

NEWS RELEASE

FOR IMMEDIATE RELEASE

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FLAGSTAR FINANCIAL, INC. ANNOUNCES ACTIONS TO ENHANCE ITS CORPORATE STRUCTURE BY MERGING HOLDING COMPANY INTO THE BANK

HICKSVILLE, N.Y., July 24, 2025 – Flagstar Financial, Inc. (NYSE: FLG) (the “Company”) the holding company for Flagstar Bank, N.A., (the “Bank”), announced today that its Board of Directors has approved a merger agreement between the Company and the Bank whereby the Company will merge into the Bank, with the Bank as the surviving entity (the “Reorganization”). The resulting entity will continue to be known as Flagstar Bank, N.A. and its common stock will continue to trade on the New York Stock Exchange (“NYSE”) under the same ticker symbol currently used by the Company – “FLG”.

The Reorganization will further reduce costs, simplify our organizational structure, streamline managerial, operational, and administrative functions throughout the Bank, eliminate redundant corporate activities and duplicative supervision and regulation.

The Reorganization is subject to both regulatory and shareholder approval. The Company expects to file a proxy statement and other proxy materials with the Securities and Exchange Commission in connection with the Reorganization during the third quarter of 2025. Assuming receipt of required regulatory approvals and an affirmative vote by shareholders, the Company expects to consummate the Reorganization before year-end.

Commenting on this action, Joseph M. Otting, Chairman, President, and CEO stated, “We continue to make significant progress on our journey of building a well-capitalized, diversified, and top-performing regional bank. This action of simplifying our legal, regulatory, and corporate structure accelerates this mission by reducing unnecessary costs and ensures our focus remains on the customers and communities we serve.”

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 Statements Regarding Forward-Looking Language

This press release and any associated conference call may include forward-looking statements by the Company and our authorized officers pertaining to such matters as our goals, beliefs, intentions, and expectations regarding, among other things: (a) revenues, earnings, loan production, asset quality, liquidity position, capital levels, risk analysis, divestitures, acquisitions, and other material transactions, among other matters; (b) the future costs and benefits of the actions we may take; (c) our assessments of credit risk and probable losses on loans and associated allowances and reserves; (d) our assessments of interest rate and other market risks; (e) our ability to achieve profitability goals within projected timeframes and to execute on our strategic plan, including the sufficiency of our internal resources, procedures and systems; (f) our ability to attract, incentivize, and retain key personnel and the roles of key personnel; (g) our ability to achieve our financial and other strategic goals, including those related to the Reorganization, our merger with Flagstar Bancorp, Inc., which was completed in December 2022, our acquisition of substantial portions of the former Signature Bank through an FDIC-assisted transaction, which was completed in March 2023, and our ability to fully and timely implement and maintain the risk management programs institutions greater than \$100 billion in assets must maintain for so long as we are subject to such requirements; (h) the impact of the \$1.05 billion capital raise we completed in March 2024; (i) our previously disclosed material weaknesses in internal control over financial reporting; (j) the conversion or exchange of shares of the Company's preferred stock; (k) the payment of dividends on shares of the Company's capital stock, including adjustments to the amount of dividends payable on shares of the Company's preferred stock; (l) the availability of equity and dilution of existing equity holders associated with future equity awards and stock issuances; (m) the effects of the reverse stock split we effected in July 2024; (n) the impact of the recent sale of our mortgage servicing operations, third party mortgage loan origination business, and mortgage warehouse business; and (o) our ability to obtain shareholder and regulatory approval and effectively consummate the proposed Reorganization.

Forward-looking statements are typically identified by such words as "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "should," "confident," and other similar words and expressions, and are subject to numerous assumptions, risks, and uncertainties, which change over time. 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. Furthermore, because forward-looking statements are subject to

assumptions and uncertainties, actual results or future events could differ, possibly materially, from those anticipated in our statements, and our future performance could differ materially from our historical results.

