cardholder rewards are included in other expenses in the statement of income. Cardholder rewards reduced interchange income by \$56,000, \$19,000, and \$8,000 for 2025, 2024, and 2023, respectively.

Wealth management fees (gross): The Company earns wealth management fees from its contracts with wealth management clients to manage assets for investment. These fees are charged on a monthly or quarterly basis in accordance with its investment advisory agreements. Fees are generally assessed based on a tiered scale, based on the market value of AUM at month or quarter end. Other non-AUM based fees are charged on a fixed basis or as services are rendered.

Investment brokerage fees (net): The Company earns fees from investment brokerage services provided to its customers by a third-party service provider. The Company receives commissions from the third-party service provider twice a month based upon customer activity for the month. The fees are recognized monthly, and a receivable is recorded until commissions are generally paid by the 15th of the following month. Because the Company (i) acts as an agent in arranging the relationship between the customer and the third-party service provider and (ii) does not control the services rendered to the customers, investment brokerage fees are presented net of related costs.

Gains/(losses) on sales of property: The Company records a gain or loss from the sale of property when control of the property transfers to the buyer, which generally occurs at the time of an executed deed. When the Company finances the sale of property to the buyer, the Company assesses whether the buyer is committed to perform its obligations under the contract and whether collectability of the transaction price is probable. Once these criteria are met, the property asset is derecognized and the gain or loss on sale is recorded upon the transfer of control of the property to the buyer. In determining the gain or loss on the sale, the Company adjusts the transaction price and related gain/(loss) on sale if a significant financing component is present. The Company recorded a gain on sale of property of \$304,000 for 2025, a loss on sale of property of \$102,000 for 2024 and a loss on sale of property of \$6,000 for 2023.

Gain on lease termination: In June 2025, the Company terminated its lease agreement for its Piscataway branch location that was no longer in use. The lease termination was finalized through a negotiated buyout payment of \$275,000. At the time of termination, the Company had an accrued lease liability of \$1.1 million related to the remaining lease obligation. As a result of the termination, the Company recognized a gain of \$875,000, which is included in other income in the Consolidated Statements of Income. The gain reflects the difference between the accrued lease liability and the buyout payment.

Corporate advisory fee income: The Company provides our clients with financial advisory and underwriting services. Investment banking revenues, which includes mergers and acquisition advisory fees and private placement fees, are recorded when the performance obligation for the transaction is satisfied under the terms of each engagement. Reimbursed expenses are reported in other revenue on the statement of operations. Expenses related to investment banking are recognized as non-compensation expenses on the statement of operations. Amounts received and unearned are included on the statement of financial condition. Expenses related to investment banking deals not completed are recognized in non-compensation expenses on the statement of operations.

The Company's mergers and acquisition advisory fees generally consist of a nonrefundable up-front fee and success fee. The nonrefundable fee is recorded as deferred revenue upon receipt and recognized at a point in time when the performance obligation is satisfied, or when the transaction is deemed by management to be terminated. Management's judgment is required in determining when a transaction is considered to be terminated.

Other: All of the other income items are outside the scope of ASC 606.

10. OTHER OPERATING EXPENSES

The following table presents the major components of other operating expenses for the years ended December 31:

| (In thousands) | 2025 | 2024 | 2023 |
|-----------------------------------|------------------|------------------|------------------|
| Professional and legal fees | \$ 6,675 | \$ 7,309 | \$ 5,710 |
| Trust department expense | 4,385 | 4,014 | 3,837 |
| Telephone | 1,594 | 1,616 | 1,531 |
| Loan expense | 2,697 | 1,295 | 1,200 |
| Amortization of intangible assets | 1,087 | 1,088 | 1,319 |
| Advertising | 2,053 | 2,111 | 1,872 |
| Other operating expenses | 11,762 | 9,923 | 9,623 |
| Total other operating expenses | <u>\$ 30,253</u> | <u>\$ 27,356</u> | <u>\$ 25,092</u> |

11. INCOME TAXES

All of the Company's income tax expense as reported for the years ended December 31, 2025, 2024, and 2023 is attributable to domestic operations. The income tax expense included in the consolidated financial statements for the years ended December 31 is allocated as follows:

| (In thousands) | 2025 | 2024 | 2023 |
|-------------------------------|------------------|------------------|------------------|
| Federal: | | | |
| Current expense | \$ 2,507 | \$ 19,576 | \$ 25,814 |
| Deferred (benefit)/expense | 8,341 | (11,461) | (11,862) |
| State: | | | |
| Current expense | 4,692 | 6,685 | 7,889 |
| Deferred (benefit)/expense | (557) | (4,384) | (3,414) |
| Change in valuation allowance | — | 1,548 | — |
| Total income tax expense | <u>\$ 14,983</u> | <u>\$ 11,964</u> | <u>\$ 18,427</u> |

Total income tax expense differed from the amounts computed by applying the U.S. Federal income tax rate of 21 percent for 2025, 2024, and 2023, respectively, to income before taxes as a result of the following:

| (In thousands) | 2025 | | 2024 | | 2023 | |
|-----------------------------------------------------|------------------|---------------|------------------|---------------|------------------|---------------|
| | Amount | Percent | Amount | Percent | Amount | Percent |
| U.S. federal statutory rate | \$ 10,985 | 21.0 % | \$ 9,440 | 21.0 % | \$ 14,129 | 21.0 % |
| Federal reconciling items: | | | | | | |
| Nontaxable and nondeductible items, net | 544 | 1.0 | (215) | (0.5) | (68) | (0.1) |
| Change in valuation allowance | — | - | 1,548 | 3.5 | — | - |
| Other reconciling items | 305 | 0.6 | (627) | (1.4) | 831 | 1.2 |
| State and local income taxes, net of federal effect | | | | | | |
| (1): | 3,149 | 6.0 | 1,818 | 4.0 | 3,535 | 5.3 |
| Total income tax expense | <u>\$ 14,983</u> | <u>28.6 %</u> | <u>\$ 11,964</u> | <u>26.6 %</u> | <u>\$ 18,427</u> | <u>27.4 %</u> |

(1) State taxes in New Jersey made up the majority (greater than 50 percent) of the tax effect in this category.

The components of income taxes paid for the periods ended December 31, 2025, 2024, and 2023 were as follows:

| (In thousands) | 2025 | 2024 | 2023 |
|-------------------------|-----------|-----------|-----------|
| Total Income Taxes Paid | \$ 19,681 | \$ 17,672 | \$ 18,474 |
| Federal | 15,286 | 11,700 | 11,600 |
| State | | | |
| New Jersey | 1,354 | 3,200 | 2,802 |
| New York | 1,175 | 1,083 | 2,712 |
| Other | 1,866 | 1,689 | 1,360 |

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities as of December 31 are as follows:

| (In thousands) | 2025 | 2024 |
|---------------------------------------------------------------|------------------|------------------|
| Deferred tax assets: | | |
| Allowance for credit losses | \$ 19,240 | \$ 19,430 |
| Tax net operating loss carryforward | 4,427 | 134 |
| Capital loss carryforward | 1,548 | 1,548 |
| Unrealized loss on securities available for sale | 17,950 | 27,182 |
| Unrealized loss on equity security | 417 | 558 |
| Stock compensation expense | 6,315 | 6,081 |
| Accrued compensation | 7,433 | 7,923 |
| Accrued expenses | 687 | 833 |
| Discount accretion | 1,138 | 1,441 |
| Lease liabilities | 11,714 | 11,486 |
| Finance lease | 407 | 516 |
| Other | 1,308 | 1,204 |
| Total deferred tax assets | <u>\$ 72,584</u> | <u>\$ 78,336</u> |
| Deferred tax liabilities: | | |
| Lease financing | \$ 49,186 | \$ 38,343 |
| Cash flow hedge | 671 | 2,078 |
| Deferred loan origination costs and fees | 2,353 | 2,090 |
| Deferred income | 4,478 | 4,420 |
| Amortization of intangible assets | 2,753 | 2,451 |
| Lease right-of-use asset | 10,792 | 10,619 |
| Other | 31 | 406 |
| Total deferred tax liabilities | <u>70,264</u> | <u>60,407</u> |
| Net deferred tax asset/(liability) before valuation allowance | <u>2,320</u> | <u>17,929</u> |
| Valuation allowance | <u>(1,548)</u> | <u>(1,548)</u> |
| Net deferred tax asset/(liability) | <u>\$ 772</u> | <u>\$ 16,381</u> |

Management believes that not all existing net deductible temporary differences that comprise the net deferred tax asset will reverse during periods in which the Company generates sufficient taxable income of appropriate character. Accordingly, management has established a valuation allowance on all of the Company's capital loss carryforward. Based on all available evidence, Management believes it is more likely than not the Company will realize the remaining deferred tax assets. Significant changes in the Company's operations and or economic conditions could affect the benefits of the recognized net deferred tax assets.

At December 31, 2025, the Company had \$2.8 million of Federal net operating loss carryforward balances available to offset future taxable income that do not expire and \$1.5 million of state net operating loss carryforward balances available to offset future taxable income that have various expirations beginning in 2033.

On June 28 2024, the governor of New Jersey signed into law a new Corporate Transit Fee, which increases the New Jersey corporate tax rate from 9 percent to 11.5 percent. This fee will be imposed on businesses that have New Jersey taxable income of \$10 million or more for tax years beginning January 1, 2024 through December 31, 2028.

