# Columbia Financial, Inc.
# Annual Meeting of Shareholders

June 5, 2025 | Thomas J. Kemly, President & CEO
| Dennis E. Gibney, Sr. EVP, CFO



# Safe Harbor Statement

This presentation contains forward-looking statements within the meaning of the private securities litigation reform act of 1995 regarding Columbia Financial Inc.'s expectations or predictions of future financial or business performance or conditions. Forward-looking statements are typically identified by words such as "believe", "expect", "anticipate", "intend", "target", "estimate", "continue", "positions", "prospects", or "potential", by future conditional verbs such as "will", "would", "should", "could", "may", or by variations of such words or by similar expressions. These forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and we assume no duty to update any forward-looking statements. Actual results may differ materially from current projections.

In addition, to factors previously disclosed in Columbia Financial's reports filed with the U.S. Securities and Exchange Commission and those identified elsewhere in this presentation, the following factors among others, could cause actual results to differ materially from forward-looking statements or historical performance: adverse conditions in the capital and debt markets and the impact of such conditions on the Company's business activities; changes in interest rates, higher inflation and their impact on national and local economic conditions; changes in monetary and fiscal policies of the U.S. Treasury, the Board of Governors of the Federal Reserve System and other governmental entities; the impact of tariffs, sanctions and other trade policies of the United States and its global trading counterparts; the impact of legal, judicial and regulatory proceedings or investigations; competitive pressures from other financial institutions; the effects of general economic conditions on a national basis or in the local markets in which the Company operates, including changes that adversely affect a borrowers' ability to service and repay the Company's loans; the effect of acts of terrorism, war or pandemics, including on our credit quality and business operations, as well as its impact on general economic and financial market conditions; changes in the value of securities in the Company's portfolio; changes in loan default and charge-off rates; fluctuations in real estate values; the adequacy of loan loss reserves; decreases in deposit levels necessitating increased borrowing to fund loans and securities; legislative changes and changes in government regulation; changes in accounting standards and practices; the risk that goodwill and intangibles recorded in the Company's consolidated financial statements will become impaired; cyber-attacks, computer viruses and other technological risks that may breach the security of our systems and allow unauthorized access to confidential information; the inability of third party service providers to perform; demand for loans in the Company's market area; the Company's ability to attract and maintain deposits and effectively manage liquidity; risks related to the implementation of acquisitions, dispositions, and restructurings; the successful implementation of our December 2024 balance sheet repositioning transaction; the risk that the Company may not be successful in the implementation of its business strategy, or its integration of acquired financial institutions and businesses, and changes in assumptions used in making such forward-looking statements which are subject to numerous risks and uncertainties, including but not limited to, those set forth in Item 1A of the Company's Annual Report on Form 10-K and those set forth in the Company's Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, all as filed with the U.S. Securities and Exchange Commission.

# Non-GAAP Financial Measures

This presentation contains financial information presented in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). This presentation also contains certain non-GAAP information that the Company's management uses in its analysis of the Company's financial results, including core net income, core return on average assets, core return on average tangible stockholders' equity, and core efficiency ratio. Specifically, the Company provides measures based on what it believes are its operating earnings on a consistent basis and excludes material non-routine operating items which affect the GAAP reporting of results of operations. The Company's management believes that providing this information to analysts and investors allows them to better understand and evaluate the Company's core financial results for the periods presented. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names.

The Company also provides measurements and ratios based on tangible stockholders' equity. These measures are commonly utilized by regulators and market analysts to evaluate the Company's financial condition and, therefore, the Company's management believes that such information is useful to investors.

A reconciliation of the non-GAAP financial measures used in this presentation to the most directly comparable GAAP measures is provided in the appendix to this presentation.

# 2024 Year In Review

- Executed a balance sheet repositioning transaction in order to improve earnings in future years and expand net interest margin.
  - The Company sold $321 million of  debt securities held available for sale at a loss and reinvested the proceeds in higher yielding loans and securities and prepaid high cost borrowings.
  - Earnings were impacted by the repositioning transaction, as the Company reported a net loss of $11.7 million, or loss on earnings per basic and diluted share of $0.11.
- Generated core net income of $23.2 million[(1)].
- Realized core return on average assets[(1)] and core return on average tangible equity[(1)] of 0.22% and 2.14%, respectively.
- Increased tangible book value per share to $9.17 at December 31, 2024.
- Achieved deposit growth of 3.2% to $8.1 billion.
- Maintained strong asset quality – nonperforming assets to total assets was 0.22% at December 31, 2024.
- Stabilized net interest margin as funding cost pressures moderated.
- Maintained strong capital with a Common Tier 1 risk-based capital ratio of 13.31%.
- Repurchased 356,116 shares of our common stock for $5.9 million.

[(1)] Represents a Non-GAAP financial measure.
See the appendix for the reconciliation of GAAP to Non-GAAP financial measures.

# March 31, 2025 Update

- Reported net income of $8.9 million, or $0.09 per basic and diluted share.
- Improved core return on average assets[(1)] and core return on average tangible equity[(1)] to 0.35% and 3.78%, respectively.
- Increased tangible book value per share to $9.35 at March 31, 2025.
- Continued our strategy to grow a strong, conservative balance sheet.
  - Asset growth of 1.3% to $10.6 billion.
  - Loans receivable growth of 1.4% to $8.0 billion.
  - Deposit growth of 1.2% to $8.2 billion.
- Maintained strong asset quality – nonperforming assets to total assets was 0.25% at March 31, 2025.
- Increased net interest margin 36 basis points to 2.11% for the quarter ended March 31, 2025 compared to 1.75% for the quarter ended March 31, 2024.
- Continued to maintain prudent expense discipline.
- Redesigned and modernized Columbia Bank's website.

[(1)] Represents a Non-GAAP financial measure.
See the appendix for the reconciliation of GAAP to Non-GAAP financial measures.

# Consolidated Statements of Financial Condition

| Description | 3/31/2025 | 12/31/2024 | 12/31/2023 | 12/31/2022 | 12/31/2021 |
|---|---|---|---|---|---|
| | | | (In thousands) | | |
| Total Assets | $ 10,607,850 | $ 10,475,493 | $ 10,645,568 | $ 10,408,169 | $ 9,224,097 |
| Total cash and cash equivalents | 256,089 | 289,223 | 423,249 | 179,229 | 70,963 |
| Debt securities available for sale, at fair value | 1,077,331 | 1,025,946 | 1,093,557 | 1,328,634 | 1,703,847 |
| Debt securities held to maturity, at amortized cost | 400,975 | 392,840 | 401,154 | 421,523 | 429,734 |
| Loans receivable, net | 7,965,274 | 7,856,970 | 7,819,441 | 7,624,761 | 6,297,912 |
| Deposits | 8,194,935 | 8,096,149 | 7,846,556 | 8,001,159 | 7,570,216 |
| Borrowings | 1,107,588 | 1,080,600 | 1,528,695 | 1,127,047 | 377,309 |
| Total stockholders' equity | 1,100,343 | 1,080,376 | 1,040,335 | 1,053,595 | 1,079,081 |

