UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the quarterly period ended September 30, 2025
OR
☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**
For the transition period from _____ to _____

Commission File Number 001-34582

NORTHWEST BANCSHARES, INC.
(Exact name of registrant as specified in its charter)

Maryland	**27-0950358**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3 Easton Oval	**Suite 500**	**Columbus**	**Ohio**	**43219**
(Address of Principal Executive Offices)				(Zip Code)

(814) 726-2140
(Registrant's telephone number, including area code)

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.01 Par Value	NWBI	The Nasdaq Stock Market, LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

☒ Large accelerated filer ☐ Accelerated filer
☐ Non-accelerated filer ☐ Smaller reporting company
☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:
Common Stock ($0.01 par value), 146,099,971 shares outstanding as of October 31, 2025.

NORTHWEST BANCSHARES, INC.
Table of Contents

PART I	**FINANCIAL INFORMATION**	
Item 1.	Financial Statements	
	Consolidated Statements of Financial Condition at September 30, 2025 and December 31, 2024 (Unaudited)	1
	Consolidated Statements of Income for the quarter and nine months ended September 30, 2025 and 2024 (Unaudited)	2
	Consolidated Statements of Comprehensive Income for the quarter and nine months ended September 30, 2025 and 2024 (Unaudited)	3
	Consolidated Statements of Changes in Shareholders' Equity for the quarter and nine months ended September 30, 2025 and 2024 (Unaudited)	4
	Consolidated Statements of Cash Flows for the nine months ended September 30, 2025 and 2024 (Unaudited)	6
	Notes to Consolidated Financial Statements (Unaudited)	7
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	46
Item 3.	Quantitative and Qualitative Disclosures about Market Risk	63
Item 4.	Controls and Procedures	64
PART II	**OTHER INFORMATION**	
Item 1.	Legal Proceedings	64
Item 1A.	Risk Factors	64
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	65
Item 3.	Defaults Upon Senior Securities	65
Item 4.	Mine Safety Disclosures	65
Item 5.	Other Information	65
Item 6.	Exhibits	66
	Signature	67

Item 1. FINANCIAL STATEMENTS

NORTHWEST BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (Unaudited)
(in thousands, except share data)

	September 30, 2025	December 31, 2024
Assets		
Cash and cash equivalents	$ 278,817	288,378
Marketable securities available-for-sale (amortized cost of $1,405,959 and $1,278,665, respectively)	1,270,880	1,108,944
Marketable securities held-to-maturity (fair value of $618,633 and $637,948, respectively)	702,392	750,586
Total cash and cash equivalents and marketable securities	2,252,089	2,147,908
Loans held-for-sale	22,297	76,331
Loans held for investment	12,940,933	11,180,014
Allowance for credit losses	(157,396)	(116,819)
Loans receivable, net	12,783,537	11,063,195
FHLB stock, at cost	33,349	21,006
Accrued interest receivable	55,549	46,356
Real estate owned, net	174	35
Premises and equipment, net	139,491	124,246
Bank-owned life insurance	303,115	253,137
Goodwill	438,402	380,997
Other intangible assets, net	47,924	2,837
Other assets	305,082	292,176
Total assets	$ 16,381,009	14,408,224
Liabilities and shareholders' equity		
Liabilities:		
Noninterest-bearing demand deposits	$ 3,089,963	2,621,415
Interest-bearing demand deposits	2,898,350	2,666,504
Money market deposit accounts	2,462,979	2,007,739
Savings deposits	2,373,413	2,171,251
Time deposits	2,871,544	2,677,645
Total deposits	13,696,249	12,144,554
Borrowed funds	368,241	200,331
Subordinated debt	114,800	114,538
Junior subordinated debentures	130,028	129,834
Advances by borrowers for taxes and insurance	21,840	42,042
Accrued interest payable	10,555	6,935
Other liabilities	183,560	173,134
Total liabilities	14,525,273	12,811,368
Shareholders' equity:		
Preferred stock, $0.01 par value: 50,000,000 authorized, no shares issued	—	—
Common stock, $0.01 par value: 500,000,000 shares authorized, 146,097,057 and 127,508,003 shares issued and outstanding, respectively	1,461	1,275
Additional paid-in capital	1,268,694	1,033,385
Retained earnings	672,843	673,110
Accumulated other comprehensive loss	(87,262)	(110,914)
Total shareholders' equity	1,855,736	1,596,856
Total liabilities and shareholders' equity	$ 16,381,009	14,408,224

See accompanying notes to unaudited Consolidated Financial Statements.

NORTHWEST BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(in thousands, except share data)