The Company is subject to U.S. Federal income tax as well as income tax of various state jurisdictions. The Company is no longer subject to federal examination for tax years prior to 2022 or by state and local tax authorities for years prior to 2021.

12. BENEFIT PLANS

The Company sponsors a profit sharing plan and a savings plan under Section 401(k) of the Internal Revenue Code, covering substantially all salaried employees over the age of 21 with at least 12 months of service. The Company contributed two percent of compensation for each employee that participates in the 401(k) plan regardless of the employees' contributions for the years ended December 31, 2025 and 2024. The Company contributed three percent of compensation for each employee

that participates in the 401(k) plan regardless of the employees' contributions for the year ended December 31, 2023. In addition, the Company partially matches employee contributions up to three percent. Expense for the savings plan totaled \$4.6 million for the year ended December 31, 2025, \$2.4 million for the year ended December 31, 2024, and \$3.5 million for the year ended December 31, 2023.

Additional contributions to the profit sharing plan are made at the discretion of the Board of Directors. The Company did not make additional contributions to the profit sharing plan in 2025, 2024 or 2023.

13. STOCK-BASED COMPENSATION

The Company's 2025 Long-Term Stock Incentive Plan allows the granting of shares of the Company's common stock as incentive stock options, nonqualified stock options, restricted stock awards, restricted stock units and stock appreciation rights to directors, officers and employees of the Company and its subsidiaries. There are no shares remaining for issuance with respect to the Company's 2021 Long-Term Stock Incentive Plan. As of December 31, 2025, the total number of shares available for grant under the 2025 Plan was 499,413. There are no shares remaining for issuance with respect to the stock incentive plans approved in 2006, 2012 and 2021.

Options granted are, in general, exercisable not earlier than one year after the date of grant, at a price equal to the fair value of common stock on the date of grant and expire not more than ten years after the date of grant. Stock options may vest during a period of up to five years after the date of grant. The Company has a policy of using authorized but unissued shares to satisfy option exercises. There were no stock options granted in 2025.

Upon adoption of ASU 2016-09, "Compensation - Stock Compensation (Topic 718), Improvements to Employee Share-Based Payment Accounting," the Company has elected to account for forfeitures as they occur, rather than estimate expected forfeitures.

As of December 31, 2025, there was no unrecognized compensation cost related to non-vested share-based compensation arrangements granted under the Company's stock incentive plans.

The Company issued performance and service-based restricted stock units in 2025, 2024 and 2023. Service-based units vest ratably over a three- or five-year period. There were 88,101 service-based restricted stock units granted under the 2021 Long-Term Stock Incentive Plan during 2025.

The performance-based awards are dependent upon the Company meeting certain performance criteria and, to the extent the performance criteria are met, will cliff vest at the end of the performance period, which is generally three years. There were 66,252 performance-based restricted stock units granted under the 2021 Long-Term Stock Incentive Plan during 2025.

Changes in non-vested shares dependent on performance criteria for 2025 were as follows:

| | Number of Shares | Weighted Average Grant Date Fair Value |
|----------------------------|---------------------|-------------------------------------------------|
| Balance, January 1, 2025 | 135,477 | \$ 33.35 |
| Granted during 2025 | 66,252 | 29.55 |
| Vested during 2025 | (65,515) | 36.80 |
| Forfeited during 2025 | (2,278) | 30.96 |
| Balance, December 31, 2025 | <u>133,936</u> | <u>\$ 30.37</u> |

Changes in service-based restricted stock awards/units for 2025 were as follows:

| | Number of Shares | Weighted Average Grant Date Fair Value |
|----------------------------|---------------------|-------------------------------------------------|
| Balance, January 1, 2025 | 247,905 | \$ 33.00 |
| Granted during 2025 | 88,101 | 29.55 |
| Vested during 2025 | (109,609) | 33.51 |
| Forfeited during 2025 | (12,308) | 32.05 |
| Balance, December 31, 2025 | <u>214,089</u> | <u>\$ 31.37</u> |

As of December 31, 2025, there was \$4.8 million of total unrecognized compensation cost related to both service- and performance-based units. That cost is expected to be recognized over a weighted average period of 1.89 years. Total stock-based compensation expense recognized for stock awards/units totaled \$10.9 million, \$13.0 million and \$10.7 million in 2025, 2024 and 2023, respectively. There was no stock-based compensation expense related to stock options for the years ended December 31, 2025, 2024 and 2023, respectively.

Phantom Stock Plan: During the first quarter of 2024, the Company adopted the Peapack-Gladstone Financial Corporation 2024 Phantom Stock Plan (the "Phantom Plan"). The Phantom Plan allows the Company to issue performance-based and service-based awards which will be paid in cash. The award of a phantom unit entitles the participant to a cash payment equal to the value of the unit on the vesting date, which is the fair market value of a common share of the Company's stock on such vesting date.

The Company did not issue performance-based phantom units in 2025. The Company issued service-based phantom units in 2025. Service-based phantom units vest ratably over a three-year period. There were 209,688 service-based phantom units granted under the Phantom Plan during 2025.

Phantom units are recorded in compensation and employee benefits expense based on the fair value of the units on the balance sheet date. The fair value of these awards is updated at each balance sheet date and changes in the fair value of the vested portions of the awards are recorded as increases or decreases to compensation expense within compensation and employee benefits in the Consolidated Statements of Income. All of the outstanding phantom units at December 31, 2025 met the criteria to be treated under liability classification in accordance with ASC 718, given that these awards will settle in cash on the vesting date.

Compensation expense for the phantom units is based on the fair value of the units as of the balance sheet date as further discussed above, and such costs are recognized ratably over the service period of the awards. As the fair value of liability awards is required to be re-measured each period end, stock compensation expense amounts recognized in future periods for these awards will vary. The estimated future cash payments of these awards are presented as liabilities within "Accrued expenses and other liabilities" in the Consolidated Statements of Condition. As of December 31, 2025, there was \$8.1 million of unrecognized compensation costs related to non-vested phantom units.

14. COMMITMENTS AND CONTINGENCIES

The Company, in the ordinary course of business, is a party to litigation arising from the conduct of its business. Management does not consider that these actions depart from routine legal proceedings and believes that such actions will not affect its financial position or results of its operations in any material manner.

There are various outstanding commitments and contingencies, such as guarantees and credit extensions, including mostly variable-rate loan commitments of \$1.6 billion and \$1.2 billion at December 31, 2025 and 2024, respectively, which are not included in the accompanying consolidated financial statements. These commitments include unused commercial and home equity lines of credit.

The Company issues financial standby letters of credit that are irrevocable undertakings by the Company to guarantee payment of a specified financial obligation. Most of the Company's financial standby letters of credit arise in connection with lending relations and have terms of one year or less. The maximum potential future payments the Company could be required to make equal the contract amount of the standby letters of credit and amounted to \$57.3 million and \$28.3 million

at December 31, 2025 and 2024, respectively. The fair value of the Company's liability for financial standby letters of credit was insignificant at December 31, 2025.

For commitments to originate loans, the Company's maximum exposure to credit risk is represented by the contractual amount of those instruments. Those commitments represent ultimate exposure to credit risk only to the extent that they are subsequently drawn upon by customers. The Company uses the same credit policies and underwriting standards in making loan commitments as it does for on-balance-sheet instruments. For loan commitments, the Company would generally be exposed to interest rate risk from the time a commitment is issued with a defined contractual interest rate.

The Company is also obligated under legally binding and enforceable agreements to purchase goods and services from third parties, including data processing service agreements.

The Company is a limited partner in several Small Business Investment Company ("SBIC") funds. The Company had unfunded commitments of \$6.7 million and \$9.4 million for its investment in SBIC qualified funds at December 31, 2025 and 2024, respectively.

15. LEASES

The Company maintains certain property and equipment under direct financing and operating leases. As of December 31, 2025, the Company's operating lease ROU asset and operating lease liability totaled \$39.9 million and \$43.3 million, respectively. As of December 31, 2024, the Company's operating lease ROU asset and operating lease liability totaled \$40.3 million and \$43.6 million, respectively. A weighted average discount rate of 4.44 percent and 4.40 percent was used in the measurement of the ROU asset and lease liability as of December 31, 2025 and 2024, respectively.

The Company's leases had remaining lease terms between six months to 11 years, with a weighted average lease term of 8.47 years, at December 31, 2025. The Company's leases had remaining lease terms between four months to 12 years, with a weighted average lease term of 9.28 years, at December 31, 2024. The Company's lease agreements may include options to extend or terminate the lease. The Company's decision to exercise renewal options is based on an assessment of its current business needs and market factors at the time of the renewal.

Total operating lease costs were \$6.5 million and \$5.7 million for the years ended December 31, 2025 and 2024, respectively. The variable lease costs were \$492,000 and \$366,000 for the years ended December 31, 2025 and 2024, respectively.