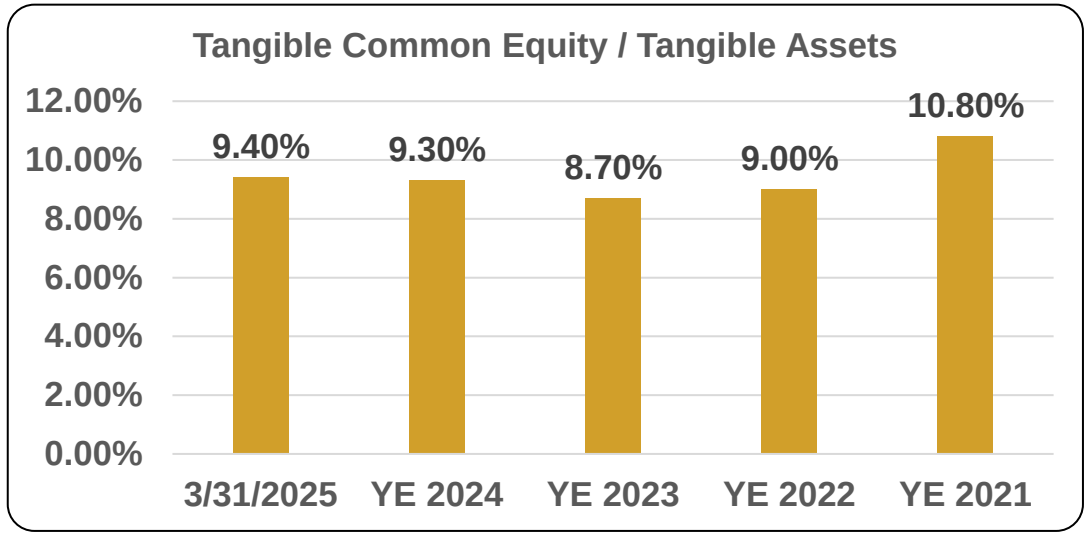
# Consolidated Statements of Income

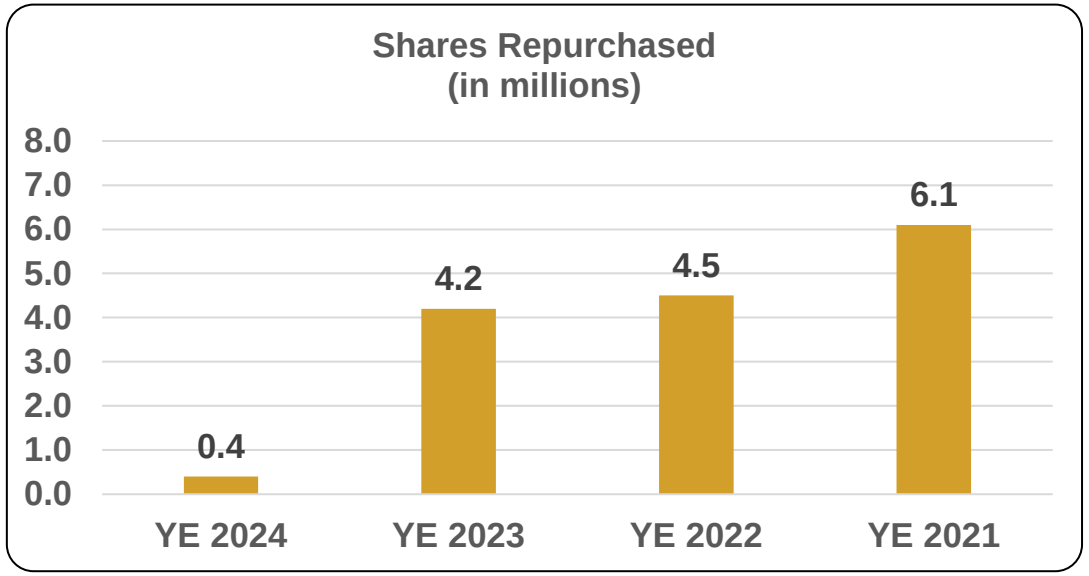
| Description | For the Three Months Ended March 31, | | For the Years Ended December 31, | | | |
|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2024 | 2023 | 2022 | 2021 |
| | | | (In thousands) | | | |
| Interest income | $ 112,163 | $ 108,627 | $ 451,426 | $ 394,978 | $ 309,670 | $ 270,150 |
| Interest expense | 61,838 | 66,427 | 273,444 | 189,102 | 42,893 | 37,016 |
| Net interest income | 50,325 | 42,200 | 177,982 | 205,876 | 266,777 | 233,134 |
| Provision for (reversal of) credit losses | 2,933 | 5,278 | 14,451 | 4,787 | 5,485 | (9,953) |
| Non-interest income | 8,471 | 7,452 | 1,894 | 27,379 | 30,400 | 38,831 |
| Non-interest expense | 43,845 | 45,658 | 181,335 | 182,417 | 174,816 | 155,737 |
| Pretax income (loss) | 12,018 | (1,284) | (15,910) | 46,051 | 116,876 | 126,181 |
| Income tax expense (benefit) | 3,118 | (129) | (4,257) | 9,965 | 30,703 | 34,132 |
| **Net income (loss)** | **$ 8,900** | **$ (1,155)** | **$ (11,653)** | **$ 36,086** | **$ 86,173** | **$ 92,049** |
| **Core Net Income[(1)]** | **$ 9,063** | **$ 455** | **$ 23,234** | **$ 50,790** | **$ 90,853** | **$ 94,031** |

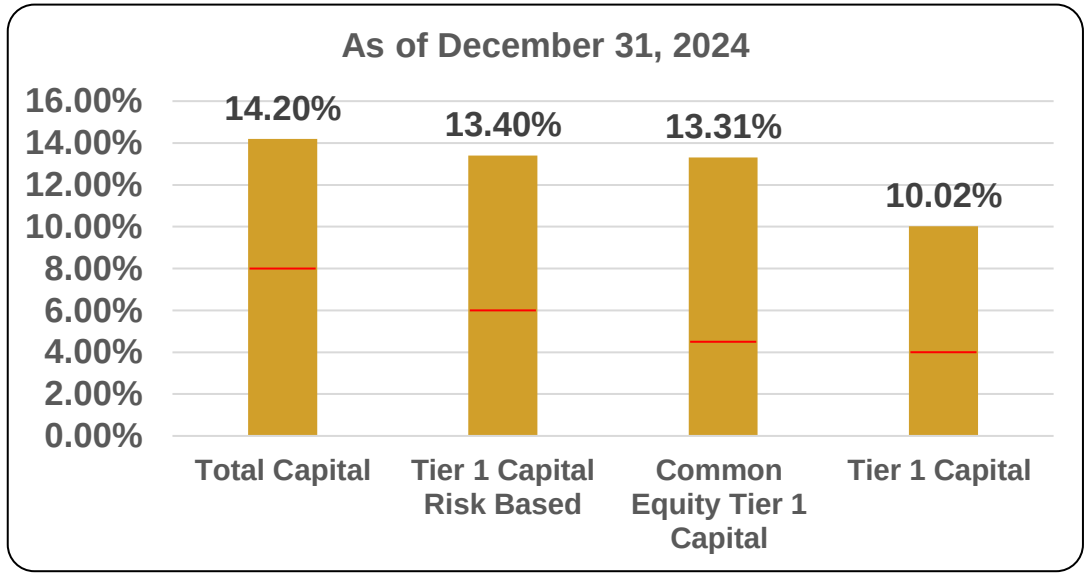
[(1)] Represents a Non-GAAP financial measure.
Refer to the appendix for the reconciliation of GAAP to Non-GAAP financial measures.

# Capital Management

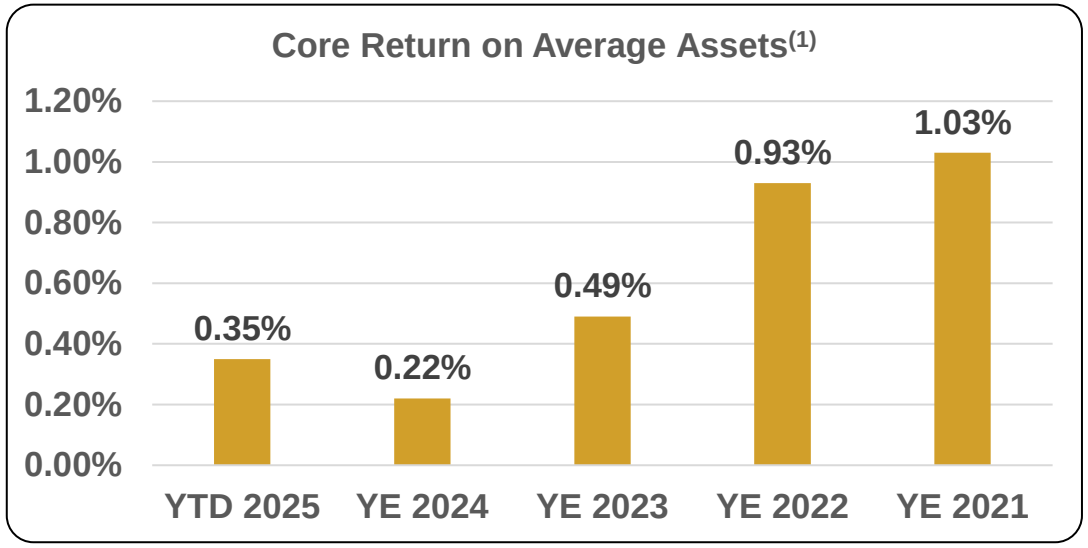
- Management focused on deploying the capital raised in the IPO through a combination of organic growth, acquisitions, and repurchases. Repurchases were paused in 2025 in order to retain capital.
- CLBK does not expect to pay cash dividends to shareholders while in the MHC structure as it is not a "grandfathered" MHC under the Dodd Frank Act and, therefore, the MHC cannot waive dividends from CLBK.
- Capital ratios exceed the regulatory “well capitalized” levels.

