

# 2024 Virtual Annual Shareholders Meeting



**Building Rewarding Relationships**

May 29, 2024

# Agenda

## ■ Formal Annual Meeting

- Introductions

- Quorum

- Proposals

1. Election of Directors: Michael A. Azarian, Steven J. D'Iorio, Louis C. Grassi, and Sam S. Han
2. Advisory vote to approve executive compensation
3. Approval of the Company's 2024 Omnibus Incentive Plan
4. Ratification of appointment of BDO USA LLC as Independent Registered Public Accounting firm for the year ended December 31, 2024

## ■ CEO Comments

## ■ Shareholder Questions

# Safe Harbor Statement

“Safe Harbor” Statement under the Private Securities Litigation Reform Act of 1995: Statements in this Presentation relating to plans, strategies, economic performance and trends, projections of results of specific activities or investments and other statements that are not descriptions of historical facts may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking information is inherently subject to risks and uncertainties, and actual results could differ materially from those currently anticipated due to a number of factors, which include, but are not limited to, risk factors discussed in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and in other documents filed by the Company with the Securities and Exchange Commission from time to time. Forward-looking statements may be identified by terms such as “may”, “will”, “should”, “could”, “expects”, “plans”, “intends”, “anticipates”, “believes”, “estimates”, “predicts”, “forecasts”, “goals”, “potential” or “continue” or similar terms or the negative of these terms. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. The Company has no obligation to update these forward-looking statements.

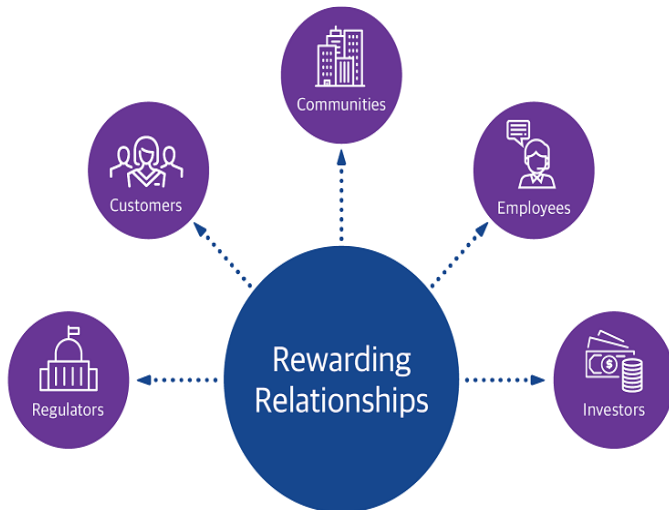
# Flushing Financial Snapshot (NASDAQ: FFIC)

## 1Q24 Key Statistics

Balance Sheet		Performance		Valuation	
Assets	<b>\$8.8B</b>	GAAP/Core ROAA	<b>0.17%/0.20%</b> <sup>1</sup>	Closing Price, 5/16/24	<b>\$12.95</b>
Loans, net	<b>\$6.8B</b>	GAAP/Core ROAE	<b>2.20%/2.58%</b> <sup>1</sup>	Market Cap (MM)	<b>\$376</b>
Total Deposits	<b>\$7.3B</b>	GAAP/Core NIM	<b>2.06%/2.06%</b> <sup>2</sup>	Price/TBV	<b>58%</b>
Equity	<b>\$0.7B</b>	Book/Tangible Book Value	<b>\$23.04/\$22.39</b>	Dividend Yield	<b>6.8%</b>