The following is a schedule of the Company's operating lease liabilities by contractual maturity as of December 31, 2025:

| (In thousands) | | |
|---------------------------------------|----|--------|
| 2026 | \$ | 6,791 |
| 2027 | | 6,314 |
| 2028 | | 6,146 |
| 2029 | | 5,846 |
| 2030 | | 5,925 |
| Thereafter | | 21,235 |
| Total lease payments | | 52,257 |
| Less: imputed interest | | 8,963 |
| Total present value of lease payments | \$ | 43,294 |

The following table shows the supplemental cash flow information related to the Company's direct finance and operating leases for the years ended December 31:

| (In thousands) | 2025 | | 2024 | |
|--------------------------------------------------------------|-------------|-------|-------------|--------|
| Right-of-use asset obtained in exchange for lease obligation | \$ | 4,320 | \$ | 32,302 |
| Operating cash flows from operating leases | | 6,421 | | 4,607 |
| Operating cash flows from direct finance leases | | 53 | | 89 |
| Financing cash flows from direct finance leases | | 141 | | 343 |

16. REGULATORY CAPITAL

Banks and bank holding companies are subject to regulatory capital requirements administered by federal banking agencies. Capital adequacy guidelines and, additionally for banks, prompt corrective action regulations, involve quantitative measures of assets, liabilities, and certain off-balance-sheet items calculated under regulatory accounting practices. Capital amounts and classifications are also subject to qualitative judgments by regulators. Failure to meet minimum capital requirements can initiate certain mandatory – and possibly additional discretionary – actions by regulators that, if undertaken, could have a direct material effect on the Company’s and the Bank’s financial statements and results of operations. The final rules implementing Basel Committee on Banking Supervision’s capital guidelines for U.S. banks (Basel III rules) became effective for the Company on January 1, 2015, with full compliance of all the requirements being fully phased in on January 1, 2019. The Company has chosen to exclude net unrealized gain or loss on available for sale securities in computing regulatory capital. Management believes that as of December 31, 2025, the Company and the Bank meet all capital adequacy requirements to which they were subject at that date.

Prompt corrective action regulations provide five classifications: well capitalized, adequately capitalized, undercapitalized, significantly undercapitalized, and critically undercapitalized, although these terms are not used to represent overall financial condition. If adequately capitalized, regulatory approval is required to accept brokered deposits. If undercapitalized, capital distributions are limited, as is asset growth and expansion, and capital restoration plans are required. At December 31, 2025 and 2024, the most recent regulatory notifications categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. There are no conditions or events since that notification that management believes have changed the institution’s category.

To be categorized as well capitalized, the Bank must maintain minimum total risk-based, Tier I risk-based, common equity Tier 1 and Tier I leverage ratios as set forth in the table.

The Bank’s regulatory capital amounts and ratios are presented in the following table:

| (Dollars in thousands) | Actual | | To Be Well Capitalized Under Prompt Corrective Action Provisions | | For Capital Adequacy Purposes | | For Capital Adequacy Purposes Including Capital Conservation Buffer (A) | |
|------------------------------------------------|------------|--------|------------------------------------------------------------------|--------|-------------------------------|-------|-------------------------------------------------------------------------|--------|
| | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio |
| As of December 31, 2025: | | | | | | | | |
| Total capital (to risk-weighted assets) | \$ 807,580 | 12.64% | \$ 638,896 | 10.00% | \$ 511,117 | 8.00% | \$ 670,841 | 10.50% |
| Tier I capital (to risk-weighted assets) | 735,931 | 11.52 | 511,117 | 8.00 | 383,338 | 6.00 | 543,062 | 8.50 |
| Common equity tier I (to risk-weighted assets) | 735,872 | 11.52 | 415,282 | 6.50 | 287,503 | 4.50 | 447,227 | 7.00 |
| Tier I capital (to average assets) | 735,931 | 9.89 | 372,195 | 5.00 | 297,756 | 4.00 | 297,756 | 4.00 |
| As of December 31, 2024: | | | | | | | | |
| Total capital (to risk-weighted assets) | \$ 801,365 | 14.75% | \$ 543,234 | 10.00% | \$ 434,587 | 8.00% | \$ 570,396 | 10.50% |
| Tier I capital (to risk-weighted assets) | 733,389 | 13.50 | 434,587 | 8.00 | 325,940 | 6.00 | 461,749 | 8.50 |
| Common equity tier I (to risk-weighted assets) | 733,383 | 13.50 | 353,102 | 6.50 | 244,455 | 4.50 | 380,264 | 7.00 |
| Tier I capital (to average assets) | 733,389 | 10.57 | 347,006 | 5.00 | 277,605 | 4.00 | 277,605 | 4.00 |

(A) See footnote on following table.

The Company's regulatory capital amounts and ratios are presented in the following table:

| (Dollars in thousands) | Actual | | To Be Well Capitalized Under Prompt Corrective Action Provisions | | For Capital Adequacy Purposes | | For Capital Adequacy Purposes Including Capital Conservation Buffer (A) | |
|------------------------------------------------|------------|--------|------------------------------------------------------------------|-------|-------------------------------|-------|-------------------------------------------------------------------------|--------|
| | Amount | Ratio | Amount | Ratio | Amount | Ratio | Amount | Ratio |
| As of December 31, 2025: | | | | | | | | |
| Total capital (to risk-weighted assets) | \$ 811,375 | 12.68% | N/A | N/A | \$ 511,816 | 8.00% | \$ 671,759 | 10.50% |
| Tier I capital (to risk-weighted assets) | 660,696 | 10.33 | N/A | N/A | 383,862 | 6.00 | 543,805 | 8.50 |
| Common equity tier I (to risk-weighted assets) | 660,637 | 10.33 | N/A | N/A | 287,897 | 4.50 | 447,839 | 7.00 |
| Tier I capital (to average assets) | 660,696 | 8.87 | N/A | N/A | 298,086 | 4.00 | 298,086 | 4.00 |
| As of December 31, 2024: | | | | | | | | |
| Total capital (to risk-weighted assets) | \$ 806,404 | 14.84% | N/A | N/A | \$ 434,830 | 8.00% | \$ 570,715 | 10.50% |
| Tier I capital (to risk-weighted assets) | 625,830 | 11.51 | N/A | N/A | 326,123 | 6.00 | 462,007 | 8.50 |
| Common equity tier I (to risk-weighted assets) | 625,824 | 11.51 | N/A | N/A | 244,592 | 4.50 | 380,477 | 7.00 |
| Tier I capital (to average assets) | 625,830 | 9.01 | N/A | N/A | 277,710 | 4.00 | 277,710 | 4.00 |

(A) The Basel Rules require the Company and the Bank to maintain a 2.5 percent "capital conservation buffer" on top of the minimum risk-weighted asset ratios. The capital conservation buffer is designed to absorb losses during periods of economic stress. Banking institutions with a ratio of (i) CET1 to risk-weighted assets, (ii) Tier 1 capital to risk-weighted assets or (iii) total capital to risk-weighted assets above the respective minimum but below the capital conservation buffer face constraints on dividends, stock repurchases and discretionary bonus payments to executive officers based on the amount of the shortfall.

17. DERIVATIVES

The Company utilizes interest rate swap agreements as part of its asset liability management strategy to help manage its interest rate risk position. The notional amount of the interest rate swaps does not represent amounts exchanged by the parties. The amount exchanged is determined by reference to the notional amount and the other terms of the individual interest rate swap agreements.

Interest Rate Swaps Designated as Cash Flow Hedges: Interest rate swaps with a notional amount of \$305.0 million as of December 31, 2025 and \$360.0 million as of December 31, 2024 were designated as cash flow hedges of certain interest-bearing deposits. On a quarterly basis, the Company performs a qualitative hedge effectiveness assessment. This assessment takes into consideration any adverse developments related to the counterparty's risk of default and any negative events or circumstances that affect the factors that originally enabled the Company to assess that it could reasonably support, qualitatively, an expectation that the hedging relationship was and will continue to be highly effective. As of December 31, 2025, there were no events or market conditions that would result in hedge ineffectiveness. The aggregate fair value of the swaps is recorded in other assets/liabilities with changes in fair value recorded in other comprehensive income. The amount included in accumulated other comprehensive income would be reclassified to current earnings should the hedges no longer be considered effective. The Company expects the hedges to remain fully effective during the remaining terms of the swaps.

The following tables present information about the interest rate swaps designated as cash flow hedges as of December 31, 2025 and December 31, 2024:

| (Dollars in thousands) | 2025 | 2024 |
|-------------------------------|------------|------------|
| Notional amount | \$ 305,000 | \$ 360,000 |
| Weighted average pay rate | 2.17% | 2.35% |
| Weighted average receive rate | 3.10% | 3.83% |
| Weighted average maturity | 1.39 | 2.08 years |
| Unrealized gain/(loss), net | \$ 2,429 | \$ 7,815 |
| Number of contracts | 12 | 14 |

| (In thousands) | 2025 | |
|----------------------------------------------------------|--------------------|---------------|
| | Notional Amount | Fair Value |
| Interest rate swaps related to interest-bearing deposits | \$ 305,000 | \$ 2,429 |
| Total included in other assets | 280,000 | \$ 2,441 |
| Total included in other liabilities | 25,000 | (12) |

| (In thousands) | 2024 | |
|----------------------------------------------------------|--------------------|---------------|
| | Notional Amount | Fair Value |
| Interest rate swaps related to interest-bearing deposits | \$ 360,000 | \$ 7,815 |
| Total included in other assets | 360,000 | 7,815 |
| Total included in other liabilities | — | — |

Cash Flow Hedges

The following table presents the net gains/(losses) recorded in accumulated other comprehensive income and the consolidated financial statements relating to the cash flow derivative instruments for the year ended December 31:

| (In thousands) | 2025 | 2024 |
|--------------------------------------------------------------------------|------------|----------|
| Interest rate contracts | | |
| Gain/(loss) recognized in other comprehensive income (effective portion) | \$ (5,386) | \$ 1,001 |

Net interest income recorded on these swap transactions totaled \$3.7 million and \$5.8 million for the years ended December 31, 2025 and 2024, respectively. Net interest income/expense for these swap transactions is reported as a component of interest expense.