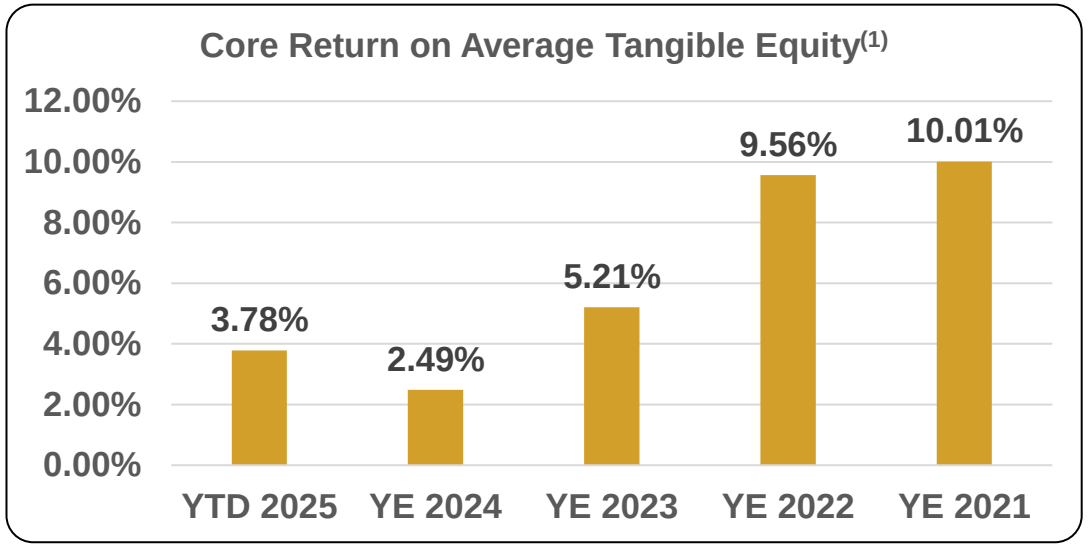


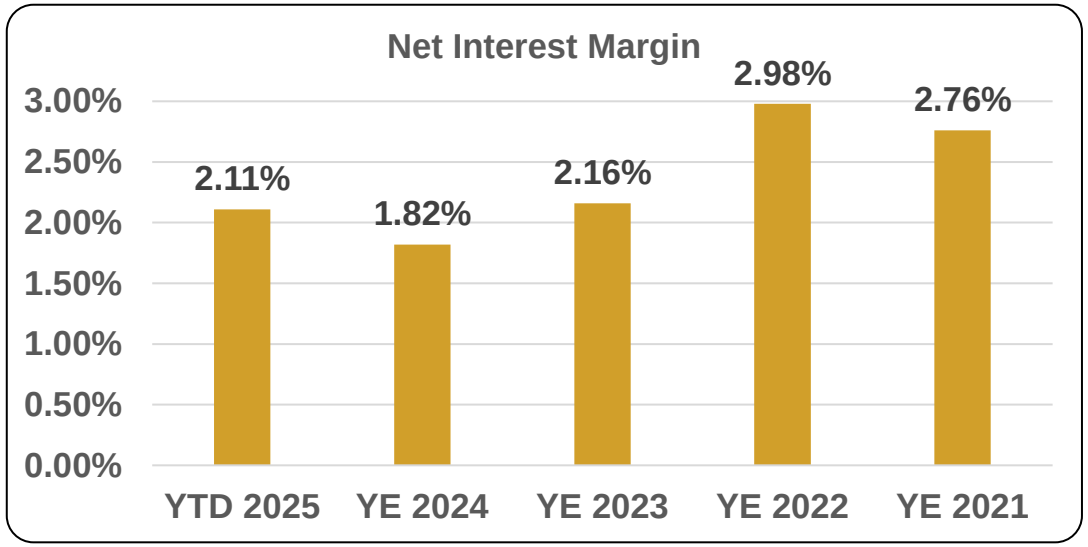



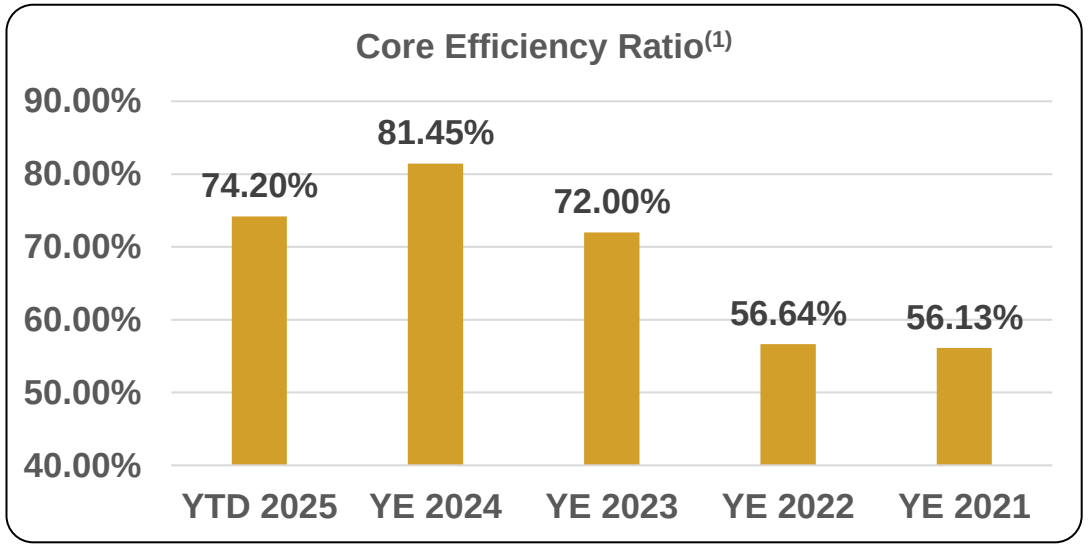



# Financial Performance



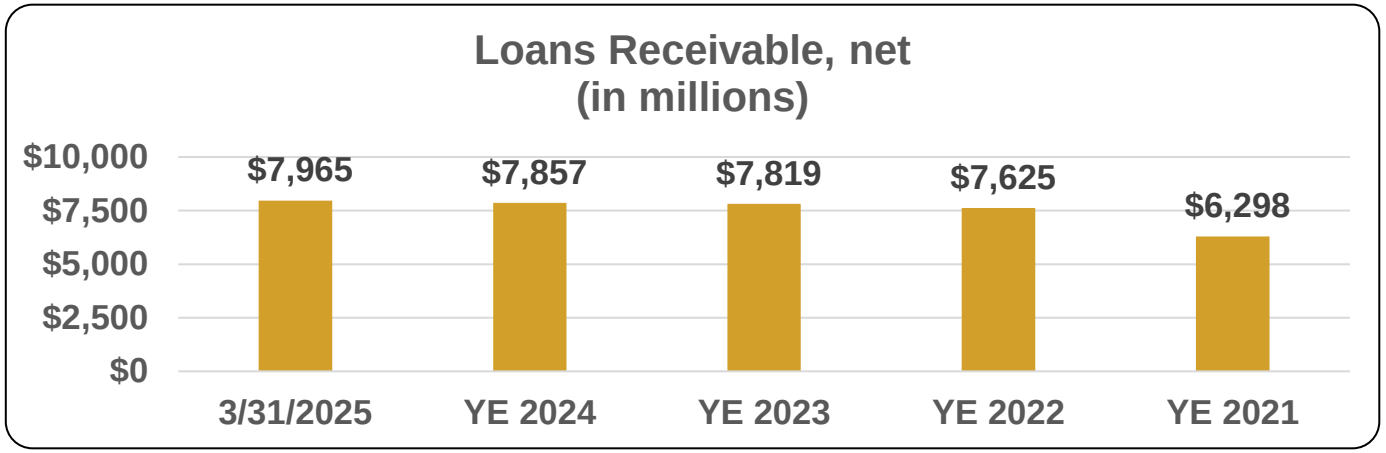




(1) Represents a Non-GAAP financial measure.
YTD 2025 - Ratios are annualized for the three months ended March 31, 2025.