	Quarter ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Interest income:				
Loans receivable	$ 177,723	156,413	497,275	459,938
Mortgage-backed securities	12,668	10,908	36,552	28,278
Taxable investment securities	1,183	842	3,115	2,364
Tax-free investment securities	752	512	1,776	1,460
FHLB stock dividends	652	394	1,336	1,499
Interest-earning deposits	1,700	2,312	6,789	4,935
Total interest income	194,678	171,381	546,843	498,474
Interest expense:				
Deposits	51,880	54,198	146,031	154,638
Borrowed funds	6,824	5,881	17,576	22,455
Total interest expense	58,704	60,079	163,607	177,093
Net interest income	135,974	111,302	383,236	321,381
Provision for credit losses - loans	31,394	5,727	51,106	12,130
Provision/(benefit) for credit losses - unfunded commitments	(189)	(852)	(3,246)	(4,190)
Net interest income after provision for credit losses	104,769	106,427	335,376	313,441
Noninterest income:				
Gain/(loss) on sale of investments	36	—	36	(39,413)
Gain on sale of SBA loans	341	667	2,398	2,997
Service charges and fees	16,911	15,932	47,695	46,982
Trust and other financial services income	8,040	7,924	23,898	22,617
Gain on real estate owned, net	132	105	474	649
Income from bank-owned life insurance	1,751	1,434	4,503	4,307
Mortgage banking income	1,003	744	2,774	2,097
Other operating income	3,984	1,027	9,713	6,711
Total noninterest income	32,198	27,833	91,491	46,947
Noninterest expense:				
Compensation and employee benefits	63,014	56,186	172,767	161,257
Premises and occupancy costs	7,707	7,115	23,229	22,206
Office operations	3,495	2,811	9,382	9,397
Collections expense	776	474	1,942	1,216
Processing expenses	15,072	14,570	42,035	43,990
Marketing expenses	1,932	2,004	6,830	6,563
Federal deposit insurance premiums	3,361	2,763	7,985	8,651
Professional services	3,010	3,302	9,756	11,095
Amortization of intangible assets	1,974	590	2,914	1,926
Merger, asset disposition and restructuring expense	31,260	43	38,627	2,913
Other expenses	1,897	909	7,308	3,997
Total noninterest expense	133,498	90,767	322,775	273,211
Income before income taxes	3,469	43,493	104,092	87,177
Federal and state income taxes expense	302	9,875	23,792	19,649
Net income	$ 3,167	33,618	80,300	67,528
Basic earnings per share	$ 0.02	0.26	0.61	0.53
Diluted earnings per share	$ 0.02	0.26	0.61	0.53

See accompanying notes to unaudited Consolidated Financial Statements.

NORTHWEST BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (Unaudited)
(in thousands)

	Quarter ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Net income	$ 3,167	33,618	80,300	67,528
Other comprehensive income net of tax:				
Net unrealized holding gains/(losses) on marketable securities:				
Unrealized holding gains/(losses), net of tax of ($2,826), ($8,980), ($8,489), and ($7,054), respectively	8,820	27,947	26,108	18,858
Reclassification adjustment for losses included in net income, net of tax of ($13), $0, ($13), and ($7,706) respectively	44	—	45	26,789
Net unrealized holding gains/(losses) on marketable securities	8,864	27,947	26,153	45,647
Change in fair value of interest rate swaps, net of tax of $32, $1,068, $655, and $342, respectively	(84)	(3,654)	(1,995)	(1,170)
Defined benefit plan:				
Actuarial reclassification adjustments for prior period service costs and actuarial gains included in net income, net of tax of $64, $148, $191, and $442, respectively	(168)	(387)	(506)	(1,163)
Other comprehensive income	8,612	23,906	23,652	43,314
Total comprehensive income	$ 11,779	57,524	103,952	110,842

See accompanying notes to unaudited Consolidated Financial Statements.

NORTHWEST BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)
(in thousands, expect share data)

	Common stock		Additional paid-in capital	Retained earnings	Accumulated other comprehensive income/(loss)	Total shareholders' equity
Quarter ended September 30, 2025	**Shares**	**Amount**				
Beginning balance at June 30, 2025	127,842,403	$ 1,278	1,037,615	699,049	(95,874)	1,642,068
Comprehensive income:						
Net income	—	—	—	3,167	—	3,167
Other comprehensive income, net of tax of ($2,743)	—	—	—	—	8,612	8,612
Total comprehensive income	—	—	—	3,167	8,612	11,779
Acquisition of Penns Woods Bancorp, Inc.	18,226,469	182	230,018	—	—	230,200
Exercise of stock options	18,182	1	176	—	—	177
Stock-based compensation expense	14,550	—	885	—	—	885
Common shares returned (1)	(4,547)	—	—	—	—	—
Dividends paid ($0.20 per share)	—	—	—	(29,373)	—	(29,373)
Ending balance at September 30, 2025	146,097,057	$ 1,461	1,268,694	672,843	(87,262)	1,855,736

(1) includes shares withheld for taxes and forfeitures

	Common stock		Additional paid-in capital	Retained earnings	Accumulated other comprehensive loss	Total shareholders' equity
Quarter ended September 30, 2024	**Shares**	**Amount**				
Beginning balance at June 30, 2024	127,307,997	$ 1,273	1,027,703	657,706	(130,084)	1,556,598
Comprehensive income:						
Net income	—	—	—	33,618	—	33,618
Other comprehensive loss, net of tax of ($7,764)	—	—	—	—	23,906	23,906
Total comprehensive income	—	—	—	33,618	23,906	57,524
Exercise of stock options	94,731	1	1,098	—	—	1,099
Stock-based compensation expense	9,928	—	1,583	—	—	1,583
Stock-based compensation forfeited	(12,457)	—	—	—	—	—
Dividends paid ($0.20 per share)	—	—	—	(25,479)	—	(25,479)
Ending balance at September 30, 2024	127,400,199	$ 1,274	1,030,384	665,845	(106,178)	1,591,325

See accompanying notes to unaudited Consolidated Financial Statements.