Derivatives Not Designated as Accounting Hedges

The Company offers facility specific/loan level swaps to its customers and offsets its exposure from such contracts by entering mirror image swaps with a financial institution/swap counterparty (loan level/-back-to-back swap program). The customer accommodations and any offsetting swaps are treated as non-hedging derivative instruments which do not qualify for hedge accounting (“standalone derivatives”). The notional amount of the swaps does not represent amounts exchanged by the parties. The amount exchanged is determined by reference to the notional amount and the other terms of the individual contracts. The fair value of the swaps is recorded as both an asset and a liability, in other assets and other liabilities, respectively, in equal amounts for these transactions.

The accrued interest receivable and payable related to these swaps of \$541,000 and \$849,000 at December 31, 2025 and December 31, 2024, respectively, is recorded in other assets and other liabilities.

Information about these swaps at December 31 is as follows:

| (Dollars in thousands) | 2025 | 2024 |
|--------------------------------|------------|-------------|
| Notional amount | \$ 429,286 | \$ 430,785 |
| Fair value | \$ (7,835) | \$ (21,426) |
| Weighted average pay rates | 4.12% | 3.95% |
| Weighted average receive rates | 5.37% | 6.25% |
| Weighted average maturity | 3.02 years | 3.65 years |
| Number of contracts | 53 | 55 |

18. SHAREHOLDERS' EQUITY

On January 26, 2023, the Company authorized a share repurchase program of up to 890,000 shares, or approximately 5 percent of its outstanding shares. The Company purchased 712,327 shares at an average price of \$25.37 for a total cost of \$18.1 million under this program, which expired on December 31, 2024. On January 30, 2025, the Company authorized a plan to repurchase up to 880,000 shares, which was approximately 5 percent of the outstanding shares as of that date, through December 31, 2026. During the year ended December 31, 2025, the Company purchased 200,000 shares at an average price of \$27.22 for a total cost of \$5.4 million. During the year ended December 31, 2024, the Company purchased 300,000 shares at an average price of \$23.96 for a total cost of \$7.2 million.

The Dividend Reinvestment Plan of the Company (the "Reinvestment Plan") allows shareholders of the Company to purchase additional shares of common stock using cash dividends without payment of any brokerage commissions or other charges. Shareholders may also make voluntary cash payments of up to \$200,000 per quarter to purchase additional shares of common stock. Voluntary share purchases in the Reinvestment Plan can be filled from the Company's authorized but unissued shares and/or in the open market, at the discretion of the Company. All shares purchased during 2025 and 2024 were purchased in the open market.

19. BUSINESS SEGMENTS

The Company has two reportable segments as determined by the Chief Financial Officer, who is the designated CODM, based upon information provided about the Company's products and services offered, primarily distinguished between banking and wealth management services provided by the Bank's wealth management division. They are also distinguished by the level of information provided to the CODM, who uses such information to review performance of various components of the business. The CODM evaluates the financial performance of the Company's business segments such as by evaluating revenue streams, significant expenses, and budget to actual results in assessing the performance of the Company's segments and in the determination of allocating resources. The CODM uses revenue streams to evaluate product pricing and significant expense to assess performance of each segment to evaluate compensation of certain employees. Segment pretax profit or loss is used to assess the performance of the banking segment by monitoring the margin between interest revenue and interest expense. Segment pretax profit or loss is used to assess the performance of the Wealth Management Division by monitoring wealth management fee income and AUM. Loans and investments primarily provide the revenues in the banking operation and wealth management fee income provide the revenues for the Wealth Management Division. Interest expense, provision for credit losses, payroll and premises and equipment provide the significant expenses in the banking segment, while payroll, occupancy, and trust expenses are the significant expenses in the Wealth Management Division. All operations are domestic.

Management uses certain methodologies to allocate income and expense to the business segments. A funds transfer pricing methodology is used to assign interest income and interest expense. Certain indirect expenses are allocated to segments. These include support unit expenses such as technology and operations and other support functions. Taxes are allocated to each segment based on the effective rate for the period shown.

Banking

The Banking segment includes: commercial (includes C&I and equipment finance), commercial real estate, multifamily, residential and consumer lending activities; treasury management services; C&I advisory services; escrow management; deposit generation; operation of ATMs; telephone and internet banking services; merchant credit card services and customer support and sales.

Wealth Management

The Wealth Management Division, which includes the operations of PGB Trust & Investments of Delaware, consists of: investment management services provided for individuals and institutions; personal trust services, including services as executor, trustee, administrator, custodian and guardian; and other financial planning, tax preparation and advisory services.

The following tables present the statements of income and total assets for the Company's reportable segments for the years ended December 31, 2025, 2024 and 2023:

| (In thousands) | Year Ended December 31, 2025 | | |
|----------------------------------|------------------------------|-------------------|--------------|
| | Banking | Wealth Management | Total |
| Net interest income | \$ 198,605 | \$ 2,305 | \$ 200,910 |
| Noninterest income | 18,255 | 63,830 | 82,085 |
| Total income | 216,860 | 66,135 | 282,995 |
| Provision for credit losses | 23,518 | — | 23,518 |
| Compensation and benefits | 118,338 | 27,154 | 145,492 |
| Premises and equipment expense | 19,733 | 2,765 | 22,498 |
| Depreciation expense | 3,653 | 462 | 4,115 |
| FDIC expense | 4,810 | — | 4,810 |
| Other noninterest expense | 21,632 | 8,621 | 30,253 |
| Total noninterest expense | 191,684 | 39,002 | 230,686 |
| Income before income tax expense | 25,176 | 27,133 | 52,309 |
| Income tax expense | 7,212 | 7,771 | 14,983 |
| Net income | \$ 17,964 | \$ 19,362 | \$ 37,326 |
| Total assets at period end | \$ 7,397,173 | \$ 129,236 | \$ 7,526,409 |

| (In thousands) | Year Ended December 31, 2024 | | |
|----------------------------------|------------------------------|-------------------|--------------|
| | Banking | Wealth Management | Total |
| Net interest income | \$ 146,589 | \$ 2,417 | \$ 149,006 |
| Noninterest income | 16,880 | 62,242 | 79,122 |
| Total income | 163,469 | 64,659 | 228,128 |
| Provision for credit losses | 7,500 | — | 7,500 |
| Compensation and benefits | 92,466 | 29,859 | 122,325 |
| Premises and equipment expense | 16,357 | 2,589 | 18,946 |
| Depreciation expense | 3,007 | 532 | 3,539 |
| FDIC expense | 3,510 | — | 3,510 |
| Other noninterest expense | 18,907 | 8,449 | 27,356 |
| Total noninterest expense | 141,747 | 41,429 | 183,176 |
| Income before income tax expense | 21,722 | 23,230 | 44,952 |
| Income tax expense | 5,782 | 6,182 | 11,964 |
| Net income | \$ 15,940 | \$ 17,048 | \$ 32,988 |
| Total assets at period end | \$ 6,873,997 | \$ 137,241 | \$ 7,011,238 |

| (In thousands) | Year Ended December 31, 2023 | | |
|----------------------------------|------------------------------|-------------------|--------------|
| | Banking | Wealth Management | Total |
| Net interest income | \$ 151,974 | \$ 4,115 | \$ 156,089 |
| Noninterest income | 16,653 | 56,925 | 73,578 |
| Total income | 168,627 | 61,040 | 229,667 |
| Provision for credit losses | 14,091 | — | 14,091 |
| Compensation and benefits | 71,099 | 29,425 | 100,524 |
| Premises and equipment expense | 13,550 | 2,495 | 16,045 |
| Depreciation expense | 3,124 | 564 | 3,688 |
| FDIC expense | 2,946 | — | 2,946 |
| Other noninterest expense | 16,275 | 8,817 | 25,092 |
| Total noninterest expense | 121,085 | 41,301 | 162,386 |
| Income before income tax expense | 47,542 | 19,739 | 67,281 |
| Income tax expense | 13,018 | 5,409 | 18,427 |
| Net income | \$ 34,524 | \$ 14,330 | \$ 48,854 |
| Total assets at period end | \$ 6,357,980 | \$ 118,877 | \$ 6,476,857 |

20. SUBORDINATED DEBT

In December 2017, the Company issued \$35.0 million in aggregate principal amount of fixed-to-floating subordinated notes (the “2017 Notes”) to certain institutional investors. The 2017 Notes were non-callable for five years, had a stated maturity of December 15, 2027, and had a fixed interest rate of 4.75 percent per year until December 15, 2022. From December 16, 2022, to the maturity date or early redemption date, the interest rate reset quarterly to a level equal to the then current three-month LIBOR rate plus 254 basis points, payable quarterly in arrears (which was 7.75 percent at December 31, 2024). The Company fully redeemed these notes plus \$627,000 in unpaid interest on March 15, 2025. The remaining net issuance costs of \$259,000 were written-off during the quarter ended March 31, 2025.