# Lending

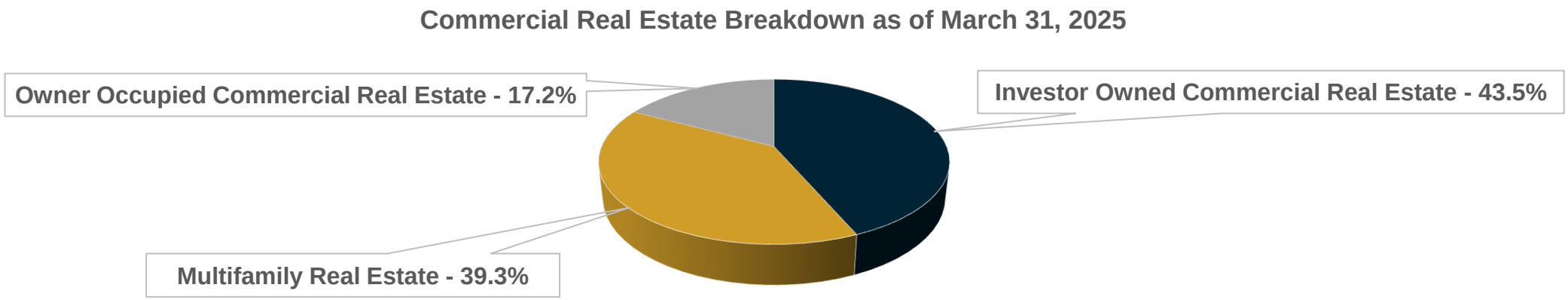



| Loan Type (Dollars in thousands) | 3/31/2025 | 12/31/2021 | % Change |
|---|---|---|---|
| Residential | $ 2,676,566 | $ 2,092,317 | 27.9% |
| Home Equity / Consumer | 255,986 | 277,991 | -7.9% |
| Multifamily and Commercial Real Estate | 3,997,291 | 3,211,344 | 24.5% |
| Construction | 437,081 | 295,047 | 48.1% |
| Commercial Business | 614,049 | 452,232 | 35.8% |
| **Total Loans** | **7,980,973** | **6,328,931** | **26.1%** |
| PCD Loans | 10,395 | 6,791 | |
| Net Deferred Loan Costs | 35,940 | 24,879 | |
| Allowance for Credit Losses[(1)] | (62,034) | (62,689) | |
| **Loans Receivable, net** | **$ 7,965,274** | **$ 6,297,912** | |

(1) The Company adopted ASU 2016-13 as of January 1, 2022. Prior periods have not been restated.

- As a community banking organization, the Company differentiates itself by focusing on relationships and self-sourced originations.
- Loans are largely focused in New Jersey, Pennsylvania and the suburbs of New York. Originations in New York City are limited.
- During the first quarter of 2025, the Company originated $331.4 million in loans. Commercial real estate and construction loan originations were $180.5 million and $66.5 million, respectively.
- Continue to de-emphasize residential lending and shift originations toward commercial loan products.

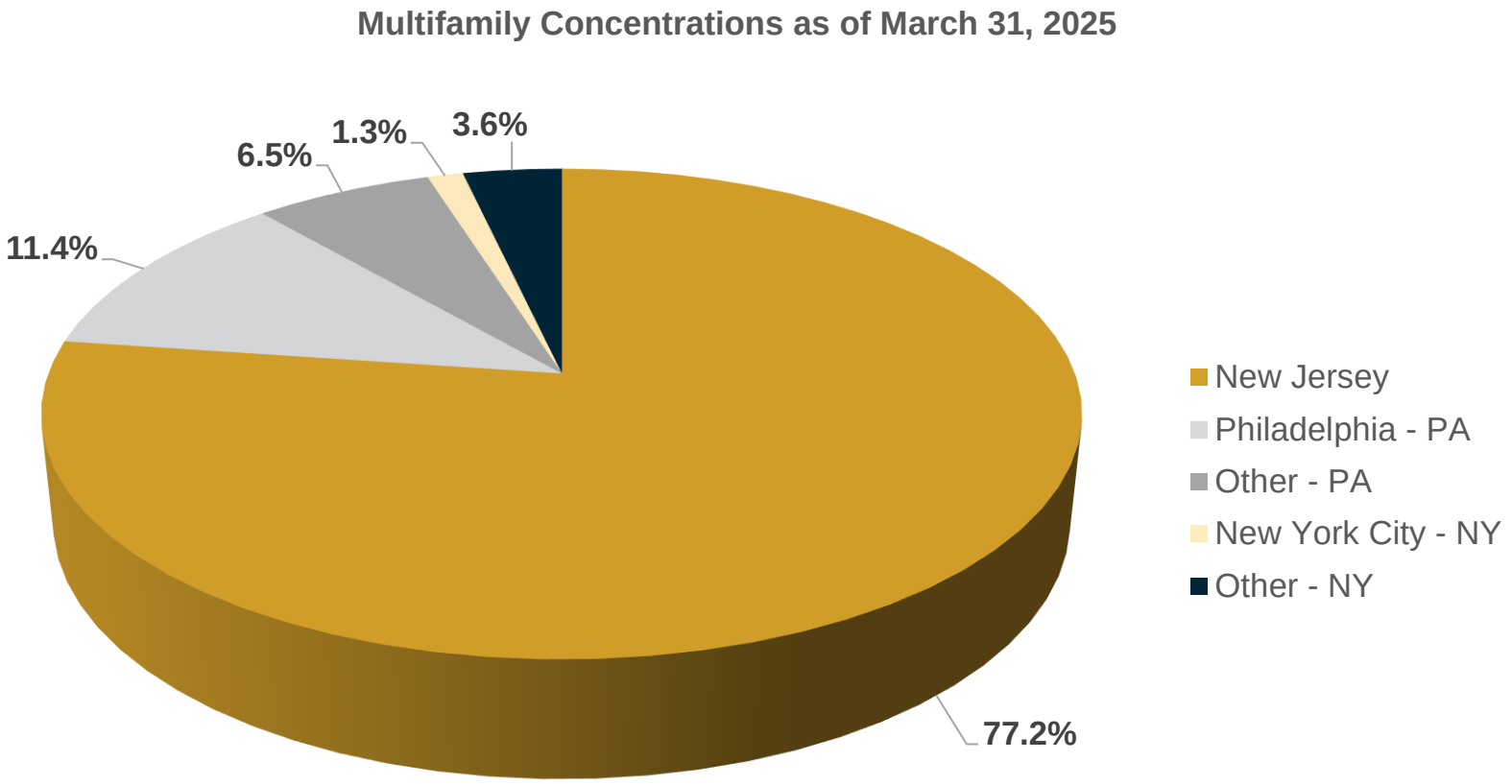
# Commercial Real Estate




| Investor Owned Commercial Real Estate (Dollar in thousands) | Balance | % of Total Commercial Real Estate | Average Loan Size | Weighted Average Loan to Value Ratio (1) | Weighted Average Debt Service Coverage (1) |
|---|---|---|---|---|---|
| Retail / Shopping Centers | $ 518,841 | 13.0% | $ 3,034 | 53.4% | 1.50x |
| Mixed Use | 220,391 | 5.5 | 1,196 | 58.0 | 1.57 |
| Industrial / Warehouse | 423,634 | 10.6 | 3,444 | 54.8 | 1.65 |
| Non-Medical Office | 189,617 | 4.7 | 1,935 | 51.1 | 1.65 |
| Medical Office | 118,547 | 3.0 | 3,293 | 60.0 | 1.46 |
| Single Purpose | 95,041 | 2.4 | 1,033 | 54.8 | 3.14 |
| Other | 173,849 | 4.3 | 1,229 | 51.3 | 1.75 |
| **Total** | **$ 1,739,920** | **43.5%** | **$ 1,596** | **54.4%** | **1.67x** |