NORTHWEST BANCSHARES, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Unaudited)
(in thousands, expect share data)

Nine months ended September 30, 2025	Common stock Shares	Common stock Amount	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income/(loss)	Total shareholders' equity
Beginning balance at December 31, 2024	127,508,003	$ 1,275	1,033,385	673,110	(110,914)	1,596,856
Comprehensive income:						
Net income	—	—	—	80,300	—	80,300
Other comprehensive income, net of tax of ($7,656)	—	—	—	—	23,652	23,652
Total comprehensive income	—	—	—	80,300	23,652	103,952
Acquisition of Penns Woods Bancorp, Inc.	18,226,469	182	230,018	—	—	230,200
Exercise of stock options	83,316	1	762	—	—	763
Stock-based compensation expense	306,288	3	4,529	—	—	4,532
Common shares returned (1)	(27,019)	—	—	—	—	—
Dividends paid ($0.60 per share)	—	—	—	(80,567)	—	(80,567)
Ending balance at September 30, 2025	146,097,057	$ 1,461	1,268,694	672,843	(87,262)	1,855,736

(1) includes shares withheld for taxes and forfeitures

Nine months ended September 30, 2024	Common stock Shares	Common stock Amount	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income/(loss)	Total shareholders' equity
Beginning balance at December 31, 2023	127,110,453	$ 1,271	1,024,852	674,686	(149,492)	1,551,317
Comprehensive income:						
Net income	—	—	—	67,528	—	67,528
Other comprehensive income, net of tax of ($13,976)	—	—	—	—	43,314	43,314
Total comprehensive income	—	—	—	67,528	43,314	110,842
Exercise of stock options	101,123	1	1,179	—	—	1,180
Stock-based compensation expense	213,906	2	4,353	—	—	4,355
Stock-based compensation forfeited	(25,283)	—	—	—	—	—
Dividends paid ($0.60 per share)	—	—	—	(76,369)	—	(76,369)
Ending balance at September 30, 2024	127,400,199	$ 1,274	1,030,384	665,845	(106,178)	1,591,325

See accompanying notes to unaudited Consolidated Financial Statements.

NORTHWEST BANCSHARES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(in thousands)

	Nine months ended September 30,	
	2025	**2024**
Operating activities:		
Net income	$ 80,300	67,528
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for credit losses	47,860	7,940
(Gain)/loss on sale of investments	(36)	39,413
Net gain/loss on sale of assets	68	(5,646)
Mortgage banking activity	(2,774)	(2,616)
Gain on sale of SBA loans	(2,398)	(2,873)
Net depreciation, amortization and accretion	1,706	18,113
Decrease in other assets	36,558	44,932
(Increase)/decrease in other liabilities	(9,258)	19,721
Net amortization on marketable securities	(211)	754
Noncash compensation expense related to stock benefit plans	4,532	4,355
Noncash write-down of other assets	2,589	6,140
Deferred income tax expense	(8,231)	2,641
Origination of loans held-for-sale	(145,358)	(150,354)
Proceeds from sale of loans held-for-sale	141,882	154,594
Net cash provided by operating activities	147,229	204,642
Investing activities:		
Purchase of marketable securities available-for-sale	(134,179)	(383,192)
Proceeds from maturities and principal reductions of marketable securities held-to-maturity	47,634	47,482
Proceeds from maturities and principal reductions of marketable securities available-for-sale	88,249	59,925
Proceeds from sale of marketable securities available-for-sale	80,171	275,585
Proceeds from bank-owned life insurance	776	874
Loan originations	(3,095,013)	(2,729,306)
Proceeds from loan maturities and principal reductions	3,208,141	2,820,106
Net proceeds of FHLB stock	17,065	8,923
Proceeds from sale of real estate owned	584	746
Purchases of premises and equipment, net	(9,099)	(2,076)
Acquisitions, net of cash received	30,899	—
Net cash used in investing activities	235,228	99,067
Financing activities:		
Net increase in deposits	(65,917)	91,177
Net decrease in short-term borrowings	(226,095)	(194,521)
Increase in advances by borrowers for taxes and insurance	(20,202)	(20,553)
Cash dividends paid on common stock	(80,567)	(76,369)
Proceeds from stock options exercised	763	1,180
Net cash provided by financing activities	(392,018)	(199,086)
Net (decrease)/increase in cash and cash equivalents	$ (9,561)	104,623
Cash and cash equivalents at beginning of period	$ 288,378	122,260
Net (decrease)/increase in cash and cash equivalents	(9,561)	104,623
Cash and cash equivalents at end of period	$ 278,817	226,883
Cash paid during the period for:		
Interest on deposits and borrowings (including interest credited to deposit accounts of $132,632 and $81,238, respectively)	$ 159,987	175,637
Income taxes	35,616	15,245
Non-cash activities:		
Loan foreclosures and repossessions	$ 2,996	3,259
Business acquisitions:		
Fair value of assets acquired	$ 2,268,775	—
Northwest Bancshares, Inc. common stock issued	(230,200)	—
Cash paid	(3,607)	—
Liabilities assumed	$ 2,034,968	—

See accompanying notes to unaudited Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

(1) Basis of Presentation and Informational Disclosures

Northwest Bancshares, Inc. (the "Company" or "Northwest"), a Maryland corporation headquartered in Columbus, Ohio, is a bank holding company regulated by the Board of Governors of the Federal Reserve Board ("Federal Reserve Board"). The primary activity of the Company is the ownership of all of the issued and outstanding common stock of Northwest Bank, a Pennsylvania-chartered savings bank ("Northwest Bank"). Northwest Bank is regulated by the Federal Deposit Insurance Corporation ("FDIC") and the Pennsylvania Department of Banking and Securities. Northwest Bank operates 161 community-banking offices throughout Pennsylvania, Western New York, Ohio, and Indiana.

The accompanying unaudited Consolidated Financial Statements include the accounts of the Company and its subsidiary, Northwest Bank, and Northwest's subsidiaries Northwest Capital Group, Inc., Great Northwest Corporation, and Mutual Federal Interest Company, Inc. The unaudited Consolidated Financial Statements have been prepared in accordance with United States generally accepted accounting principles for interim financial information and with the instructions for Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information or footnotes required for complete annual financial statements. In the opinion of management, all adjustments necessary for the fair presentation of the Company's financial position and results of operations have been included. The Consolidated Financial Statements have been prepared using the accounting policies described in the financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 updated, as required, for any new pronouncements or changes.

