Flagstar Financial, Inc.

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NEWS RELEASE

FOR IMMEDIATE RELEASE

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FLAGSTAR FINANCIAL, INC. ANNOUNCES PRELIMINARY RESULTS OF 2025 ANNUAL SHAREHOLDERS' MEETING

HICKSVILLE, N.Y., June 4, 2025 – Flagstar Financial, Inc. (NYSE: FLG) (the "Company") announced today that, based on preliminary voting results from the 2025 Annual Shareholders' Meeting held earlier today, all three proposals passed with a strong majority of votes for each one.

Based on these preliminary results, the Company's shareholders ratified and/or approved the following:

- The election of the three director nominees to the Board of Directors, each for a three-year term;
- The ratification of the appointment of KPMG, LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2025; and
- By a non-binding advisory vote, approval of the compensation of the Company's Named Executive Officers.

Commenting on today's results, Chairman, President, and Chief Executive Officer, Joseph M. Otting stated, "I am very pleased with the preliminary results from today's annual shareholder meeting. Preliminary voting results indicate that each of the three proposals were approved by shareholders with a strong majority of votes. In addition to the strong majority approval, we also had a significant amount of shareholder participation, with over 87% of total shares outstanding voting this year. I believe preliminary results reflect investor confidence in the turnaround strategy we embarked on last year and in management and the Board's ability to continue to execute on our strategic plan that includes, returning to profitability and transforming Flagstar into a high-performing regional bank."

The Company expects to file a Form 8-K with final voting results within the next four business days.

About Flagstar Financial, Inc.

Flagstar Financial, Inc. is the parent company of Flagstar Bank, N.A., one of the largest regional banks in the country. The Company is headquartered in Hicksville, New York. At March 31, 2025, the Company had $97.6 billion of assets, $67.1 billion of loans, deposits of $73.9 billion, and total stockholders' equity of $8.2 billion. Flagstar Bank, N.A. operates approximately 400 locations across nine states, with strong footholds in the greater New York/New Jersey metropolitan region and in the upper Midwest, along with a significant presence in fast-growing markets in Florida and the West Coast.

Cautionary Statement Regarding Forward-Looking Language

This release, like many written and oral communications presented by Flagstar Financial, Inc. and our authorized officers, may contain certain forward-looking statements regarding our prospective performance and strategies within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and are including this statement for purposes of said safe harbor provisions.

Forward-looking statements, which are based on certain assumptions and describe future plans, strategies, and expectations of the Company, are generally identified by use of the words "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "seek," "strive," "try," or future or conditional verbs such as "will," "would," "should," "could," "may," or similar expressions. Although we believe that our plans, intentions, and expectations as reflected in these forward-looking statements are reasonable, we can give no assurance that they will be achieved or realized.

Our ability to predict results or the actual effects of our plans and strategies is inherently uncertain. Accordingly, actual results, performance, or achievements could differ materially from those contemplated, expressed, or implied by the forward-looking statements contained in this release. Additionally, forward-looking statements speak only as of the date they are made; the Company does not assume any duty, and does not undertake, to update our forward-looking statements.