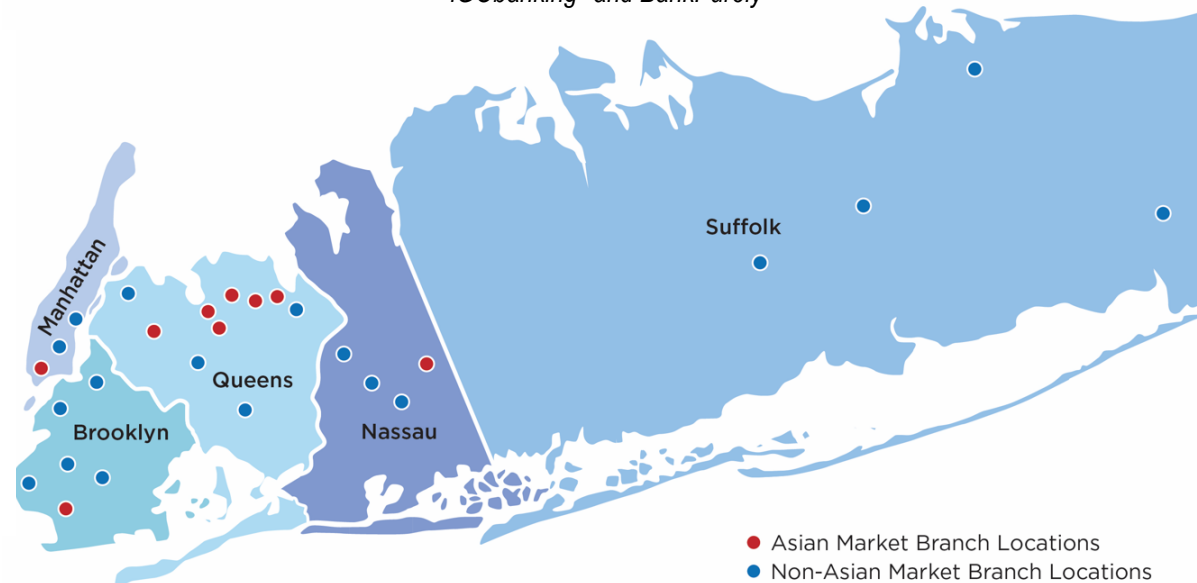
### Brand Promise

*Nurturing Relationships and Rewarding Customers, Employees, and Shareholders*



### Footprint

*Deposits primarily from 27 branches in multicultural neighborhoods and our online division, consisting of iGObanking® and BankPurely®*



# 1Q24 GAAP EPS \$0.12 and Core<sup>1</sup> EPS of \$0.14

## Quarterly Financial Highlights<sup>1</sup>

	<u>1Q24</u>	<u>4Q23</u>	<u>3Q23</u>	<u>2Q23</u>	<u>1Q23</u>
<b><u>GAAP:</u></b>					
EPS	\$0.12	\$0.27	\$0.26	\$0.29	\$0.13
ROAA (%)	0.17	0.38	0.37	0.41	0.19
ROAE (%)	2.20	4.84	4.64	5.16	2.37
NIM FTE (%)	2.06	2.29	2.22	2.18	2.27
<b><u>Core:</u></b>					
EPS	\$0.14	\$0.25	\$0.25	\$0.26	\$0.06
ROAA (%)	0.20	0.35	0.36	0.37	0.09
ROAE (%)	2.58	4.51	4.49	4.70	1.11
Core NIM FTE (%)	2.06	2.31	2.13	2.17	2.25
<b><u>Credit Quality:</u></b>					
NPAs/Loans & OREO (%)	0.68	0.67	0.56	0.58	0.61
ACLs/Loans (%)	0.60	0.58	0.57	0.57	0.56
ACLs/NPLs (%)	164.13	159.55	225.38	207.08	182.89
NCOs/Avg Loans (%)	-	-	-	0.09	0.54
<b><u>Balance Sheet:</u></b>					
Avg Loans (\$B)	\$6.8	\$6.9	\$6.8	\$6.8	\$6.9
Avg Dep (\$B)	\$7.1	\$6.9	\$6.8	\$6.9	\$6.8
Book Value/Share	\$23.04	\$23.21	\$23.06	\$23.14	\$22.80
Tangible BV/Share	\$22.39	\$22.54	\$22.39	\$22.47	\$22.14
TCE/TA (%)	7.40	7.64	7.56	7.70	7.72

# Key Community Events During 1Q24



- Lunar New Year Parade in Flushing
- Tangram Mall Lunar New Year with Tote Bag



**FFIC FLUSHING**  
Financial Corporation

# Appendix





# Reconciliation of GAAP Earnings and Core Earnings

## Non-cash Fair Value Adjustments to GAAP Earnings

The variance in GAAP and core earnings is partly driven by the impact of non-cash net gains and losses from fair value adjustments. These fair value adjustments relate primarily to borrowings carried at fair value under the fair value option.

Core Net Income, Core Diluted EPS, Core ROAE, Core ROAA, Pre-provision, Pre-tax Net Revenue, Core Net Interest Income FTE, Core Net Interest Margin FTE, Core Interest Income and Yield on Total Loans, Core Noninterest Income, Core Noninterest Expense and Tangible Book Value per common share are each non-GAAP measures used in this presentation. A reconciliation to the most directly comparable GAAP financial measures appears below in tabular form. The Company believes that these measures are useful for both investors and management to understand the effects of certain interest and noninterest items and provide an alternative view of the Company's performance over time and in comparison to the Company's competitors. These measures should not be viewed as a substitute for net income. The Company believes that tangible book value per common share is useful for both investors and management as this measure is commonly used by financial institutions, regulators and investors to measure the capital adequacy of financial institutions. The Company believes these measures facilitate comparison of the quality and composition of the Company's capital over time and in comparison to its competitors. These measures should not be viewed as a substitute for total shareholders' equity.