Certain items previously reported have been reclassified to conform to the current year's reporting format.

The results of operations for the quarter ended September 30, 2025 are not necessarily indicative of the results that may be expected for the year ending December 31, 2025, or any other period.

(2) Acquisition

On July 25, 2025, the Company completed the previously announced merger with Penns Woods Bancorp, Inc. (“Penns Woods”), the holding company for Jersey Shore State Bank and Luzerne Bank, along with the mergers of Jersey Shore State Bank and Luzerne Bank, (collectively referred to as "Penns Woods"), with and into Northwest Bank, for total consideration of $234 million. The transaction has expanded Northwest’s franchise by 21 branch locations across North Central and Northeastern Pennsylvania after the consolidation. The results of Penns Woods operations are included in the Consolidated Statements of Income from the date of acquisition.

The Penns Woods transactions constitutes a business combination as defined by FASB ASC Topic 805, Business Combinations. Accordingly, the assets acquired and liabilities assumed are presented at their estimated fair values based on preliminary valuations as of the acquisition date.

Under the terms of the merger agreement, each share of Penns Woods common stock was converted into 2.385 shares of the Company's common stock, or a total of 18,226,469 shares of common stock of the Company, valued at $230 million, based on the $12.63 per share closing price of the Company's stock on July 25, 2025 with cash in lieu of fractional shares paid at a rate of $13.14 per whole share of Northwest Bancshares, Inc. common stock. Additionally, any unexercised stock options of Penns Woods outstanding were cancelled in exchange for a cash payment at the spread value over the exercise price with total consideration paid of $4 million.

As a result of the acquisition, the Company recorded preliminary goodwill totaling $57.4 million at July 25, 2025, which reflects expected synergies and economies of scale from the acquisition. While the Company believes the information available on July 25, 2025 provided a reasonable basis for estimating fair value, the Company may obtain additional information and evidence within the one-year measurement period that could result in changes to the estimated fair value amounts and associated goodwill. Valuations subject to change include, but are not limited to: loans, identified intangible assets, certain deposits, certain other assets and liabilities, and related deferred income taxes. Subsequent adjustments, if necessary, will be reflected in future filings.

The following table shows the preliminary assessment of the consideration transferred and assets acquired and the liabilities assumed that were recorded at fair value on the date of acquisition (in thousands):

Consideration paid:		
Northwest Bancshares, Inc. common stock issued	$	230,200
Cash consideration paid		3,607
Total consideration paid		233,807
Recognized amounts of identifiable assets acquired and (liabilities assumed), at fair value (1)		
Cash and cash equivalents	$	34,506
Investment securities available-for-sale		160,728
Loans, net		1,814,501
Federal Home Loan Bank stock		29,408
Premises and equipment		15,862
Core deposit intangible		48,000
Other assets		108,345
Deposits		(1,617,611)
Borrowings		(394,135)
Other liabilities		(23,202)
Total identifiable net assets	$	176,402
Goodwill	$	57,405

(1) Amounts are estimates and subject to adjustment. Actual amounts are not expected to differ materially from the amounts shown.

We estimated the fair value of loans acquired from Penns Woods by utilizing a methodology wherein similar loans were aggregated into pools. Cash flows for each pool were determined by estimating future credit losses and the rate of prepayments. Projected monthly cash flows were then discounted to present value based on a market rate for similar loans. There was no carryover of Penns Woods allowance for credit losses associated with the loans we acquired as the loans were initially recorded at fair value. The unpaid principal balance of loans acquired was $1.9 billion with a fair value of $1.8 billion, net of a $71.5 million discount.

The core deposit intangible represents the future economic benefit of acquired customer deposits. The fair value of the core deposit intangible asset was estimated based on a discounted cash flow methodology that incorporated expected customer attrition rates, cost of deposit base, net maintenance cost associated with customer deposits, and the cost for alternative funding sources. The core deposit intangible asset recognized as part of the Penns Woods merger is being amortized over its estimated useful life of ten years utilizing an accelerated method.

The goodwill, which is not amortized for book purposes, was assigned to our only segment, Banking and is not deductible for tax purposes. The fair values of savings and transaction deposit accounts acquired from Penns Woods were assumed to approximate the carrying value as these accounts have no stated maturity and are payable on demand. Certificates of deposit were valued by projecting out the expected cash flows based on the contractual terms of the certificates of deposit. These cash flows were discounted based on a market rate for a certificate of deposit with a corresponding maturity.

Direct costs related to the Penns Woods merger were expensed as incurred and were $36 million during the nine months ended September 30, 2025, which included technology and communications costs, professional services, marketing and advertising, severance expense and fixed asset disposals.

The following table presents unaudited pro forma information as if the acquisition of Penns Woods had occurred on January 1, 2024. These results combine the historical results of Penns Woods in the Company's Consolidated Statements of Income and while certain adjustments were made for the estimated impact of certain fair value adjustments and other acquisition-related activity, they are not indicative of what would have occurred had the acquisition taken place on January 1, 2024. No adjustments have been made to the pro forma results regarding possible revenue enhancements or expense efficiencies. Pro forma adjustments below include the net impact of Penns Woods loan accretion, CDI amortization and the elimination of merger-related costs and day 1 provision expense for non-PCD acquired loans. The Company expects to achieve further operating cost savings and other business synergies, as a result of the acquisition, which are not reflected in the pro forma amounts below (dollars in thousands):

	Proforma (unaudited) Three Months Ended September 30,		Proforma (unaudited) Nine Months Ended September 30,	
	2025	2024	2025	2024
Total revenues (1)	$ 174,672	160,312	526,381	429,656
Net income available to common shareholders	34,790	39,643	130,464	85,198

(1) Includes net interest income and total noninterest income

The Company's operating results for the three and nine months ended September 30, 2025 includes the operating results of the acquired assets and assumed liabilities of Penns Woods subsequent to the acquisition on July 25, 2025. Due to the conversion of Penns Woods systems occurring at the merger date, as well as other streamlining and integration of the operating activities into those of the Company, historical reporting for the former Penns Woods operations is impracticable and thus disclosures of the revenue from the assets acquired and net income is impracticable for the period subsequent to acquisition.