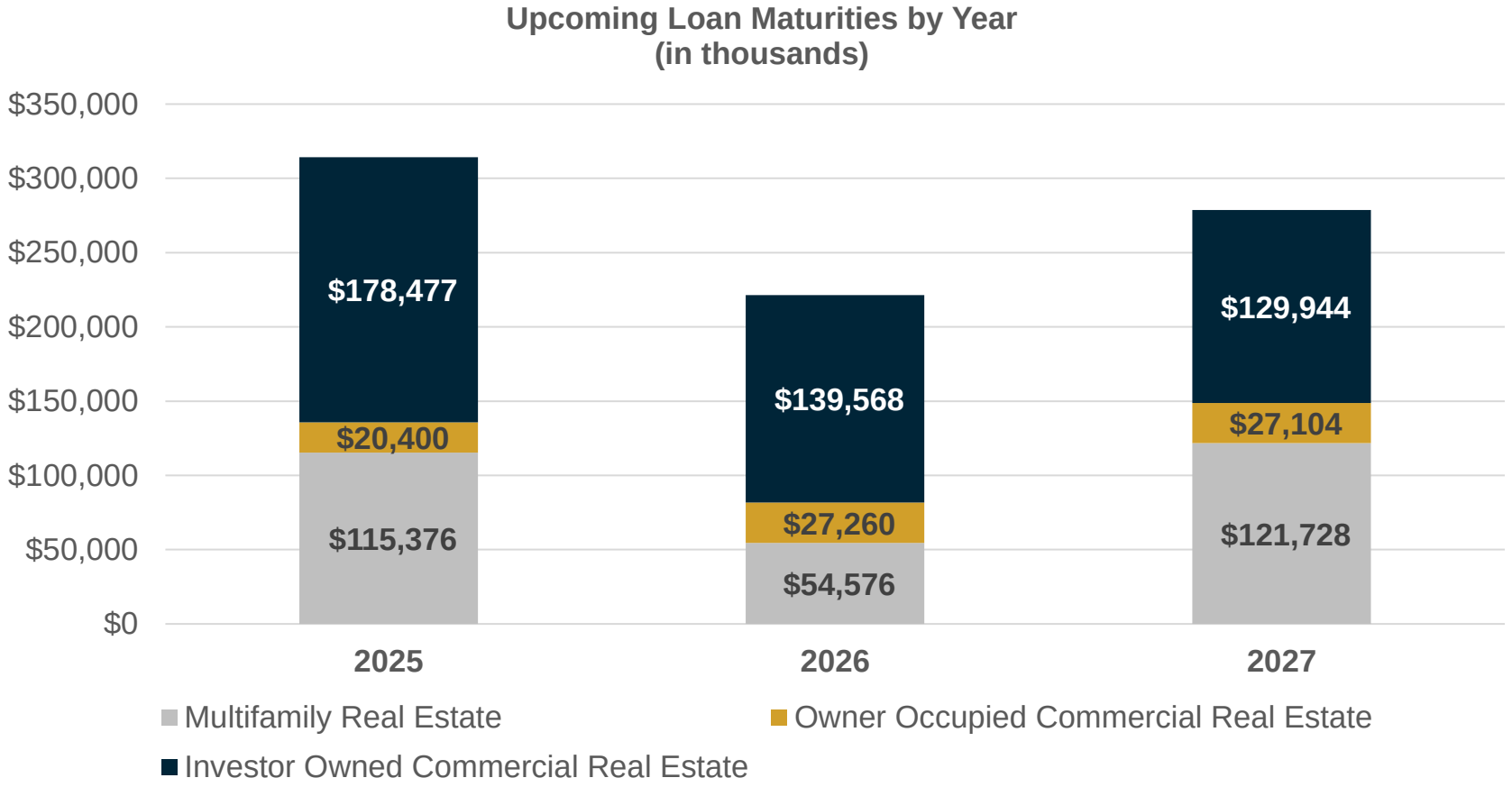
(1) Based on the most recent available information.

# Commercial Real Estate (Continued)



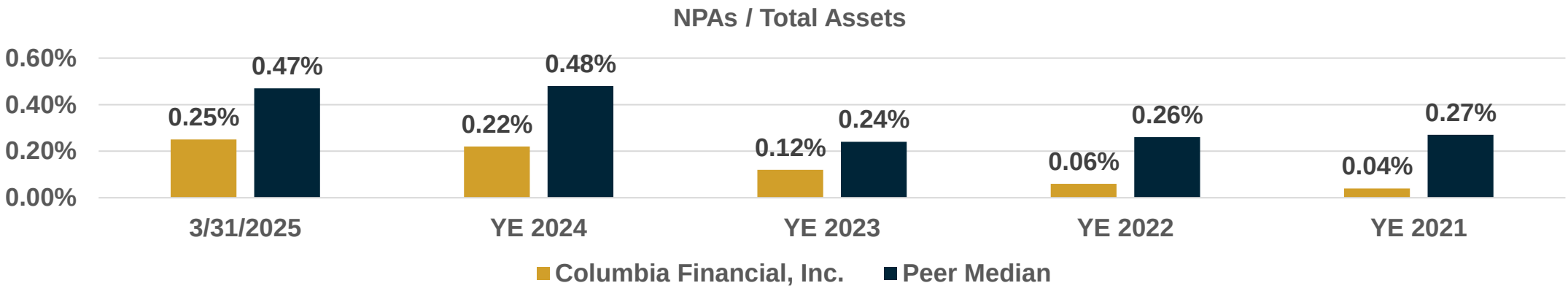

The multifamily portfolio includes only two loans collateralized by New York City rent stabilized properties, totaling approximately $820,000.

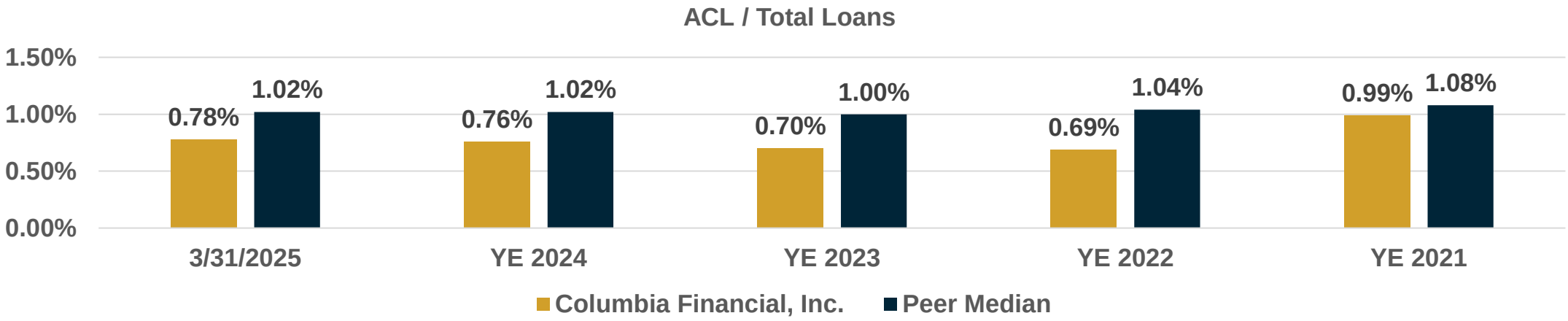
# Commercial Real Estate (Continued)




The weighted average rates on loans maturing in 2025, 2026, and 2027 are 5.32%, 4.78%, and 4.64%, respectively.