In December 2020, the Company issued \$100.0 million in aggregate principal amount of fixed to floating subordinated notes (the “2020 Notes”) to certain institutional investors. The 2020 Notes are non-callable for five years, have a stated maturity of December 22, 2030, and had a fixed rate of 3.50 percent per year until December 22, 2025. From December 23, 2025, to the maturity date or early redemption date, the interest rate will reset quarterly to a level equal to the then current three-month SOFR plus 326 basis points, payable quarterly in arrears (which was 6.93 percent at December 31, 2025). Debt issuance costs incurred totaled \$1.9 million and are being amortized to maturity. The Company fully redeemed these notes, plus any accrued and unpaid interest on March 2, 2026.

Subordinated debt is presented net of issuance cost on the Consolidated Statements of Condition. The subordinated debt issuances are included in the Company’s regulatory total capital amount and ratio.

21. ACQUISITIONS

The Company did not complete any acquisitions in 2025 or 2024.

Goodwill on the Company’s consolidated statement of financial condition totaled \$36.2 million at December 31, 2025 and 2024. Of the \$36.2 million of goodwill, \$563,000 relates to the Banking segment and \$35.6 million relates to the Wealth Management segment.

The Company conducted its annual impairment analysis in the third quarter of 2025 and concluded that there was no impairment of goodwill.

The table below presents a roll forward of goodwill and intangible assets for the years ended December 31, 2025, 2024 and 2023:

| (In thousands) | Goodwill | Identifiable Intangible Assets |
|-----------------------------------------------|------------------|-----------------------------------|
| Balance as of January 1, 2023 | \$ 36,212 | \$ 11,121 |
| Amortization and impairment during the period | — | 1,319 |
| Balance as of December 31, 2023 | <u>\$ 36,212</u> | <u>\$ 9,802</u> |
| Amortization and impairment during the period | — | 1,088 |
| Balance as of December 31, 2024 | <u>\$ 36,212</u> | <u>\$ 8,714</u> |
| Amortization and impairment during the period | — | 1,087 |
| Balance as of December 31, 2025 | <u>\$ 36,212</u> | <u>\$ 7,627</u> |

Amortization expense related to identifiable intangible assets was \$1.1 million for 2025, \$1.1 million for 2024 and \$1.3 million for 2023.

Estimated amortization expense for each of the next five years is shown in the table below.

| (In thousands) | |
|----------------|--------|
| 2026 | \$ 959 |
| 2027 | 944 |
| 2028 | 944 |
| 2029 | 944 |
| 2030 | 870 |

22. ACCUMULATED OTHER COMPREHENSIVE INCOME/(LOSS)

The following is a summary of the accumulated other comprehensive income/(loss) balances, net of tax, for the years ended December 31, 2025, 2024 and 2023:

| (In thousands) | Balance at January 1, 2025 | Other Comprehensive Income/(Loss) Before Reclassifications | Amount Reclassified From Accumulated Other Comprehensive Income/(Loss) | Other Comprehensive Income/(Loss) Year Ended December 31, 2025 | Balance at December 31, 2025 |
|---------------------------------------------------------------------------------|----------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------|
| Net unrealized holding gain/(loss) on securities available for sale, net of tax | <u>\$ (72,148)</u> | <u>\$ 22,834</u> | <u>\$ (5)</u> | <u>\$ 22,829</u> | <u>\$ (49,319)</u> |
| Gain/(loss) on cash flow hedges | <u>5,737</u> | <u>(3,979)</u> | <u>—</u> | <u>(3,979)</u> | <u>1,758</u> |
| Accumulated other comprehensive gain/(loss), net of tax | <u>\$ (66,411)</u> | <u>\$ 18,855</u> | <u>\$ (5)</u> | <u>\$ 18,850</u> | <u>\$ (47,561)</u> |

| (In thousands) | Balance at January 1, 2024 | Other Comprehensive Income/(Loss) Before Reclassifications | Amount Reclassified From Accumulated Other Comprehensive Income/(Loss) | Other Comprehensive Income/(Loss) Year Ended December 31, 2024 | Balance at December 31, 2024 |
|---------------------------------------------------------------------------------|----------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------|
| Net unrealized holding gain/(loss) on securities available for sale, net of tax | \$ (69,809) | \$ (2,339) | \$ — | \$ (2,339) | \$ (72,148) |
| Gain/(loss) on cash flow hedges | 4,931 | 806 | — | 806 | 5,737 |
| Accumulated other comprehensive gain/(loss), net of tax | \$ (64,878) | \$ (1,533) | \$ — | \$ (1,533) | \$ (66,411) |

| (In thousands) | Balance at January 1, 2023 | Other Comprehensive Income/(Loss) Before Reclassifications | Amount Reclassified From Accumulated Other Comprehensive Income/(Loss) | Other Comprehensive Income/(Loss) Year Ended December 31, 2023 | Balance at December 31, 2023 |
|---------------------------------------------------------------------------------|----------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|------------------------------------|
| Net unrealized holding gain/(loss) on securities available for sale, net of tax | \$ (80,972) | \$ 11,163 | \$ — | \$ 11,163 | \$ (69,809) |
| Gain/(loss) on cash flow hedges | 6,761 | (1,770) | (60) | (1,830) | 4,931 |
| Accumulated other comprehensive gain/(loss), net of tax | \$ (74,211) | \$ 9,393 | \$ (60) | \$ 9,333 | \$ (64,878) |

The following represents the reclassifications out of accumulated other comprehensive income/(loss) for the years ended December 31, 2025, 2024 and 2023:

| (In thousands) | Years Ended December 31, | | | Affected Line Item in Statements of Income |
|----------------------------------------------------------------|-----------------------------|------|---------|-----------------------------------------------|
| | 2025 | 2024 | 2023 | |
| Unrealized gain/(losses) on securities available for sale: | | | | |
| Reclassification adjustment for amounts included in net income | \$ (7) | \$ — | \$ — | Securities losses, net |
| Tax effect | 2 | — | — | Income tax expense |
| Total reclassifications, net of tax | \$ (5) | \$ — | \$ — | |
| Unrealized gain/(losses) on cash flow hedge derivatives: | | | | |
| Reclassification adjustment for amounts included in net income | \$ — | \$ — | \$ (84) | Interest expense/other income |
| Tax effect | — | — | 24 | Income tax expense |
| Total reclassifications, net of tax | \$ — | \$ — | \$ (60) | |

23. CONDENSED FINANCIAL STATEMENTS OF PEAPACK-GLADSTONE FINANCIAL CORPORATION (PARENT COMPANY ONLY)

STATEMENTS OF CONDITION

| (In thousands) | December 31, | |
|---------------------------------------------------|-------------------|-------------------|
| | 2025 | 2024 |
| Assets | | |
| Cash | \$ 15,626 | \$ 19,901 |
| Interest-earning deposits | 243 | 240 |
| Total cash and cash equivalents | 15,869 | 20,141 |
| Investment in subsidiary | 733,499 | 713,408 |
| Other assets | 8,521 | 6,696 |
| Total assets | \$ 757,889 | \$ 740,245 |
| Liabilities | | |
| Subordinated debt | \$ 99,030 | \$ 133,561 |
| Other liabilities | 653 | 835 |
| Total liabilities | 99,683 | 134,396 |
| Shareholders' equity | | |
| Common stock | 18,096 | 17,953 |
| Surplus | 353,267 | 348,264 |
| Treasury stock | (122,953) | (117,509) |
| Retained earnings | 457,357 | 423,552 |
| Accumulated other comprehensive loss | (47,561) | (66,411) |
| Total shareholders' equity | 658,206 | 605,849 |
| Total liabilities and shareholders' equity | \$ 757,889 | \$ 740,245 |

STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

| (In thousands) | Years Ended December 31, | | |
|-------------------------------------------------------------------------------|--------------------------|------------------|------------------|
| | 2025 | 2024 | 2023 |
| Income | | | |
| Dividend from Bank | \$ 45,600 | \$ 16,000 | \$ 37,415 |
| Other income | 4 | 47 | 10 |
| Total income | 45,604 | 16,047 | 37,425 |
| Expenses | | | |
| Interest expense | 4,210 | 6,644 | 6,651 |
| Other expenses | 1,667 | 1,314 | 1,481 |
| Total expenses | 5,877 | 7,958 | 8,132 |
| Income before income tax benefit and equity in undistributed earnings of Bank | 39,727 | 8,089 | 29,293 |
| Income tax benefit | (1,563) | (2,035) | (2,224) |
| Net income before equity in undistributed earnings of Bank | 41,290 | 10,124 | 31,517 |
| (Dividends in excess of earnings)/equity in undistributed earnings of Bank | (3,964) | 22,864 | 17,337 |
| Net income | \$ 37,326 | \$ 32,988 | \$ 48,854 |
| Other comprehensive income/(loss) | 18,850 | (1,533) | 9,333 |
| Comprehensive income | \$ 56,176 | \$ 31,455 | \$ 58,187 |