(3) Marketable Securities

The following table shows the portfolio of marketable securities available-for-sale at September 30, 2025 (in thousands):

	Amortized cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Debt issued by the U.S government and agencies:				
Due after one year through five years	$ 1,762	11	(18)	1,755
Due after ten years	42,581	—	(8,165)	34,416
Debt issued by government-sponsored enterprises:				
Due after one year through five years	1,055	6	(3)	1,058
Due after five years through ten years	996	7	—	1,003
Municipal securities:				
Due within one year	4,774	6	—	4,780
Due after one year through five years	12,096	117	(1)	12,212
Due after five years through ten years	24,655	312	(1,405)	23,562
Due after ten years	53,172	191	(7,843)	45,520
Corporate debt issues:				
Due in one year or less	1,421	3	—	1,424
Due after five years through ten years	10,893	59	(79)	10,873
Due after ten years	26,315	1,151	—	27,466
Mortgage-backed securities:				
Fixed rate pass-through	297,215	3,099	(11,877)	288,437
Variable rate pass-through	3,156	59	(2)	3,213
Fixed rate agency CMOs	879,499	2,428	(113,019)	768,908
Variable rate agency CMOs	46,369	102	(218)	46,253
Total mortgage-backed securities	1,226,239	5,688	(125,116)	1,106,811
Total marketable securities available-for-sale	$ 1,405,959	7,551	(142,630)	1,270,880

The following table shows the portfolio of marketable securities available-for-sale at December 31, 2024 (in thousands):

	Amortized cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Debt issued by the U.S. government and agencies:				
Due after ten years	$ 45,289	—	(9,898)	35,391
Debt issued by government-sponsored enterprises:				
Due after one year through five years	122	—	(4)	118
Municipal securities:				
Due after one year through five years	888	10	(2)	896
Due after five years through ten years	16,662	4	(1,756)	14,910
Due after ten years	51,257	4	(8,440)	42,821
Corporate debt issues:				
Due in one year or less	5,485	—	(78)	5,407
Due after five years through ten years	19,944	815	(65)	20,694
Mortgage-backed securities:				
Fixed rate pass-through	237,892	106	(17,581)	220,417
Variable rate pass-through	3,738	54	(3)	3,789
Fixed rate agency CMOs	852,648	174	(132,989)	719,833
Variable rate agency CMOs	44,740	30	(102)	44,668
Total mortgage-backed securities	1,139,018	364	(150,675)	988,707
Total marketable securities available-for-sale	$ 1,278,665	1,197	(170,918)	1,108,944

The following table shows the portfolio of marketable securities held-to-maturity at September 30, 2025 (in thousands):

	Amortized cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Debt issued by government-sponsored enterprises:				
Due in one year or less	$ 16,478	—	(226)	16,252
Due after one year through five years	107,987	—	(9,406)	98,581
Mortgage-backed securities:				
Fixed rate pass-through	122,022	—	(13,870)	108,152
Variable rate pass-through	328	3	—	331
Fixed rate agency CMOs	455,049	—	(60,258)	394,791
Variable rate agency CMOs	528	—	(2)	526
Total mortgage-backed securities	577,927	3	(74,130)	503,800
Total marketable securities held-to-maturity	$ 702,392	3	(83,762)	618,633

The following table shows the portfolio of marketable securities held-to-maturity at December 31, 2024 (in thousands):

	Amortized cost	Gross unrealized holding gains	Gross unrealized holding losses	Fair value
Debt issued by government-sponsored enterprises:				
Due after one year through five years	$ 124,462	—	(14,464)	109,998
Mortgage-backed securities:				
Fixed rate pass-through	132,816	—	(20,181)	112,635
Variable rate pass-through	364	1	—	365
Fixed rate agency CMOs	492,415	—	(77,989)	414,426
Variable rate agency CMOs	529	—	(5)	524
Total mortgage-backed securities	626,124	1	(98,175)	527,950
Total marketable securities held-to-maturity	$ 750,586	1	(112,639)	637,948

The following table shows the contractual maturity of our mortgage-backed securities available-for-sale at September 30, 2025 (in thousands):

	Amortized cost	Fair value
Mortgage-backed securities:		
Due within one year	$ 110	111
Due after one year through five years	15,394	14,720
Due after five years through ten years	21,044	21,398
Due after ten years	1,189,691	1,070,582
Total mortgage-backed securities	$ 1,226,239	1,106,811

The following table shows the contractual maturity of our mortgage-backed securities held-to-maturity at September 30, 2025 (in thousands):

	Amortized cost	Fair value
Mortgage-backed securities:		
Due after one year through five years	$ 19,874	18,671
Due after five years through ten years	20,160	17,416
Due after ten years	537,893	467,713
Total mortgage-backed securities	$ 577,927	503,800

The following table shows the fair value of and gross unrealized losses on available-for-sale investment securities and held to maturity investment securities, for which an allowance for credit losses has not been recorded, aggregated by investment category and length of time that the individual securities have been in a continuous unrealized loss position at September 30, 2025 (in thousands):

