

Consolidated Interim Financial Information

September 30, 2025



To our shareholders -

Ballston Spa Bancorp, Inc., parent company of Ballston Spa National Bank (BSNB), generated steady financial results for the third quarter of 2025. Net income for the nine-month period ending September 30, 2025, totaled \$3.9 million, or \$5.36 per share, compared to \$3.9 million, or \$5.31 per share reported for the same period in 2024. Income gains from strong loan portfolio growth over recent periods were offset by higher funding costs and noninterest expense increases associated with recent strategic investments in technology infrastructure and senior staffing levels.

Highlights for the nine months ending September 30, 2025, include:

- Commercial and commercial real estate loan portfolios increased \$17.8 million, or 4.77%, from December 31, 2024;
- After a period of low inventory levels and economic uncertainty, residential mortgage balances increased 4.52% during the period to \$334.2 million;
- Core deposits grew to \$746,141, an increase of 17.35% for the nine months ended September 30, 2025. Increases were recognized in commercial, retail, and municipal balances.

Overall, we continue to experience solid performance with growth opportunities in all lines of business. Furthermore, our balance sheet remains in a strong position with a low level of problem loans and a solid capital base. Nonperforming loans as a percentage of total loans was 0.12%, as of September 30, 2025. Capital levels are well above regulatory minimums as the Bank's Tier 1 risk-based capital ratio standing at 10.46% as of September 30, 2025.

Our financial strength positions us well to embark on an exciting new chapter in the company's history. As recently announced, the company is pursuing a strategic merger with National Bank of Coxsackie (NBC). The combination of the two

long-standing financial institutions, anticipated to occur in the second quarter of 2026, will create a \$1.3 billion community bank with enhanced customer service and greater leadership depth:

- I will continue to serve as Chief Executive Officer, while John A. Balli, the current President and CEO of NBC, will become President of the combined bank
- Richard P. Sleasman, current Chairman of the BSNB Board of Directors, will serve as Chairperson of the Board for the combined company and the combined bank
- James Dodd, current Executive Vice President and Chief Financial Officer of BSNB, will remain in his position
- Jim Conroy, current Executive Vice President and Chief Banking Officer of BSNB, will remain in his position
- Caitlin McCrea, Senior Vice President and Chief Financial Officer of NBC, will become Senior Vice President of Finance and Treasurer for the combined bank

In the coming months you will be receiving more information about the merger and financial details as our two banks combine forces to create a stronger regional presence in the greater Capital Region.

We appreciate your past and continued commitment to our company and look forward to serving you as we enter this new chapter in our history.

Christopher R. Dowd
President and Chief Executive Officer



A Closer Look

TWO BANKS
built on history.
FOCUSED ON YOU.

Ballston Spa National Bank and National Bank of Coxsackie Merger

On September 24, 2025, Ballston Spa Bancorp, Inc. (BSNB) and NBC Bancorp, Inc. (NBC) announced a strategic merger of equals, forming a \$1.3 billion community bank serving the Capital Region and beyond. Operating under the BSNB name, the combined bank will conduct business under the BSNB charter, with the NBC locations known as "Coxsackie Bank, a division of BSNB." This merger enhances lending capacity, expands market reach, and strengthens customer offerings. The merger is anticipated to be finalized in the second quarter of 2026, subject to regulatory and shareholder approvals from both banks. We look forward to this exciting milestone in helping our bank achieve our goal of market leadership and growth.



BSNB and Sleep in Heavenly Peace Give Local Kids a Comfortable, Safe Place to Sleep

Each year, BSNB employees demonstrate the bank's commitment to giving back and strengthening the community by participating in a bank-wide community service day. On September 30, 2025, BSNB partnered with the NY-Mechanicville Chapter of Sleep in Heavenly Peace to set up a workshop at the bank's corporate headquarters in Ballston Spa, NY. During the event, BSNB donated \$5,000 to the organization, along with 48 sets of bedding, and 113 BSNB volunteers built 20 brand new beds for children in need of a comfortable, safe place to sleep.

BSNB Locations

Ballston Spa 87 Front Street	Greenfield Center 3060 Route 9N	Milton Crest 344 Rowland Street
Burnt Hills 770 Saratoga Road	Guilderland 1973 Western Avenue	Stillwater 428 Hudson Avenue
Clifton Park 1714 Route 9	Latham 1202 Troy Schenectady Road	Voorheesville 13 Maple Road
Corporate 990 State Route 67	Malta 124 Dunning Street	Wilton 625 Maple Avenue
Galway 5091 Sacandaga Road		

CONSOLIDATED BALANCE SHEETS

(In thousands)

	September 30, 2025	December 31, 2024
Assets		
Cash and due from banks	\$ 16,589	\$ 7,061
Short-term investments	3,847	18,682
Securities available for sale, at fair value	73,058	76,954
FHLB of NY & FRB stock, at cost	5,377	9,504
Loans	793,353	763,981
Allowance for credit losses	(8,645)	(8,545)
Net loans	784,708	755,436
Premises and equipment, net	11,409	10,107
Other assets	19,218	20,373
Total Assets	\$ 914,206	\$ 898,117
Liabilities and Shareholders' Equity		
Liabilities		
Deposits	\$ 746,141	\$ 635,833
Brokered Deposits	60,465	60,218
FHLB borrowings, short-term	-	86,500
FHLB borrowings, long-term	20,000	30,000
Junior subordinated debentures	7,750	7,750
Other liabilities	11,105	13,321
Total liabilities	\$ 845,461	\$ 833,622
Shareholders' Equity		
Common stock	\$ 9,642	\$ 9,642
Treasury stock, at cost	(991)	(991)
Retained earnings	59,828	56,579
Accumulated other comprehensive loss	266	(735)
Total shareholders' equity	\$ 68,745	\$ 64,495
Total Liabilities & Shareholders' Equity	\$ 914,206	\$ 898,117

CONSOLIDATED INCOME STATEMENTS

(In thousands, except per share data)

For the nine months ended September 30

	2025	2024
Interest and fee income		
Loans, including fees	\$ 28,595	\$ 26,233
Securities available for sale	2,670	2,627
FHLB of NY & FRB stock	528	528
Short-term investments	104	165
Total interest and fee income	\$ 31,897	\$ 29,553
Interest expense		
Deposits	\$ 7,531	7,358
Brokered Deposits	2,174	1,820
FHLB borrowings, short-term	1,854	1,360
FHLB borrowings, long-term	763	942
Junior subordinated debentures	334	334
Total interest expense	\$ 12,656	\$ 11,814
Net interest income	19,241	17,739
Provision for credit losses	480	480
Net interest income after provision for credit losses	\$ 18,761	\$ 17,259
Noninterest income		
Service charges on deposit accounts	\$ 485	\$ 500
Wealth mgmt. and investment income	1,102	1,092
Other	1,269	1,350
Total noninterest income	\$ 2,856	\$ 2,942
Noninterest expense		
Compensation and benefits	\$ 10,350	\$ 9,512
Occupancy and equipment	1,876	1,502
FDIC and OCC assessment	609	649
Advertising and public relations	339	333
Legal and professional fees	633	564
Debit Card processing	387	379
Data processing	824	820
Other	1,681	1,569
Total noninterest expense	\$ 16,699	\$ 15,328
Income before income tax expense	\$ 4,918	\$ 4,873
Income tax expense	934	926
Net income	\$ 3,984	\$ 3,947
Basic earnings per share	\$ 5.36	\$ 5.31