CARVER BANCORP, INC.

Carver Bancorp, Inc. Announces Agreement with EJF Capital to Cancel Interest in Exchange for Shares of Common Stock

NEW YORK – August 3, 2026 – Carver Bancorp, Inc. ("Carver" or the "Company") (OTCQB: CARV), the holding company for Carver Federal Savings Bank (the "Bank"), today announced that it has entered into a second agreement with EJF Capital LP ("EJF"), whose affiliates hold the Company's Trust Preferred Securities (the "TruPS") and have agreed to cancel approximately $250,000 in interest obligations in exchange for 100,174 shares of Carver common stock (the "Exchange Agreement").

This Exchange Agreement follows the previously announced cancellation of more than $1 million in interest obligations by TruPS holder EJF.

Lewis P. Jones III, Chairman of the Board of Directors of Carver, said, "We welcome EJF's continued support and are gratified by the confidence demonstrated by EJF in our transformational strategy. That such a credible and experienced institutional investor in community banks has elected to exchange interest obligations for our common stock serves as confirmation of Carver's strong potential for sustainable value creation. Given the firm's substantial support and share ownership, Carver has also invited EJF to appoint a Board observer, and we are excited about having the benefit of this additional perspective as we continue our Board modernization initiatives."

"This Exchange Agreement is a meaningful validation of the powerful transformation underway at Carver," added Donald Felix, CEO of Carver. "EJF has now taken a second significant step in support of our strategic initiatives to strengthen the Company as we further execute on our plan to drive long-term growth and profitability. With the Exchange Agreement, we continue to advance in the right direction as we strengthen our capital position, remove additional debt overhang, and increase our financial flexibility. We appreciate EJF's confidence in our management team and its continued partnership as we work to fulfill Carver's mission to empower everyday New Yorkers to achieve their financial goals."

Jason Ruggiero, Co-Chief Investment Officer of EJF, stated, "We are pleased to work with Carver as it executes its transformation strategy. We believe a strengthened balance sheet will position Carver to successfully execute its strategy going forward."

Performance Trust Capital Partners, LLC served as financial advisor to the Company with respect to the Exchange.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities, nor shall it constitute an offer to sell, solicitation or sale of securities in any jurisdiction in which such an offer, solicitation or sale would be unlawful.

Forward-Looking Statements

This press release may contain certain "forward-looking statements" that represent the Company's current expectations or beliefs concerning future events. Forward-looking statements can be identified by the use of words such as "estimate," "project," "believe," "intend," "anticipate," "assume," "plan," "seek," "expect," "will," "may," "should," "indicate," "would," "believe," "contemplate," "continue," "target" and words of similar meaning. Forward-looking statements are, by their nature, subject to numerous risks and uncertainties. Certain factors that could cause actual results to differ materially from expected results include changes in general economic conditions, changes in the interest rate environment, changes in prevailing depository institution stock prices, the evolution of the depository institution merger market, changes to the Company's strategic plan, legislative and regulatory changes that adversely affect the business of the Company and its wholly-owned subsidiary, Carver Federal Savings Bank, and changes in the securities markets. Because of the risks and uncertainties inherent in forward-looking statements, readers are cautioned not to place undue reliance on them, whether included in this press release or made elsewhere from time to time by the Company or on its behalf. The Company disclaims any obligation to update such forward-looking statements.

About Carver Bancorp, Inc.

Carver Bancorp, Inc. (OTCQB: CARV) is the holding company for Carver Federal Savings Bank, a Harlem-based community bank committed to meeting the financial needs of everyday New Yorkers who are working hard to get ahead and supporting the vitality of the neighborhoods it serves by delivering accessible financial services to individuals and small- to mid-sized businesses. Through its online banking platform and physical branches, Carver serves customers across nine states, from Massachusetts to Virginia, including Washington, D.C.

Founded in 1948 to address barriers to financial access, Carver has a long-standing legacy of serving historically under-resourced communities. The U.S. Department of the Treasury has designated Carver as both a Community Development Financial Institution (CDFI) and a Minority Depository Institution (MDI) in recognition of its leadership in advancing financial inclusion and local economic empowerment.

For further information, please visit the Company's website at www.carverbank.com. Be sure to connect with Carver on Facebook, LinkedIn, and Instagram.

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