	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized loss	Fair value	Unrealized loss	Fair value	Unrealized loss
U.S. government-sponsored enterprises	$ 1,147	(18)	149,315	(17,800)	150,462	(17,818)
Municipal securities	4,861	(2)	39,855	(9,247)	44,716	(9,249)
Corporate issues	3,932	(42)	3,450	(37)	7,382	(79)
Mortgage-backed securities - agency	47,948	(292)	1,141,622	(198,954)	1,189,570	(199,246)
Total	$ 57,888	(354)	1,334,242	(226,038)	1,392,130	(226,392)

The following table shows the fair value of and gross unrealized losses on available-for-sale investment securities and held to maturity investment securities, for which an allowance for credit losses has not been recorded, aggregated by investment category and length of time that the individual securities have been in a continuous unrealized loss position at December 31, 2024 (in thousands):

	Less than 12 months		12 months or more		Total	
	Fair value	Unrealized loss	Fair value	Unrealized loss	Fair value	Unrealized loss
U.S. government-sponsored enterprises	$ —	—	145,507	(24,366)	145,507	(24,366)
Corporate debt issues	—	—	8,335	(143)	8,335	(143)
Municipal securities	15,407	(186)	39,296	(10,012)	54,703	(10,198)
Mortgage-backed securities - agency	297,828	(3,578)	1,117,280	(245,272)	1,415,108	(248,850)
Total	$ 313,235	(3,764)	1,310,418	(279,793)	1,623,653	(283,557)

The Company does not believe that the available-for-sale debt securities that were in an unrealized loss position as of September 30, 2025, which were comprised of 311 individual securities, represent a credit loss impairment. All of these securities were issued by U.S. government agencies, U.S. government-sponsored enterprises, local municipalities, or represent corporate debt. The securities issued by the U.S. government agencies or U.S. government-sponsored enterprises are either explicitly or implicitly guaranteed by the U.S. government, are highly rated by major rating agencies and have a long history of no credit losses. The securities issued by local municipalities and the corporate debt issues were all highly rated by major rating agencies and have no history of credit losses. The unrealized losses were primarily attributable to changes in the interest rate environment and not due to the credit quality of these investment securities. As of September 30, 2025, the Company does not have the intent to sell these investment securities and it is more likely than not that we will not be required to sell these securities before their anticipated recovery, which may be at maturity.

All of the Company's held-to-maturity debt securities are issued by U.S. government agencies or U.S. government-sponsored enterprises. These securities are either explicitly or implicitly guaranteed by the U.S. government, are highly rated by major rating agencies and have a long history of no credit losses. The decline in fair value of the held-to-maturity debt securities were primarily attributable to changes in the interest rate environment and not due to the credit quality of these investment securities, therefore, the Company did not record an allowance for credit losses for these securities as of September 30, 2025.

The following table presents the credit quality of our held-to-maturity securities, based on the latest information available as of September 30, 2025 (in thousands). The credit ratings are sourced from nationally recognized rating agencies, which include Moody's and S&P, and they are presented based on asset type. All of our held-to-maturity securities were current in their payment of principal and interest as of September 30, 2025.

	AA+	Total
Held-to-maturity securities (at amortized cost):		
Debt issued by the U.S. government-sponsored enterprises	$ 124,465	124,465
Mortgage-backed securities	577,927	577,927
Total marketable securities held-to-maturity	$ 702,392	702,392

(4) Loans Receivable

The following tables excludes loans held for sale. The following table shows a summary of our loans receivable at amortized cost basis at September 30, 2025 and December 31, 2024 (in thousands):

	September 30, 2025	December 31, 2024
Personal Banking:		
Residential mortgage loans	3,157,853	3,178,269
Home equity loans	1,520,893	1,149,396
Vehicle loans	2,316,692	1,870,843
Consumer loans	137,113	124,242
Total Personal Banking	7,132,551	6,322,750
Commercial Banking:		
Commercial real estate loans	3,094,236	2,495,726
Commercial real estate loans - owner occupied	401,428	354,136
Commercial loans	2,312,718	2,007,402
Total Commercial Banking	5,808,382	4,857,264
Total loans receivable, gross	12,940,933	11,180,014
Allowance for credit losses	(157,396)	(116,819)
Total loans receivable, net (1)	12,783,537	11,063,195

(1) Includes $(151) thousand and $60 million of net unearned income, unamortized premiums and discounts and deferred fees and costs at September 30, 2025 and December 31, 2024, respectively.

The following table provides information related to the allowance for credit losses by portfolio segment and by class of financing receivable for the quarter ended September 30, 2025 (in thousands):

	Balance as of September 30, 2025	Current period provision [1]	Charge-offs [2]	Recoveries	Initial ACL on loans purchased with credit deterioration	Balance as of June 30, 2025
Allowance for Credit Losses						
Personal Banking:						
Residential mortgage loans	$ 11,592	(909)	(137)	278	271	12,089
Home equity loans	7,375	2,189	(336)	315	991	4,216
Vehicle loans	26,498	6,021	(2,115)	473	885	21,234
Consumer loans	2,703	1,921	(1,879)	394	1	2,266
Total Personal Banking	48,168	9,222	(4,467)	1,460	2,148	39,805
Commercial Banking:						
Commercial real estate loans	69,515	16,036	(3,976)	343	3,488	53,624
Commercial real estate loans - owner occupied	5,022	1,226	(336)	2	—	4,130
Commercial loans	34,691	4,910	(2,395)	183	393	31,600
Total Commercial Banking	109,228	22,172	(6,707)	528	3,881	89,354
Total	$ 157,396	31,394	(11,174)	1,988	6,029	129,159
Allowance for Credit Losses - off-balance sheet exposure						
Personal Banking:						
Home equity loans	$ 102	37	—	—	—	65
Total Personal Banking	102	37	—	—	—	65
Commercial Banking:						
Commercial real estate loans	2,288	391	—	—	—	1,897
Commercial real estate loans - owner occupied	325	65	—	—	—	260
Commercial loans	7,988	(682)	—	—	—	8,670
Total Commercial Banking	10,601	(226)	—	—	—	10,827
Total off-balance sheet exposure	$ 10,703	(189)	—	—	—	10,892