STATEMENTS OF CASH FLOWS

| (In thousands) | Years Ended December 31, | | |
|------------------------------------------------------------------|--------------------------|------------------|------------------|
| | 2025 | 2024 | 2023 |
| Cash flows from operating activities: | | | |
| Net income | \$ 37,326 | \$ 32,988 | \$ 48,854 |
| Dividends in excess of earnings/(undistributed earnings of Bank) | 3,964 | (22,864) | (17,337) |
| Amortization of subordinated debt costs | 469 | 287 | 287 |
| Increase in other assets | (1,825) | (2,198) | (2,142) |
| (Decrease)/(increase) in other liabilities | (241) | 54 | 451 |
| Net cash provided by operating activities | <u>39,693</u> | <u>8,267</u> | <u>30,113</u> |
| Cash flows from investing activities: | | | |
| Capital contribution to subsidiary | — | — | — |
| Net cash used in investing activities | <u>—</u> | <u>—</u> | <u>—</u> |
| Cash flows from financing activities: | | | |
| Cash dividends paid on common stock | (3,521) | (3,530) | (3,558) |
| Exercise of stock options, net of stock swaps | — | — | 42 |
| Repayments of subordinated debt | (35,000) | — | — |
| Purchase of treasury shares | (5,444) | (7,189) | (12,494) |
| Net cash used in financing activities | <u>(43,965)</u> | <u>(10,719)</u> | <u>(16,010)</u> |
| Net (decrease)/increase in cash and cash equivalents | (4,272) | (2,452) | 14,103 |
| Cash and cash equivalents at beginning of period | 20,141 | 22,593 | 8,490 |
| Cash and cash equivalents at end of period | <u>\$ 15,869</u> | <u>\$ 20,141</u> | <u>\$ 22,593</u> |

24. SUPPLEMENTAL DATA (unaudited)

The following tables set forth certain unaudited quarterly financial data for the periods indicated:

Selected 2025 Quarterly Data:

| (In thousands, except per share data) | March 31 | June 30 | September 30 | December 31 |
|---------------------------------------------|-----------------|-----------------|-----------------|------------------|
| Interest income | \$ 86,345 | \$ 89,651 | \$ 92,545 | \$ 93,984 |
| Interest expense | 40,840 | 41,361 | 41,972 | 37,442 |
| Net interest income | 45,505 | 48,290 | 50,573 | 56,542 |
| Provision for credit losses | 4,471 | 6,586 | 4,790 | 7,671 |
| Wealth management fee income | 15,435 | 15,943 | 15,798 | 16,064 |
| Fair value adjustment for equity securities | 195 | 42 | 125 | 56 |
| Other income | 3,224 | 5,466 | 4,198 | 5,539 |
| Operating expenses | 49,440 | 51,893 | 52,297 | 53,538 |
| Income before income tax expense | 10,448 | 11,262 | 13,607 | 16,992 |
| Income tax expense | 2,853 | 3,321 | 3,976 | 4,833 |
| Net income | <u>\$ 7,595</u> | <u>\$ 7,941</u> | <u>\$ 9,631</u> | <u>\$ 12,159</u> |
| Earnings per share-basic | \$ 0.43 | \$ 0.45 | \$ 0.55 | \$ 0.69 |
| Earnings per share-diluted | 0.43 | 0.45 | 0.54 | 0.69 |

Selected 2024 Quarterly Data:

(In thousands, except per share data)

| | March 31 | June 30 | September 30 | December 31 |
|---------------------------------------------|-----------|-----------|--------------|-------------|
| Interest income | \$ 79,194 | \$ 79,238 | \$ 83,203 | \$ 86,166 |
| Interest expense | 44,819 | 44,196 | 45,522 | 44,258 |
| Net interest income | 34,375 | 35,042 | 37,681 | 41,908 |
| Provision for credit losses | 627 | 3,911 | 1,224 | 1,738 |
| Wealth management fee income | 14,407 | 16,419 | 15,150 | 15,482 |
| Fair value adjustment for equity securities | (111) | (84) | 474 | 549 |
| Other income | 4,405 | 5,220 | 3,314 | 3,897 |
| Operating expenses | 40,041 | 43,126 | 44,649 | 47,860 |
| Income before income tax expense | 12,408 | 9,560 | 10,746 | 12,238 |
| Income tax expense | 3,777 | 2,030 | 3,159 | 2,998 |
| Net income | \$ 8,631 | \$ 7,530 | \$ 7,587 | \$ 9,240 |
| Earnings per share-basic | \$ 0.49 | \$ 0.42 | \$ 0.43 | \$ 0.53 |
| Earnings per share-diluted | 0.48 | 0.42 | 0.43 | 0.52 |

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

Item 9A. CONTROLS AND PROCEDURES

Management's Evaluation of Disclosure Controls and Procedures

The Company maintains "disclosure controls and procedures" which, consistent with Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is defined to mean controls and other procedures that are designed to ensure that information required to be disclosed in the reports that the Company files or submits under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and to ensure that such information is accumulated and communicated to the Company's Management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

The Company's Management, with the participation of its Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures are effective as of the end of the period covered by this Annual Report on Form 10-K.

The Company's Management, including the Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all error and all fraud. A control system, no matter how well conceived and operated, provides reasonable, not absolute, assurance that the objectives of the control system are met. The design of a control system reflects resource constraints; the benefits of controls must be considered relative to their costs. Because there are inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been or will be detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns occur because of simple error or mistake. Controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by Management override of the controls. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events. There can be no assurance that any design will succeed in achieving its stated goals under all future conditions; over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with the policies or procedures. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the quarter ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

The Company's Management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company's internal control over financial reporting is a process designed to provide reasonable assurance to the Company's Management and Board of Directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

As of December 31, 2025, Management assessed the effectiveness of the Company's internal control over financial reporting based on the criteria for effective internal control over financial reporting established in 2013 *Internal Control-Integrated Framework*, issued by COSO. Management's assessment included an evaluation of the design of the Company's internal control over financial reporting and testing of the operating effectiveness of its internal control over financial reporting. Management reviewed the results of its assessment with the Audit and Risk Committees.

Based on this assessment, Management determined that, as of December 31, 2025, the Company's internal control over financial reporting was effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

Report of the Independent Registered Public Accounting Firm

Crowe LLP, the independent registered public accounting firm that audited the Company's December 31, 2025 consolidated financial statements included in this Annual Report on Form 10-K, has issued an audit report expressing an opinion on the effectiveness of the Company's internal control over financial reporting as of December 31, 2025. The report is included in Item 8 under the heading "Report of Independent Registered Public Accounting Firm."

Item 9B. OTHER INFORMATION

Securities Trading Plans of Directors and Executive Officers

During the three months ended December 31, 2025, none of our directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of the Company's securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1 of the Securities Exchange Act of 1934.

Item 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information set forth under the captions “Proposal 1 – Election of Directors – Nominee for Election as Directors,” “Corporate Governance – Committee of the Board of Directors – Audit Committee,” “– Code of Business Conduct and Conflict of Interest Policy and Corporate Governance Principles,” “Insider Trading Policy and Arrangements” and “Delinquent Section 16(a) Reports” in the 2026 Proxy Statement is incorporated herein by reference.

A copy of the Code of Business Conduct and Conflict of Interest Policy is available to shareholders on the “Governance Documents” section of the Investors Relations section of the Company’s website at www.peapackprivate.com.

| Executive Officer | Age | Date Became an Executive Officer | Current Position and Business Experience |
|--------------------|-----|----------------------------------|------------------------------------------|
| Douglas L. Kennedy | 69 | 2012 | Chief Executive Officer |
| Frank A. Cavallaro | 57 | 2022 | Chief Financial Officer |
| John P. Babcock | 68 | 2014 | President of Private Wealth Management |
| Robert A. Plante | 66 | 2017 | Chief Operating Officer |
| Gregory M. Smith | 59 | 2019 | President of Commercial Banking |

Mr. Kennedy joined the Bank in 2012 as Chief Executive Officer. He is a career banker with over 46 years of commercial banking experience. Previously, Mr. Kennedy served as Executive Vice President and Market President at Capital One Bank/North Fork and held key executive level positions with Summit Bank and Bank of America/Fleet Bank. Mr. Kennedy has a Bachelor’s Degree in Economics and an M.B.A. from Sacred Heart University in Fairfield, Connecticut.

Mr. Cavallaro joined the Bank in 2022 as Chief Financial Officer of the Company. Mr. Cavallaro had previously served as Chief Financial Officer of Republic First Bancorp, Inc. since 2009. Mr. Cavallaro, served as a vice president in the finance department for Commerce Bank, N.A. and its successor TD Bank, N.A. from 1997 to 2009. Mr. Cavallaro, a certified public accountant, has more than twenty-seven years of experience in the financial services industry and, prior to that, three years of experience in public accounting with Ernst & Young LLP. Mr. Cavallaro has a Bachelor of Science Degree in Accounting from Rutgers University School of Business, Camden, New Jersey.

Mr. Babcock joined the Bank in 2014 as Senior Executive Vice President of the Bank and President of Private Wealth Management. Mr. Babcock has over 45 years of experience in commercial and wealth management/private bank businesses in New York City and regional markets through mergers, expansions, rapid growth and periods of significant organizational change. Prior to joining the Bank, Mr. Babcock was the managing director of the Northeast Mid-Atlantic region for the HSBC Private Bank. Mr. Babcock graduated from Tulane University’s A.B. Freeman School of Business and has an M.B.A. from Fairleigh Dickinson University. Mr. Babcock holds FINRA Series 7, 63 and 24 securities licenses.

Mr. Plante joined the Bank in 2017 as Chief Operating Officer. Mr. Plante previously served as Chief Operating Officer at Israel Discount Bank New York. Mr. Plante also served as Chief Information Officer at CIT Group and also held senior leadership positions at GE Capital Global Consumer Finance and with the Geary Corporation, a privately held IT consulting Company. Mr. Plante has a Bachelor of Science in Business Administration in Finance from the University of Vermont.