There are a number of factors, many of which are beyond our control, that could cause actual conditions, events, or results to differ significantly from those described in our forward-looking statements. These factors include, but are not limited to general economic conditions, including higher inflation and its impacts, either nationally or in some or all of the areas in which we and our customers conduct our respective businesses; conditions in the securities markets and real estate markets or the banking industry; changes in real estate values, which could impact the quality of the assets securing the loans in our portfolio; changes in interest rates, which may affect our net income, prepayment penalty income, and other future cash flows, or the market value of our assets, including our investment securities; changes in the quality or composition of our loan or securities portfolios; changes in our capital management policies, including those regarding business combinations, dividends, and share repurchases, among others; heightened regulatory focus on commercial real estate and on commercial real estate loan concentrations; changes in competitive pressures among financial institutions or from non-financial institutions; changes in deposit flows and wholesale borrowing facilities; our ability to maintain sufficient liquidity and funding to fulfill cash obligations and commitments when they become due in the short-term and long-term; changes in the demand for deposit, loan, and investment products and other financial services in the markets we serve; our timely development of new lines of business and competitive products or services in a changing environment, and the acceptance of such products or services by our customers; our ability to obtain timely stockholder and regulatory approvals of any capital raise transactions, corporate restructurings or other significant transactions we may propose; our ability to successfully integrate any assets, liabilities, customers, systems, and management personnel we may acquire into our operations, and our ability to realize related synergies and cost savings within expected time frames, including those related to our recent acquisition of Flagstar Bancorp, Inc. ("Flagstar Bancorp") and the purchase and assumption of certain assets and liabilities of Signature Bridge Bank, N.A. ("Signature"); potential exposure to unknown or contingent liabilities of companies we have acquired, may acquire, or target for acquisition, including our recent acquisition of Flagstar Bancorp and the purchase and assumption of certain assets and liabilities of Signature; the ability to invest effectively in new information technology systems and platforms; the more stringent regulatory framework and prudential standards we are subject to, including with respect to reporting, capital stress testing, and liquidity risk management, as a result of our transition to a Category IV banking organization, and the expenses we will incur to develop policies, programs, and systems that comply with these enhanced standards; changes in future allowance for credit losses requirements under relevant accounting and regulatory requirements; the ability to pay future dividends, including as a result of the failure to receive any required regulatory approval to pay a dividend, or for any other reasons; recent turnover in our Board of Directors and our executive management team; the ability to hire and retain key personnel and qualified members of our Board of Directors; the ability to execute on our strategic plan, including the sufficiency of our internal resources, procedures and systems; the ability to achieve our strategic financial and other strategic goals; the ability to attract new customers and retain existing ones in the manner anticipated; changes in our customer base or in the financial or operating performances of our customers' businesses; the potential for deposit attrition, including for reasons related to (i) the departure of private banking teams whose responsibilities include the acquisition and retention of customer deposits and (ii) the expected transfer of certain custodial deposits associated with our mortgage servicing business out of the Bank; any interruption in customer service due to circumstances beyond our control; our ability to successfully remediate our previously disclosed material weaknesses in internal control over financial reporting; the outcome of pending or threatened litigation, or of investigations or any other matters before regulatory agencies, whether currently existing or commencing in the future, including with respect to any litigation, investigation or other regulatory actions related to (i) the business practices of acquired companies, including our acquisition of Flagstar Bancorp and subsequent purchase and assumption of certain assets and liabilities of Signature, (ii) the capital raise transaction we completed in March of 2024, (iii) the previously disclosed material weaknesses in internal control over financial reporting, (iv) past cyber security breaches, and (v) recent events and circumstances involving the Company, including our full year 2023 earnings announcement, disclosures regarding credit losses, provisioning and goodwill impairment, and negative news and expectations about the prospects of the Company (and associated stock price volatility and changes); environmental conditions that exist or may exist on properties owned by, leased by, or mortgaged to the Company; potential for deferred tax asset valuation allowance relating to Section 382 of the Internal Revenue Code arising from aggregation risk of new shareholder share issuances and warrant exercises related to our March 2024 $1.05 billion capital raise, the Flagstar Bancorp acquisition and additional potential market transactions not in the Company's control; cybersecurity incidents, including any interruption or breach of security resulting in failures or disruptions in customer account management, general ledger, deposit, loan, or other systems managed either by us or third parties; operational issues stemming from, and/or capital spending necessitated by, the potential need to adapt to industry changes in information technology systems, on which we are highly dependent; the ability to keep pace with, and implement on a timely basis, technological changes; changes in legislation, regulation, policies, guidance, or administrative practices, whether by judicial, governmental, or legislative action, and other changes pertaining to banking, securities, taxation, rent regulation and housing (the New York Housing Stability and Tenant Protection Act of 2019), financial accounting and reporting, environmental protection, insurance, and the ability to comply with such changes in a timely manner; changes in the monetary and fiscal policies of the U.S. Government, including policies of the U.S. Department of the Treasury and the Board of Governors of the Federal Reserve System; changes in accounting principles, policies, practices, and guidelines; changes in regulatory expectations relating to predictive models we use in connection with stress testing and other forecasting or in the assumptions on which such modeling and forecasting are predicated; changes to federal, state, and local income tax laws; changes in our credit ratings, or in our ability to access the capital markets; increases in our FDIC insurance premium or future assessments; the impacts of tariffs, sanctions and other trade policies of the United States and its global trading counterparts; the potential impact to the Company from climate change, including higher regulatory compliance, increased expenses, operational changes, and reputational risks; the effects of geopolitical instability and unforeseen or catastrophic events including natural disasters, war, conflicts, terrorist activities, civil unrest, pandemics, epidemics, and other health emergencies, and the potential impact, directly or indirectly, on our business; other economic, competitive, governmental, regulatory, technological, and geopolitical factors affecting our operations, pricing, and services; completing the diversification of the Company's loan portfolio may be more difficult, costly or time consuming than expected; the ability to achieve anticipated expense reductions and enhanced efficiencies with respect to our previously announced strategic workforce reduction; the impact of the recent sale of our mortgage third party origination business, mortgage servicing business and mortgage warehouse business; the ability to successfully integrate branches and operations and to implement appropriate internal controls and regulatory functions relating to such activities; the ability to limit the outflow of deposits, and to successfully retain and manage any loans; the ability to attract new deposits, and to generate new interest-earning assets, in geographic areas that have not been previously served; our ability to effectively manage liquidity, including our success in deploying any liquidity arising from a transaction into assets bearing sufficiently high yields without incurring unacceptable credit or interest rate risk or to utilize available collateral to obtain funding; the ability to obtain cost savings and control incremental non-interest expense; the ability to retain and attract appropriate personnel; the ability to generate acceptable levels of net interest income and non-interest income, including fee income, from acquired operations; the diversion of management's attention from existing operations; the ability to address an increase in working capital requirements; and limitations on the ability to successfully reposition our post-merger balance sheet when deemed appropriate.

More information regarding some of these factors is provided in the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2024 and in other SEC reports we file. Our forward-looking statements may also be subject to other risks and uncertainties, including those we may discuss in this release, on our conference calls, during investor presentations, or in our SEC filings, which are accessible on our website and at the SEC's website, www.sec.gov.