These non-GAAP measures have inherent limitations, are not required to be uniformly applied and are not audited. They should not be considered in isolation or as a substitute for analysis of results reported under GAAP. These non-GAAP measures may not be comparable to similarly titled measures reported by other companies.

# Reconciliation of GAAP Earnings and Core Earnings

<i>(Dollars in thousands, except per share data)</i>	For the three months ended				
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
GAAP income before income taxes	\$ 4,997	\$ 11,754	\$ 10,752	\$ 11,872	\$ 5,455
Net (gain) loss from fair value adjustments (Noninterest income (loss))	834	(906)	1,246	(294)	(2,619)
Life insurance proceeds (Noninterest income (loss))	—	(697)	(23)	(561)	—
Net (gain) loss from fair value adjustments on qualifying hedges (Net interest income)	187	872	(1,348)	205	(100)
Net amortization of purchase accounting adjustments and intangibles (Various)	(169)	(355)	(237)	(227)	(188)
Miscellaneous expense (Professional services)	—	526	—	—	—
Core income before taxes	5,849	11,194	10,390	10,995	2,548
Provision for core income taxes	1,537	3,648	2,819	3,083	659
Core net income	<u>\$ 4,312</u>	<u>\$ 7,546</u>	<u>\$ 7,571</u>	<u>\$ 7,912</u>	<u>\$ 1,889</u>
GAAP diluted earnings per common share	\$ 0.12	\$ 0.27	\$ 0.26	\$ 0.29	\$ 0.13
Net (gain) loss from fair value adjustments, net of tax	0.02	(0.02)	0.03	(0.01)	(0.06)
Life insurance proceeds	—	(0.02)	—	(0.02)	—
Net (gain) loss from fair value adjustments on qualifying hedges, net of tax	—	0.02	(0.03)	—	—
Net amortization of purchase accounting adjustments, net of tax	—	(0.01)	(0.01)	(0.01)	(0.01)
Miscellaneous expense, net of tax	—	0.01	—	—	—
Core diluted earnings per common share <sup>(1)</sup>	<u>\$ 0.14</u>	<u>\$ 0.25</u>	<u>\$ 0.25</u>	<u>\$ 0.26</u>	<u>\$ 0.06</u>
Core net income, as calculated above	\$ 4,312	\$ 7,546	\$ 7,571	\$ 7,912	\$ 1,889
Average assets	8,707,505	8,569,002	8,505,346	8,462,442	8,468,317
Average equity	669,185	669,819	675,041	672,835	683,058
Core return on average assets <sup>(2)</sup>	0.20 %	0.35 %	0.36 %	0.37 %	0.09 %
Core return on average equity <sup>(2)</sup>	2.58 %	4.51 %	4.49 %	4.70 %	1.11 %

<sup>1</sup> Core diluted earnings per common share may not foot due to rounding

<sup>2</sup> Ratios are calculated on an annualized basis

# Reconciliation of GAAP to Core Net Interest Income and NIM

	For the three months ended				
	March 31,	December 31,	September 30,	June 30,	March 31,
<i>(Dollars in thousands)</i>	2024	2023	2023	2023	2023
GAAP net interest income	\$ —	\$ 46,085	\$ 44,427	\$ 43,378	\$ 45,262
Net (gain) loss from fair value adjustments on qualifying hedges	—	872	(1,348)	205	(100)
Net amortization of purchase accounting adjustments	—	(461)	(347)	(340)	(306)
Tax equivalent adjustment	—	101	102	101	100
Core net interest income FTE	<u>\$ —</u>	<u>\$ 46,597</u>	<u>\$ 42,834</u>	<u>\$ 43,344</u>	<u>\$ 44,956</u>
Total average interest-earning assets <sup>(1)</sup>	\$ —	\$ 8,080,550	\$ 8,027,201	\$ 7,996,067	\$ 8,006,970
Core net interest margin FTE	#DIV/0! %	2.31 %	2.13 %	2.17 %	2.25 %
GAAP interest income on total loans, net	\$ —	\$ 95,616	\$ 91,466	\$ 85,377	\$ 82,889
Net (gain) loss from fair value adjustments on qualifying hedges - loans	—	978	(1,379)	157	(101)
Net amortization of purchase accounting adjustments	—	(484)	(358)	(345)	(316)
Core interest income on total loans, net	<u>\$ —</u>	<u>\$ 96,110</u>	<u>\$ 89,729</u>	<u>\$ 85,189</u>	<u>\$ 82,472</u>
Average total loans, net <sup>(1)</sup>	\$ —	\$ 6,872,115	\$ 6,817,642	\$ 6,834,644	\$ 6,876,495
Core yield on total loans	#DIV/0! %	5.59 %	5.26 %	4.99 %	4.80 %

# Contact Details

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