(1) Includes initial day 1 allowance on non-PCD loans acquired from Penns Woods of $20.6 million
(2) Net charge-offs and associated metrics for the quarter ended September 30, 2025 exclude $18.1 million of charge-offs recognized immediately upon completion of the Penns Woods acquisition and related to required purchase accounting treatment

The following table provides information related to the allowance for credit losses by portfolio segment and by class of financing receivable for the quarter ended September 30, 2024 (in thousands):

	Balance as of September 30, 2024	Current period provision	Charge-offs	Recoveries	Balance as of June 30, 2024
Allowance for Credit Losses					
Personal Banking:					
Residential mortgage loans	$ 13,553	(1,444)	(255)	253	14,999
Home equity loans	4,704	187	(890)	197	5,210
Vehicle loans	22,162	2,371	(2,064)	491	21,364
Consumer loans	1,869	1,327	(1,496)	370	1,668
Total Personal Banking	42,288	2,441	(4,705)	1,311	43,241
Commercial Banking:					
Commercial real estate loans	48,613	(1,577)	(475)	106	50,559
Commercial real estate loans - owner occupied	3,849	223	—	11	3,615
Commercial loans	31,063	4,640	(1,580)	348	27,655
Total Commercial Banking	83,525	3,286	(2,055)	465	81,829
Total	$ 125,813	5,727	(6,760)	1,776	125,070
Allowance for Credit Losses - off-balance sheet exposure					
Personal Banking:					
Residential mortgage loans	$ —	(1)	—	—	1
Home equity loans	59	(4)	—	—	63
Total Personal Banking	59	(5)	—	—	64
Commercial Banking:					
Commercial real estate loans	3,407	(1,043)	—	—	4,450
Commercial real estate loans - owner occupied	159	8	—	—	151
Commercial loans	9,308	188	—	—	9,120
Total Commercial Banking	12,874	(847)	—	—	13,721
Total off-balance sheet exposure	$ 12,933	(852)	—	—	13,785

The following table provides information related to the allowance for credit losses by portfolio segment and by class of financing receivable for the nine months ended September 30, 2025 (in thousands):

	Balance as of September 30, 2025	Current period provision [1]	Charge-offs [2]	Recoveries	Initial ACL on loans purchased with credit deterioration	Balance as of December 31, 2024
Allowance for Credit Losses						
Personal Banking:						
Residential mortgage loans	$ 11,592	(2,581)	(998)	553	271	14,347
Home equity loans	7,375	1,811	(1,022)	750	991	4,845
Vehicle loans	26,498	8,284	(6,566)	1,506	885	22,389
Consumer loans	2,703	4,210	(4,564)	1,173	1	1,883
Total Personal Banking	48,168	11,724	(13,150)	3,982	2,148	43,464
Commercial Banking:						
Commercial real estate loans	69,515	23,317	(4,385)	2,767	3,488	44,328
Commercial real estate loans - owner occupied	5,022	1,394	(336)	82	—	3,882
Commercial loans	34,691	14,671	(6,563)	1,045	393	25,145
Total Commercial Banking	109,228	39,382	(11,284)	3,894	3,881	73,355
Total	$ 157,396	51,106	(24,434)	7,876	6,029	116,819
Allowance for Credit Losses - off-balance sheet exposure						
Personal Banking:						
Home equity loans	102	40			—	62
Total Personal Banking	102	40	—	—	—	62
Commercial Banking:						
Commercial real estate loans	2,288	(1,866)			—	4,154
Commercial real estate loans - owner occupied	325	165			—	160
Commercial loans	7,988	(1,585)			—	9,573
Total Commercial Banking	10,601	(3,286)	—	—	—	13,887
Total off-balance sheet exposure	$ 10,703	(3,246)	—	—	—	13,949

(1) Includes initial day 1 allowance on non-PCD loans acquired from Penns Woods of $20.6 million
(2) Net charge-offs and associated metrics for the quarter ended September 30, 2025 exclude $18.1 million of charge-offs recognized immediately upon completion of the Penns Woods acquisition and related to required purchase accounting treatment

The following table provides information related to the allowance for credit losses by portfolio segment and by class of financing receivable for the nine months ended September 30, 2024 (in thousands):

	Balance as of September 30, 2024	Current period provision	Charge-offs	Recoveries	Balance as of December 31, 2023
Allowance for Credit Losses					
Personal Banking:					
Residential mortgage loans	$ 13,553	(5,218)	(669)	1,247	18,193
Home equity loans	4,704	53	(1,539)	787	5,403
Vehicle loans	22,162	444	(6,578)	1,385	26,911
Consumer loans	1,869	3,610	(4,116)	1,176	1,199
Total Personal Banking	42,288	(1,111)	(12,902)	4,595	51,706
Commercial Banking:					
Commercial real estate loans	48,613	(2,289)	(1,324)	959	51,267
Commercial real estate loans - owner occupied	3,849	42	—	32	3,775
Commercial loans	31,063	15,488	(4,062)	1,142	18,495
Total Commercial Banking	83,525	13,241	(5,386)	2,133	73,537
Total	$ 125,813	12,130	(18,288)	6,728	125,243
Allowance for Credit Losses - off-balance sheet exposure					
Personal Banking:					
Residential mortgage loans	$ —	(2)	—	—	2
Home equity loans	59	(6)	—	—	65
Total Personal Banking	59	(8)	—	—	67
Commercial Banking:					
Commercial real estate loans	3,407	(2,740)	—	—	6,147
Commercial real estate loans - owner occupied	159	(14)	—	—	173
Commercial loans	9,308	(1,428)	—	—	10,736
Total Commercial Banking	12,874	(4,182)	—	—	17,056
Total off-balance sheet exposure	$ 12,933	(4,190)	—	—	17,123