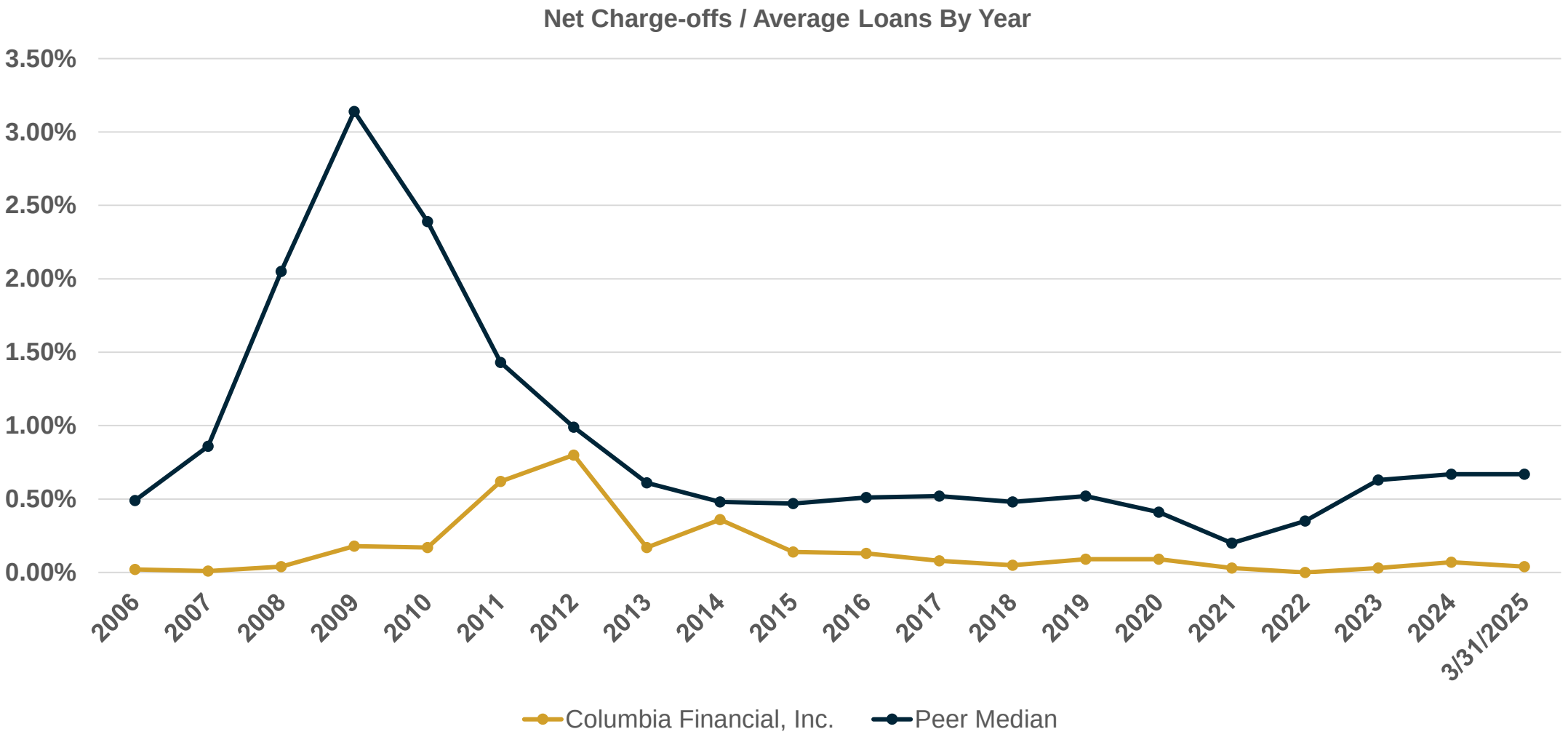
# Asset Quality



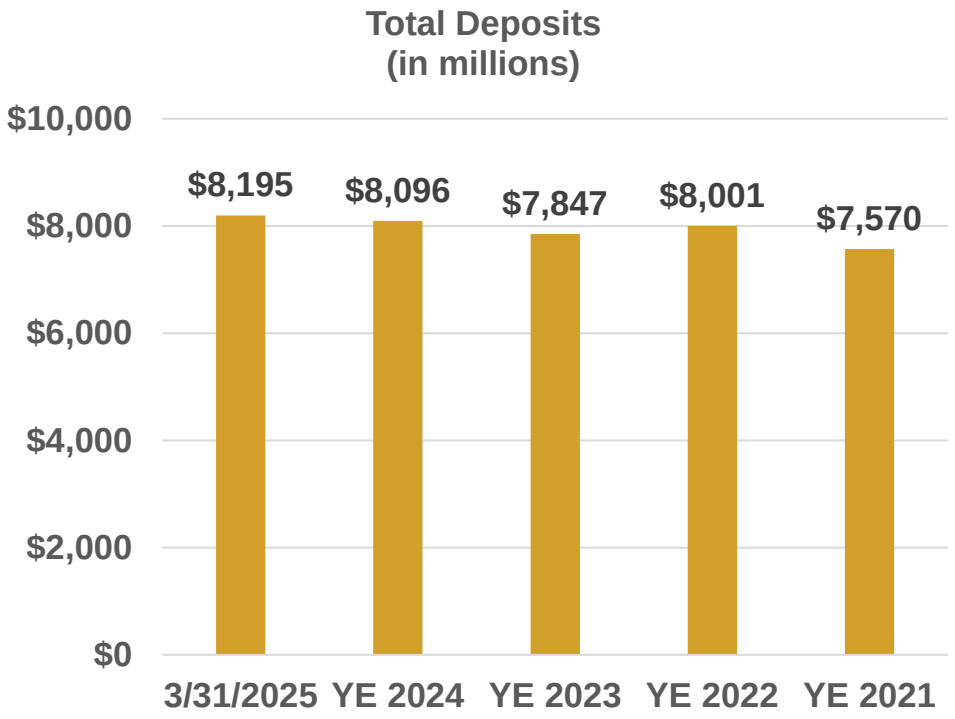

Peers: AUB, BHLB, BRKL, CBU, CNOB, CUBI, DCOM, EGBN, FCF, FFIC, INDB, IBTX, KRNY, LBAI, NBTB, NFBK, OCFC, PGC, PFS, STBA, SASR, WSFS
(LBAI – data reported as of 12/31/2024)
Source: S&P Global

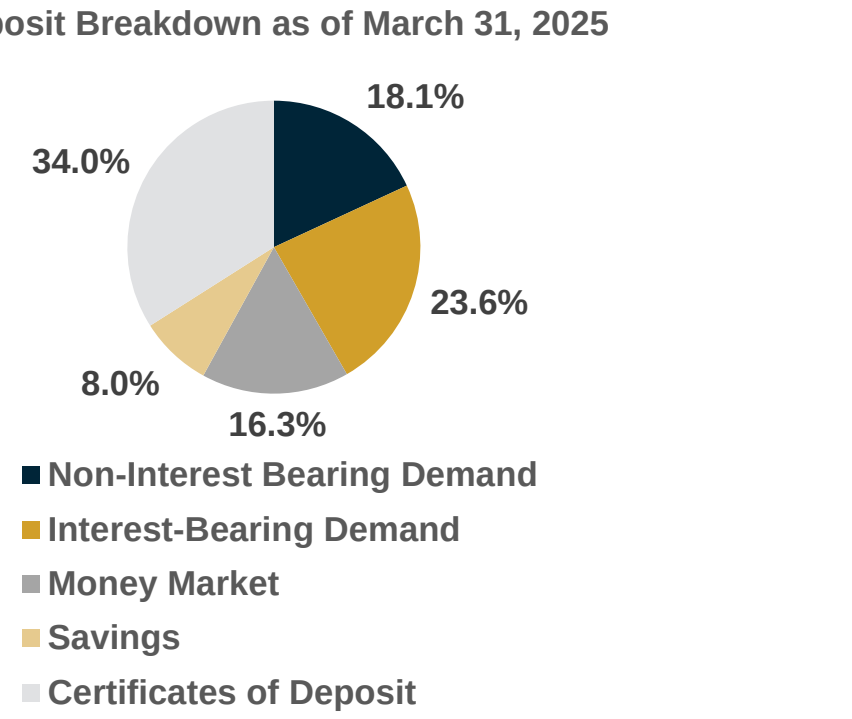
# Asset Quality (Continued)




Sources: S&P Global and Federal Reserve Bank, all Banks NSA.