Our forward-looking statements are subject to, among others, the following principal risks and uncertainties: general economic conditions and trends, either nationally or locally; conditions in the securities, credit and financial markets; changes in interest rates; changes in deposit flows, and in the demand for deposit, loan, and investment products and other financial services; changes in real estate values; changes in the quality or composition of our loan or investment portfolios, including associated allowances and reserves; changes in future allowance for credit losses, including changes required under relevant accounting and regulatory requirements; the ability to pay future dividends; changes in our capital management and balance sheet strategies and our ability to successfully implement such strategies; recent turnover in our Board of Directors and our executive management team; changes in our strategic plan, including changes in our internal resources, procedures and systems, and our ability to successfully implement such plan; our ability to successfully remediate our previously disclosed material weaknesses in internal control over financial reporting; changes in competitive pressures among financial institutions or from non-financial institutions; changes in legislation, regulations, and policies; the impacts of tariffs, sanctions and other trade policies of the United States and its global trading counterparts; the outcome of federal, state, and local elections and the resulting economic and other impact on the areas in which we conduct business; the imposition of restrictions on our operations by bank regulators; 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; our ability to fully and timely implement and maintain the risk management programs institutions greater than \$100 billion in assets must maintain for so long as we are subject to such requirements; the restructuring of our mortgage business; our ability to recognize anticipated cost savings and enhanced efficiencies with respect to our balance sheet and expense reduction strategies; the impact of failures or disruptions in or breaches of the Company's operational or security systems, data or infrastructure, or those of third parties, including as a result of cyberattacks or campaigns; the impact of natural disasters, extreme weather events, civil unrest, international military conflict, terrorism or other geopolitical events; and a variety of other matters which, by their nature, are subject to significant uncertainties and/or are beyond our control. Our forward-looking statements are also subject to the following principal risks and uncertainties with respect to our merger with Flagstar Bancorp, which was completed in December 2022, and our acquisition of substantial portions of the former Signature Bank through an FDIC-assisted transaction, which was completed in March 2023: the possibility that the anticipated benefits of the transactions will not be realized when expected or at all; the possibility of increased legal and compliance costs, including with respect to any litigation or regulatory actions related to the business practices of acquired companies or the combined business; diversion of management's attention from ongoing business operations and opportunities; the possibility that the Company may be unable to achieve expected synergies and operating efficiencies in or as a result of the transactions within the expected timeframes or at all; and revenues following the transactions

may be lower than expected. In addition, our forward-looking statements are subject to the following principal risks and uncertainties, among others, with respect to the proposed holding company reorganization transaction: the potential timing or consummation of the proposed transaction and receipt of regulatory approvals or determinations, or the anticipated benefits thereof, including, without limitation, future financial and operating results; risks and uncertainties related to the ability to obtain shareholder and regulatory approvals or determinations, or the possibility that such approvals or determinations may be delayed; the imposition by regulators of conditions or requirements that are not favorable to us; our ability to achieve anticipated benefits from the consolidation and regulatory determinations; and legislative, regulatory and economic developments that may diminish or eliminate the anticipated benefits of the consolidation.

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 news release, on our conference call, during investor presentations, or in our SEC filings, which are accessible on our website and at the SEC's website, www.sec.gov.

Except as required by law, the Company specifically disclaims any obligation to update any factors or to publicly announce the result of revisions to any of the forward-looking statements included herein to reflect future events or developments.

Important Additional Information and Where to Find It

Flagstar Financial, Inc. will file a proxy statement and other relevant documents concerning the proposed transaction with the Securities and Exchange Commission (SEC). INVESTORS ARE URGED TO READ THE PROXY STATEMENT WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. You will be able to obtain the documents free of charge at the website maintained by the SEC at www.sec.gov. In addition, you may obtain documents filed with the SEC by the Company free of charge by contacting: Investor Relations, Flagstar Financial, Inc., 102 Duffy Avenue, Hicksville, NY 11801. Phone: (516) 683-4420

Participants in Proxy Solicitation

Flagstar Financial, Inc. and its respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the Company's shareholders in connection with the proposed transaction. Information about the directors and executive officers of the Company and their ownership of Company stock is set forth in the proxy statement for the Company's 2025 Annual Meeting of Shareholders. Investors may obtain additional information regarding the interests of such participants by reading the proxy statement for the proposed transaction when it becomes available.