Mr. Smith joined the Bank in 2019 as Executive Vice President, Head of Commercial Banking. Mr. Smith was promoted to President of Commercial Banking in 2021 and oversees commercial banking across the organization including: C&I, commercial real estate and multifamily lending, equipment finance, investment banking and corporate advisory, the Bank’s platinum service team and professional services group, residential lending, the small business administration team, and treasury management and escrow services. Prior to joining the Bank, Mr. Smith served as group sales executive for the Northeast and Mid-Atlantic regions for Capital One Bank and was also a senior regional vice president for Summit Bank. Mr. Smith has a Bachelor of Science in Finance from Fairleigh Dickinson University and an M.B.A in Business Administration from Rider University.

Item 11. EXECUTIVE COMPENSATION

The information set forth under the captions “Executive Compensation,” “Director Compensation,” “Compensation Discussion and Analysis,” and “Compensation Committee Report” in the 2026 Proxy Statement is incorporated herein by reference.

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information set forth under the caption "Beneficial Ownership of Common Stock" is incorporated herein by reference.

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information set forth under the captions "Transactions with Related Persons" and "Corporate Governance – Director Independence" in the 2026 Proxy Statement is incorporated herein by reference.

Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information set forth under the captions "Proposal 3 – Ratification of the Appointment of the Independent Registered Public Accounting Firm" and "– Audit Committee Pre-Approval Procedures" in the 2026 Proxy Statement is incorporated herein by reference.

PART IV

Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements and Schedules:

- (1) Consolidated Financial Statements of Peapack-Gladstone Financial Corporation.
Report of Independent Registered Public Accounting Firm.
Consolidated Statements of Condition as of December 31, 2025 and 2024.
Consolidated Statements of Income for the years ended December 31, 2025, 2024 and 2023.
Consolidated Statements of Comprehensive Income for the years ended December 31, 2025, 2024 and 2023.
Consolidated Statements of Changes in Shareholders' Equity for the years ended December 31, 2025, 2024 and 2023.
Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023.
Notes to Consolidated Financial Statements.

The Consolidated Financial Statements of Peapack-Gladstone Financial Corporation as set forth in Item 8 of Part II of this Form 10-K for the year ended December 31, 2025 are incorporated by reference herein.

All financial statement schedules are omitted because they are either inapplicable or not required, or because the required information is included in the Consolidated Financial Statements or notes thereto contained in this 2025 Annual Report.

(b) Exhibits

(3) Articles of Incorporation and By-Laws:

- A. [Certificate of Incorporation as incorporated herein by reference to Exhibit 3 of the Registrant's Form 10-Q Quarterly Report filed on November 9, 2009 \(SEC File No. 001-16197\).](#)
- B. [Certificate of Amendment to the Certificate of Incorporation](#)
- C. [By-Laws of the Registrant as in effect on the date of this filing are incorporated herein by reference to Exhibit 3.2 of the Registrant's Form 8-K Current Report filed on March 23, 2023.](#)

(4) Instruments Defining the Rights of Security Holders

- A. [Indenture, dated as of December 22, 2020, by and between Peapack-Gladstone Financial Corporation and UMB Bank, National Association, as trustee is incorporated by reference to Exhibit 4.1 of the Registrant's Form 8-K Current Report filed on December 23, 2020 \(SEC File No. 001-16197\).](#)
- B. [Form of Subordinated Note Purchase Agreement, dated as of December 22, 2020, by and between Peapack-Gladstone Financial Corporation and the several Purchasers is incorporated by reference to Exhibit 10.1 of the Registrant's Form 8-K Current Report filed on December 23, 2020 \(SEC File No. 001-16197\).](#)
- C. [Description of Registrant's Securities incorporated by reference to Exhibit 4.E. of the Registrant's Form 10-K Annual Report for the year ended December 31, 2019.](#)

(10) Material Contracts:

- A. ["Directors' Retirement Plan" dated as of March 31, 2001, incorporated by reference to Exhibit 10\(J\) of the Registrant's Form 10-K Annual Report for the year ended December 31, 2003 \(SEC File No. 001-16197\). +](#)
- B. ["Directors' Deferral Plan" dated as of March 31, 2001, incorporated by reference to Exhibit 10\(K\) of the Registrant's Form 10-K Annual Report for the year ended December 31, 2003 \(SEC File No. 001-16197\). +](#)
- C. [Form of Employment Agreement, dated as of August 5, 2021, by and among the Company, the Bank and each of Douglas L. Kennedy, John P. Babcock and Gregory M. Smith incorporated by reference into Exhibit 10.2 of the Registrant's Form 10-Q Quarterly Report filed on August 9, 2021. +](#)

- D. [Change in Control Agreement, dated as of August 5, 2021, by and among the Company, the Bank and Robert A. Plante incorporated by reference into Exhibit 10.3 of the Registrant's Form 10-Q Quarterly Report filed on August 9, 2021. +](#)
- E. [Amended and Restated Deferred Compensation Retention Award Plan dated August 4, 2017, by and between Peapack-Gladstone Bank and Douglas L. Kennedy, incorporated by reference to Exhibit 10\(A\) from the Registrant's Form 10-Q Quarterly Report for the quarter ended September 30, 2017. +](#)
- F. [Amended and Restated Deferred Compensation Retention Award Plan dated August 4, 2017, by and between Peapack-Gladstone Bank and John P. Babcock, incorporated by reference to Exhibit 10\(C\) from the Registrant's Form 10-Q Quarterly Report for the quarter ended September 30, 2017. +](#)
- G. [Peapack-Gladstone Financial Corporation 2021 Long-Term Incentive Plan, incorporated herein by reference to Exhibit A to the Registrant's Definitive Proxy Statement for its 2023 Annual Meeting of Stockholders filed on March 17, 2023. +](#)
- H. [Form of Time-Based Restricted Stock Unit Agreement under the Peapack-Gladstone Financial Corporation 2021 Long-Term Incentive Plan, incorporated herein by reference to Exhibit 10.2 to the Registrant's Registration Statement on Form S-8 filed on July 1, 2021. +](#)
- I. [Employment Agreement, dated as of October 31, 2022, by and among Peapack-Gladstone Financial Corporation, Peapack-Gladstone Bank and Frank A. Cavallaro, incorporated by reference herein to Exhibit 10.1 to the Registrant's Form 8-K Current Report filed on October 31, 2022. +](#)
- J. [Retirement Transition Agreement for Robert A. Plante, incorporated by reference to Exhibit 10.1 to the Registrant's Form 8-K Current Report filed on March 28, 2023. +](#)
- K. [Peapack-Gladstone Financial Corporation 2024 Phantom Stock Plan, incorporated by reference into Exhibit 10.1 of the Registrant's Form 10-Q Quarterly Report filed on November 7, 2024.+](#)
- L. [Form of the Time-Based Phantom Stock Unit award Agreement under the Peapack-Gladstone Financial Corporation 2024 Phantom Stock Plan, incorporated by reference into Exhibit 10.2 of the Registrant's Form 10-Q Quarterly Report filed on November 7, 2024.+](#)
- M. [Form of Performance-Based Phantom Stock Unit Award Agreement under the Peapack-Gladstone Financial Corporation 2024 Phantom Stock Plan, incorporated by reference into Exhibit 10.3 of the Registrant's Form 10-Q Quarterly Report filed on November 7, 2024.+](#)
- N. [Amended and Restated Peapack-Gladstone Financial Corporation Restricted Stock Unit Deferred Compensation Plan, incorporated by reference into Exhibit 10.4 of the Registrant's Form 10-Q Quarterly Report filed on November 7, 2024.+](#)
- O. [Peapack-Gladstone Financial Corporation 2025 Long-Term Incentive Plan, incorporated by reference to Appendix A to the Registrant's proxy statement for the Annual Meeting of Shareholder filed with the Securities and Exchange Commission on March 20, 2025.+](#)
- P. [Special Executive Retention Performance Restricted Stock Unit Agreement for Douglas Kennedy, incorporated by reference to Exhibit 10.1 to the Registrant's Form 8-K Current Report filed on February 11, 2026.+](#)
- Q. [Special Executive Retention Performance Restricted Stock Unit Agreement for John Babcock, incorporated by reference to Exhibit 10.2 to the Registrant's Form 8-K Current Report filed on February 11, 2026.+](#)

(19) [Peapack-Gladstone Financial Corporation Insider Trading Policy, incorporated by reference to Exhibit 19 of the Registrant's Form 10-K Annual Report filed on March 12, 2025.](#)

(21) List of Subsidiaries:

(a) Subsidiaries of the Company:

| Name | Jurisdiction of Incorporation | Percentage of Voting Securities Owned by the Parent |
|------------------------|-------------------------------|-----------------------------------------------------|
| Peapack-Gladstone Bank | New Jersey | 100% |

(b) Subsidiaries of the Bank:

| Name | Jurisdiction of Incorporation | Percentage of Voting Securities Owned by the Parent |
|-------------------------------------------------------|-------------------------------|-----------------------------------------------------|
| PGB Trust and Investments of Delaware | Delaware | 100% |
| Peapack-Gladstone Mortgage Group | New Jersey | 100% |
| Peapack Hudson Square, LLC | New Jersey | 100% |
| Peapack Residential Sterling Gardens, LLC | New Jersey | 100% |
| Peapack Sterling Gardens, LLC | New Jersey | 100% |
| Peapack Ventures, LLC | Delaware | 100% |
| Peapack-Gladstone Realty, Inc. | New Jersey | 100% |
| Peapack Capital Corporation | New Jersey | 100% |
| PGB Securities, LLC | New Jersey | 100% |
| Peapack-Gladstone Financial Services, Inc. (Inactive) | New Jersey | 100% |

(23.1) [Consent of Crowe LLP](#)

(24) [Power of Attorney](#)

(31.1) [Certification of Douglas L. Kennedy, Chief Executive Officer of Peapack-Gladstone, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)

(31.2) [Certification of Frank A. Cavallaro, Chief Financial Officer of Peapack-Gladstone, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)

(32) [Certification of Douglas L. Kennedy, Chief Executive Officer of Peapack-Gladstone and Frank A. Cavallaro, Chief Financial Officer of Peapack-Gladstone pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)

(97) [Peapack-Gladstone Financial Corporation Clawback Policy, incorporated by reference to Exhibit 97 of the Registrant's Form 10-K Annual Report filed on March 12, 2025.](#)

101.INS Inline XBRL Instance Document (The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document).