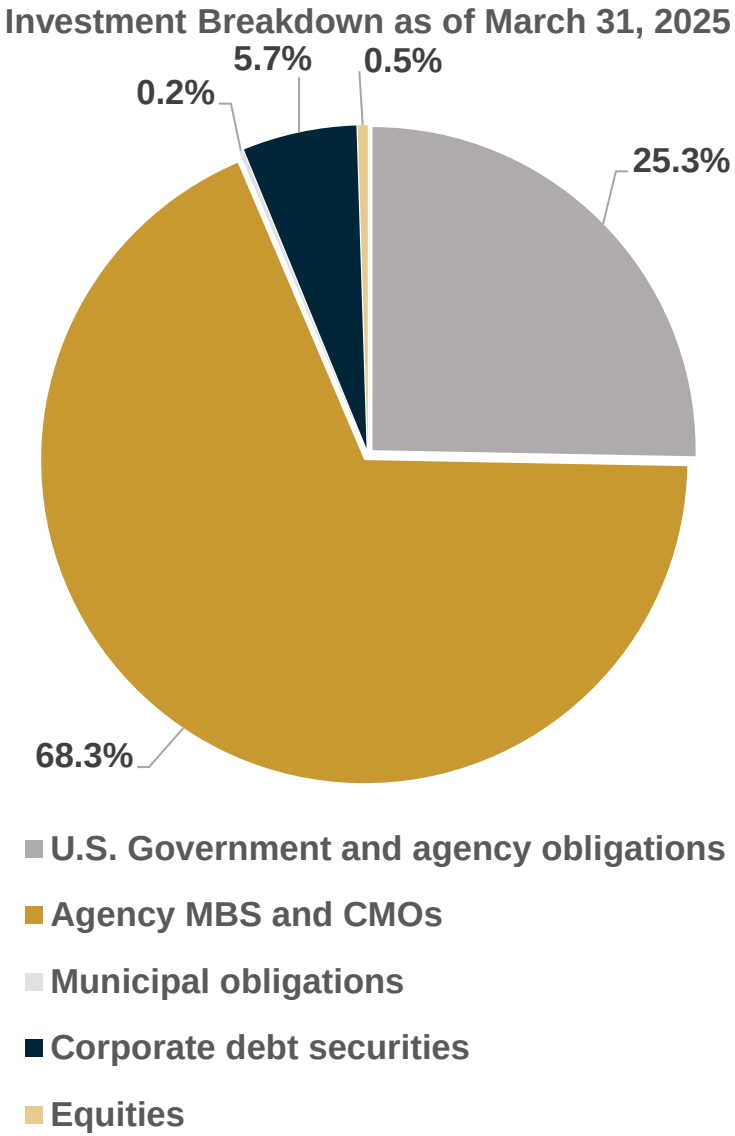
# Deposits



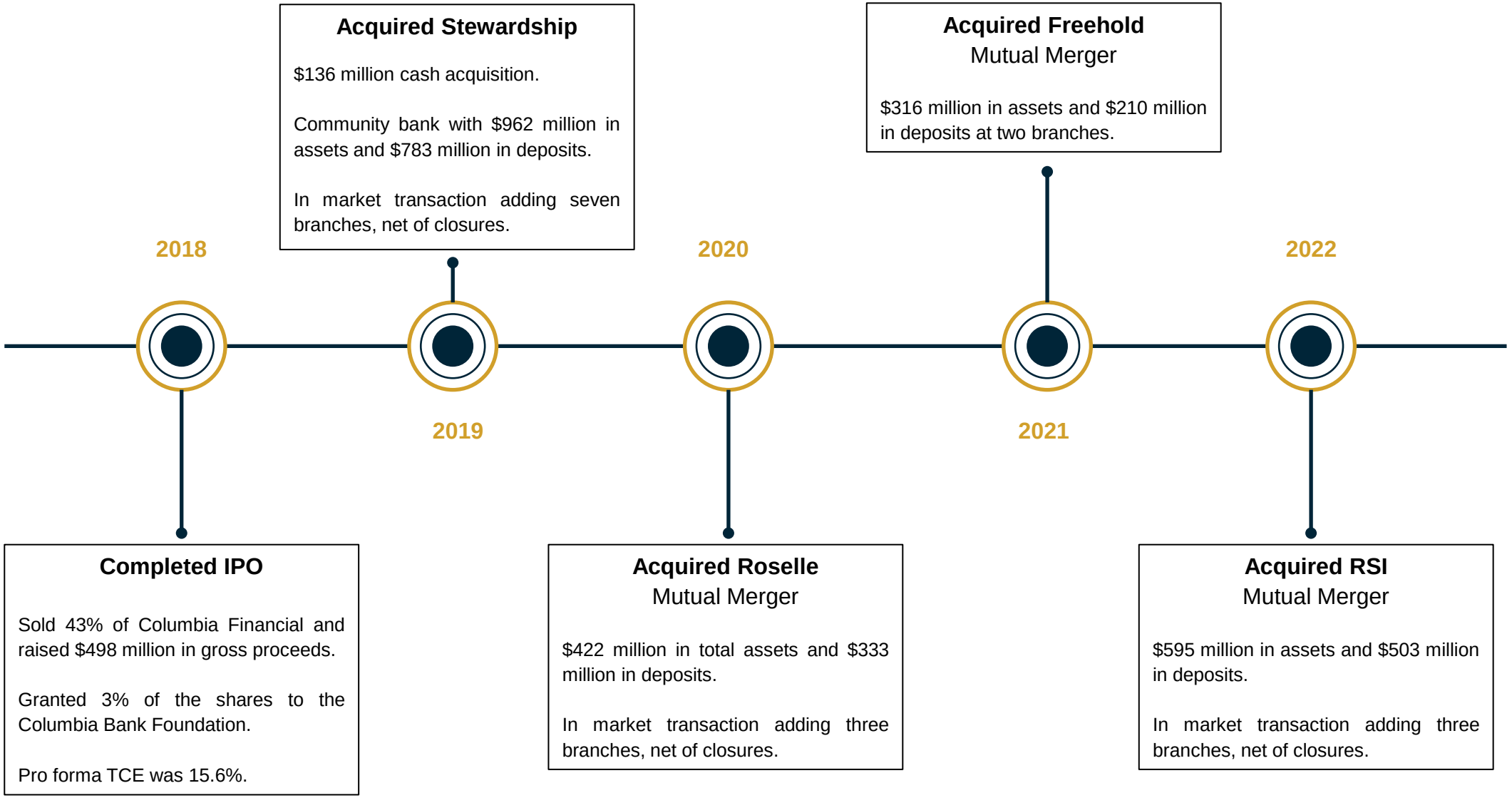

- The deposit base is large and diverse with an average deposit balance of approximately $40,000 at March 31, 2025.
- Uninsured deposits were approximately $2.2 billion, or 27.3%, of total deposits at March 31, 2025 (excluding municipal deposits of $866.5 million which are collateralized).
- Consumer deposit growth is driven through our branch network leveraging our community development.
- We continue to focus on treasury services as a means of deepening our commercial customer relationships and providing enhanced customer service for an appropriate fee.

# Investment Securities




- Approximately 93.6% of the total portfolio consisted of direct government or government agency obligations.
- Net unrealized losses on available for sale securities, net of tax, as a percentage of total equity was 6.5%.