101.SCH Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents.

104 The cover page from Peapack-Gladstone's Annual Report on Form 10-K for the year ended December 31, 2024, formatted in Inline XBRL and is included in Exhibits 101.

+ Management contract and compensatory plan or arrangement.

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

By: Peapack-Gladstone Financial Corporation
/s/ Douglas L. Kennedy
Douglas L. Kennedy
President and Chief Executive Officer

Dated: March 11, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated.

| Signature | Title | Date |
|-----------------------------------------------------------|-------------------------------------------------------------|----------------|
| <u>/s/ Douglas L. Kennedy</u> Douglas L. Kennedy | President and Chief Executive Officer, and Director | March 11, 2026 |
| <u>/s Frank A. Cavallaro</u> Frank A. Cavallaro | Senior Executive Vice President and Chief Financial Officer | March 11, 2026 |
| <u>/s/ Francesco S. Rossi</u> Francesco S. Rossi | Senior Vice President and Chief Accounting Officer | March 11, 2026 |
| <u>/s/ F. Duffield Meyercord</u> F. Duffield Meyercord | Chairman of the Board | March 11, 2026 |
| <u>/s/ Carmen M. Bowser</u> Carmen M. Bowser | Director | March 11, 2026 |
| <u>/s/ Patrick M. Campion</u> Patrick M. Campion | Director | March 11, 2026 |
| <u>/s/ Susan A. Cole</u> Susan A. Cole | Director | March 11, 2026 |
| <u>/s/ Anthony J. Consi II</u> Anthony J. Consi II | Director | March 11, 2026 |
| <u>/s/ Richard Daingerfield</u> Richard Daingerfield | Director | March 11, 2026 |
| <u>/s/ Diane D'Erasmus</u> Diane D'Erasmus | Director | March 11, 2026 |
| <u>/s/ Edward A. Gramigna</u> Edward A. Gramigna | Director | March 11, 2026 |
| <u>/s/ Peter D. Horst</u> Peter D. Horst | Director | March 11, 2026 |
| <u>/s/ Steven A. Kass</u> Steven A. Kass | Director | March 11, 2026 |
| <u>/s/ Tony Spinelli</u> Tony Spinelli | Director | March 11, 2026 |
| <u>/s/ Ellen C. Walsh</u> Ellen C. Walsh | Director | March 11, 2026 |

New Jersey Division of Revenue & Enterprise Services
CERTIFICATE OF AMENDMENT TO THE CERTIFICATE OF INCORPORATION
(For Use by Domestic Profit Corporations)



Pursuant to the provisions of Section 14A:9-2 (4) and Section 14A:9-4 (3), Corporations, General, of the New Jersey Statutes, the undersigned corporation executes the following Certificate of Amendment to its Certificate of Incorporation:

1. The name of the corporation is:

Peapack-Gladstone Financial Corporation

2. The following amendment to the Certificate of Incorporation was approved by the directors and thereafter duly adopted by the shareholders of the corporation on the 9th day of May, 2018

Resolved, that Article III of the Certificate of Incorporation be amended to read as follows:

The total authorized capital stock of the Corporation shall be 42,500,000 shares, consisting of 42,000,000 shares of common stock and 500,000 shares of preferred stock which may be issued in one or more Classes or series. The shares of common stock shall constitute a single class and shall be without nominal or par value. The shares of preferred stock of each class or series shall be without nominal or par value, except that the amendment authorizing the Initial Issuance of any class of series, adopted by the Board of Directors as provided herein, may provide that shares of any class or series shall have a specified par value per share, in which event all of the shares of such class or series shall have the par value per share so specified.

3. The number of shares outstanding at the time of the adoption of the amendment was: 19,013,821

The total number of shares entitled to vote thereon was: 19,013,821

If the shares of any class or series of shares are entitled to vote thereon as a class, set forth below the designation and number of outstanding shares entitled to vote thereon of each such class or series, (Omit if not applicable).

4. The number of shares voting for and against such amendment is as follows: (If the shares of any class or series are entitled to vote as a class, set forth the number of shares of each such class and series voting for and against the amendment, respectively).

Table with 2 columns: Number of Shares Voting for Amendment, Number of Shares Voting Against Amendment. Values: 13,862,551 and 2,316,215.

5. If the amendment provides for an exchange, reclassification or cancellation of issued shares, set forth a statement of the manner in which the same shall be effected. (Omit if not applicable).

6. Other provisions: (Omit if not applicable).

Dated this 14th day of May, 2018

BY: /s/ Todd M Poland
(Name) Todd M Poland
EVP & General Counsel

May be executed by the Chairman of the Board, or the President, or a Vice President of the Corporation.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements No. 333-288422, 333-279821, 333-272544, 333-257594 on Form S-8, No. 333-280838 on Form S-3 and No. 333-226160 on Form S-3D of Peapack-Gladstone Financial Corporation of our report dated March 11, 2026, relating to the consolidated financial statements and the effectiveness of internal control over financial reporting, appearing in this Annual Report on Form 10-K.

/s/Crowe LLP

Crowe LLP

Livingston, New Jersey
March 11, 2026

POWER OF ATTORNEY

We, the undersigned directors and officers of Peapack-Gladstone Financial Corporation, hereby severally constitute and lawfully appoint Douglas L. Kennedy and Frank A. Cavallaro, and each of them singly, our true and lawful attorneys-in-fact with full power to them and each of them to sign for us, in our names in the capacities indicated below, the Annual Report on Form 10-K for the fiscal year ended December 31, 2025 of Peapack-Gladstone Financial Corporation and any and all amendments thereto, and to file the same with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

| Signature | Title | Date |
|-----------------------------------------------------------|-------------------------------------------------------------|----------------|
| <u>/s/ Douglas L. Kennedy</u> Douglas L. Kennedy | President and Chief Executive Officer, and Director | March 11, 2026 |
| <u>/s/ Frank A. Cavallaro</u> Frank A. Cavallaro | Senior Executive Vice President and Chief Financial Officer | March 11, 2026 |
| <u>/s/ Francesco S. Rossi</u> Francesco S. Rossi | Senior Vice President and Chief Accounting Officer | March 11, 2026 |
| <u>/s/ F. Duffield Meyercord</u> F. Duffield Meyercord | Chairman of the Board | March 11, 2026 |
| <u>/s/ Carmen M. Bowser</u> Carmen M. Bowser | Director | March 11, 2026 |
| <u>/s/ Patrick M. Campion</u> Patrick M. Campion | Director | March 11, 2026 |
| <u>/s/ Susan A. Cole</u> Susan A. Cole | Director | March 11, 2026 |
| <u>/s/ Anthony J. Consi II</u> Anthony J. Consi II | Director | March 16, 2026 |
| <u>/s/ Richard Daingerfield</u> Richard Daingerfield | Director | March 16, 2026 |
| <u>/s/ Diane D'Erasmus</u> Diane D'Erasmus | Director | March 11, 2026 |
| <u>/s/ Edward A. Gramigna</u> Edward A. Gramigna | Director | March 11, 2026 |
| <u>/s/ Peter D. Horst</u> Peter D. Horst | Director | March 11, 2026 |
| <u>/s/ Steven A. Kass</u> Steven A. Kass | Director | March 11, 2026 |
| <u>/s/ Tony Spinelli</u> Tony Spinelli | Director | March 11, 2026 |
| <u>/s/ Ellen C. Walsh</u> Ellen C. Walsh | Director | March 11, 2026 |

CERTIFICATIONS

I, Douglas L. Kennedy, certify that:

1. I have reviewed this annual report on Form 10-K of Peapack-Gladstone Financial Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves Management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 11, 2026

By: /s/Douglas L. Kennedy
Name: Douglas L. Kennedy
Title: President and Chief Executive Officer

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

In connection with the Annual Report on Form 10-K of Peapack-Gladstone Financial Corporation, (the “Company”) for the fiscal year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Douglas L. Kennedy, as Chief Executive Officer of the Company, and Frank A. Cavallaro, as Chief Financial Officer, each hereby certifies, pursuant to 18 U.S.C. (section) 1350, as adopted pursuant to (section) 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Douglas L. Kennedy

Name: Douglas L. Kennedy
Title: Chief Executive Officer
Date: March 11, 2026

/s/ Frank A. Cavallaro

Name: Frank A. Cavallaro
Title: Chief Financial Officer
Date: March 11, 2026