# Mergers & Acquisitions



# Organizational Considerations and Pro Forma Value of a Hypothetical Second Step Conversion

- Management and the Board of Directors are aware of the opportunities afforded by a second step conversion.
- We believe that being “well-positioned” to execute a second step conversion is important.
- Therefore, management is focused on:
  - Building the growth engine so we can leverage the amount of capital raised in a second step;
  - Deploying the remaining excess capital from the initial MHC offering;
  - Continuing to evaluate potential merger opportunities; and
  - Improving profitability and franchise value.

| | | |
|---|---|---|
| Date | 3/31/2025 | |
| Tangible Stockholders' Equity | $ 981,185 | |
| Total Shares Outstanding | 104,930,900 | |
| Minority Shares | 28,914,376 | 27.6% |
| Majority Shares | 76,016,524 | 72.4% |

| Price to Fully Converted Pro Forma Tangible Book | | 80.0% | 90.0% | 100.0% |
|---|---|---|---|---|
| | | | (Dollar in thousands) | |
| Fully Covertable Value | | $ 1,640,800 | $ 2,137,000 | $ 2,819,800 |
| Offering Price Per Share | | $ 10.00 | $ 10.00 | $ 10.00 |
| Gross Proceeds | | $ 1,188,667 | $ 1,548,136 | $ 2,042,786 |
| Expenses and Stock Benefits | (10%) | (118,867) | (154,814) | (204,279) |
| Net Investable Proceeds | | 1,069,800 | 1,393,322 | 1,838,508 |
| Existing Tangible Equity | | 981,185 | 981,185 | 981,185 |
| Pro Forma Tangible Equity | | $ 2,050,985 | $ 2,374,507 | $ 2,819,693 |
| Pro Forma Tangible Book Value Per Share | | $ 12.50 | $ 11.11 | $ 10.00 |
| Exchange Ratio | | 1.56 | 2.04 | 2.69 |
| Exchange Value Per Minority Share | | **$ 15.64** | **$ 20.37** | **$ 26.87** |

Legal Disclaimer: The pro forma financial information presented on this page is for illustrative purposes only, is based on information currently available, and does not reflect the actual pricing of any future second step conversion. While we continue to evaluate our organizational structure, we have no current plans to undertake a second step conversion nor is there any assurance that we will undertake such a conversion in the future.

# Strategic Focus

- Focus on earnings improvement, especially strategies to improve margins.
- Continue our organic growth strategy while being mindful of economic conditions and evaluating acquisitions opportunistically.
- Continue to manage our level of operating expenses.
- Continue to build the infrastructure to support long term growth.
- Continue to control funding costs to defend and expand margin.
- Continue to maintain credit discipline and continue to bolster enterprise risk management for regional bank regulatory oversight.
- Emphasize our commercial lines of business to continue our migration toward a commercial bank balance sheet.
- De-emphasize residential mortgage lending due to lower profit margins, long asset durations and interest rate cyclicality.
- Build our core deposit base with an emphasis on commercial treasury services.
- Increase our emphasis on digital strategies to address customer preferences and gain operating efficiencies.
- Be positioned to pursue a second step conversion if and when conditions are right.

# Questions

# Appendix

## Reconciliation of GAAP to Non-GAAP Financial Measures

# Core Net Income

| Description (in thousands) | For the Three Months Ended March 31, | | For the Years Ended December 31, | | | |
|---|---|---|---|---|---|---|
| | 2025 | 2024 | 2024 | 2023 | 2022 | 2021 |
| Reconciliation of Core Net Income: | | | | | | |
| Net Income (loss): | $ 8,900 | $ (1,155) | $ (11,653) | $ 36,086 | $ 86,173 | $ 92,049 |
| Add/Less: Loss (gain) on securities transactions, net of tax | - | 1,130 | 30,082 | 9,249 | (156) | (1,481) |
| Add: FDIC special assessment, net of tax | - | 393 | 385 | 3,009 | - | - |
| Add: Severance expense, net of tax | 163 | 67 | 67 | 1,390 | - | - |
| Less: Insurance settlement, net of tax | - | - | - | - | (486) | - |
| Add: Merger-related expenses, net of tax | - | 20 | 1,468 | 529 | 2,210 | 974 |
| Add: Litigation expenses, net of tax | - | - | - | 262 | 2,913 | - |
| Add: Loss on extinguishment of debt, net of tax | - | - | 2,885 | 265 | - | 2,079 |
| Add: Branch closure expense, net of tax | - | - | - | - | 199 | 410 |
| **Core Net Income** | **$ 9,063** | **$ 455** | **$ 23,234** | **$ 50,790** | **$ 90,853** | **$ 94,031** |

# Core ROAA and ROATE

| Description (in thousands, except ratio data) | For the Three Months Ended March 31, | | For the Years Ended December 31, | | | |
|---|---|---|---|---|---|---|
| | 2025[1] | 2024[1] | 2024 | 2023 | 2022 | 2021 |
| Return on Average Assets | 0.34% | -0.04% | -0.11% | 0.35% | 0.88% | 1.01% |
| Net Income (loss) | $ 8,900 | $ (1,155) | $ (11,653) | $ 36,086 | $ 86,173 | $ 92,049 |
| Average Assets | $10,562,982 | $10,568,560 | $10,653,512 | $10,370,557 | $ 9,741,822 | $ 9,103,003 |
| **Core Return on Average Assets** | **0.35%** | **0.02%** | **0.22%** | **0.49%** | **0.93%** | **1.03%** |
| **Core Net Income** | **$ 9,063** | **$ 455** | **$ 23,234** | **$ 50,790** | **$ 90,853** | **$ 94,031** |
| Total Average Stockholders' Equity | $ 1,090,669 | $ 1,042,777 | $ 1,052,460 | $ 1,098,098 | $ 1,065,338 | $ 1,024,914 |
| Less: Average Goodwill | (110,715) | (110,715) | (110,715) | (110,715) | (103,477) | (79,842) |
| Less: Average Core Deposit Intangible | (8,784) | (10,956) | (10,119) | (12,398) | (11,352) | (5,717) |
| **Total Average Tangible Stockholders' Equity** | **$ 971,170** | **$ 921,106** | **$ 931,626** | **$ 974,985** | **$ 950,509** | **$ 939,355** |
| **Core Return on Average Tangible Equity** | **3.78%** | **0.20%** | **2.49%** | **5.21%** | **9.56%** | **10.01%** |

[1] Ratios for the three months ended March 31, 2025 and 2024 are annualized.

# Core Efficiency Ratio

| Description (in thousands, except ratio data) | For the Three Months Ended March 31, | | For the Years Ended December 31, | | | |
|---|---|---|---|---|---|---|
| | 2025[1] | 2024[1] | 2024 | 2023 | 2022 | 2021 |
| Efficiency Ratio | 74.57% | 91.96% | 100.81% | 78.20% | 58.83% | 57.26% |
| Net Interest Income | $ 50,325 | $ 42,200 | $ 177,982 | $ 205,876 | $ 266,777 | $ 233,134 |
| Non-Interest Income | 8,471 | 7,452 | 1,894 | 27,379 | 30,400 | 38,831 |
| Total Income | $ 58,796 | $ 49,652 | $ 179,876 | $ 233,255 | $ 297,177 | $ 271,965 |
| Non-Interest Expense | $ 43,845 | $ 45,658 | $ 181,335 | $ 182,417 | $ 174,816 | $ 155,737 |
| Core Efficiency Ratio | 74.20% | 88.39% | 81.45% | 72.00% | 56.64% | 56.13% |
| Non-Interest Income | $ 8,471 | $ 7,452 | $ 1,894 | $ 27,379 | $ 30,400 | $ 38,831 |
| Add/Less: Loss (gain) on securities transactions | - | 1,256 | 35,851 | 10,847 | (210) | (2,025) |
| Less: Insurance settlement | - | - | - | - | (650) | - |
| **Core Non-Interest Income** | **$ 8,471** | **$ 8,708** | **$ 37,745** | **$ 38,226** | **$ 29,540** | **$ 36,806** |
| Non-Interest Expense | $ 43,845 | $ 45,658 | $ 181,335 | $ 182,417 | $ 174,816 | $ 155,737 |
| Less: FDIC special assessment | - | (565) | (439) | (3,840) | - | - |
| Less: Severance expense | (220) | (74) | (74) | (1,605) | - | - |
| Less: Merger-related expenses | - | (22) | (1,665) | (606) | (2,810) | (822) |
| Less: Litigation expenses | - | - | - | (317) | (3,916) | - |
| Less: Loss on extinguishment of debt | - | - | (3,447) | (300) | - | (2,851) |
| Less: Branch closure expense | - | - | - | - | (266) | (548) |
| **Core Non-Interest Expense** | **$ 43,625** | **$ 44,997** | **$ 175,710** | **$ 175,749** | **$ 167,824** | **$ 151,516** |

[1] Ratios for the three months ended March 31, 2025 and 2024 are annualized.