The following table presents additional information related to the acquired Penns Woods loan portfolio at the acquisition date, including the initial ACL at acquisition on the PCD loans (dollars in thousands):

	Total
PCD loans:	
Unpaid principal balance of loans at acquisition	$ 118,528
Allowance for credit losses at acquisition	(6,029)
Non-credit discount at acquisition	(2,798)
Purchase price	$ 109,701

The following table provides information related to the loan portfolio by portfolio segment and by class of financing receivable at September 30, 2025 (in thousands):

	Total loans receivable	Allowance for credit losses	Nonaccrual loans	Loans 90 days past due and accruing
Personal Banking:				
Residential mortgage loans	$ 3,157,853	11,592	11,497	—
Home equity loans	1,520,893	7,375	6,979	—
Vehicle loans	2,316,692	26,498	5,570	—
Consumer loans	137,113	2,703	328	699
Total Personal Banking	7,132,551	48,168	24,374	699
Commercial Banking:				
Commercial real estate loans	3,094,236	69,515	80,690	—
Commercial real estate loans - owner occupied	401,428	5,022	1,890	—
Commercial loans	2,312,718	34,691	21,371	2
Total Commercial Banking	5,808,382	109,228	103,951	2
Total	$ 12,940,933	157,396	128,325	701

The following table provides information related to the loan portfolio by portfolio segment and by class of financing receivable at December 31, 2024 (in thousands):

	Total loans receivable	Allowance for credit losses	Nonaccrual loans	Loans 90 days past due and accruing
Personal Banking:				
Residential mortgage loans	$ 3,178,269	14,347	6,951	—
Home equity loans	1,149,396	4,845	3,332	—
Vehicle loans	1,870,843	22,389	4,829	—
Consumer loans	124,242	1,883	199	578
Total Personal Banking	6,322,750	43,464	15,311	578
Commercial Banking:				
Commercial real estate loans	2,495,726	44,328	36,183	—
Commercial real estate loans - owner occupied	354,136	3,882	784	—
Commercial loans	2,007,402	25,145	9,123	78
Total Commercial Banking	4,857,264	73,355	46,090	78
Total	$ 11,180,014	116,819	61,401	656

We present the amortized cost of our loans on nonaccrual status including such loans with no allowance. The following table presents the amortized cost of our loans on nonaccrual status as of the beginning and end of the period ended September 30, 2025 (in thousands):

			September 30, 2025		
	Nonaccrual loans at December 31, 2024		Nonaccrual loans with an allowance	Nonaccrual loans with no allowance	Total nonaccrual loans at the end of the period
Personal Banking:					
Residential mortgage loans	$	6,951	8,676	2,821	11,497
Home equity loans		3,332	6,330	649	6,979
Vehicle loans		4,829	4,845	725	5,570
Consumer loans		199	317	11	328
Total Personal Banking		15,311	20,168	4,206	24,374
Commercial Banking:					
Commercial real estate loans		36,183	45,380	35,310	80,690
Commercial real estate loans - owner occupied		784	902	988	1,890
Commercial loans		9,123	19,671	1,700	21,371
Total Commercial Banking		46,090	65,953	37,998	103,951
Total	$	61,401	86,121	42,204	128,325

During the three and nine months ended September 30, 2025, we did not recognize any interest income on nonaccrual loans.

The following table presents the amortized cost of our loans on nonaccrual status as of the beginning and end of the year ended December 31, 2024 (in thousands):

			December 31, 2024		
	Nonaccrual loans at December 31, 2023		Nonaccrual loans with an allowance	Nonaccrual loans with no allowance	Total nonaccrual loans at the end of the period
Personal Banking:					
Residential mortgage loans	$	8,727	6,590	361	6,951
Home equity loans		4,492	3,200	132	3,332
Vehicle loans		4,816	3,958	871	4,829
Consumer loans		229	198	1	199
Total Personal Banking		18,264	13,946	1,365	15,311
Commercial Banking:					
Commercial real estate loans		71,297	22,813	13,370	36,183
Commercial real estate loans - owner occupied		676	784	—	784
Commercial loans		4,147	7,471	1,652	9,123
Total Commercial Banking		76,120	31,068	15,022	46,090
Total	$	94,384	45,014	16,387	61,401

During the year ended December 31, 2024, we did not recognize any interest income on nonaccrual loans.

A loan is considered to be collateral dependent when the borrower is experiencing financial difficulty and repayment is expected to be provided substantially through the sale or operation of the collateral. The following table presents the amortized cost basis of collateral-dependent loans by class of loans and collateral type as of as of September 30, 2025 (in thousands):

	Real estate	Equipment	Other	Total
Commercial Banking:				
Commercial real estate loans	$ 60,220	51	—	60,271
Commercial loans	751	8,997	2,375	12,123
Total Commercial Banking	60,971	9,048	2,375	72,394
Total	$ 60,971	9,048	2,375	72,394

The following table presents the amortized cost basis of collateral-dependent loans by class of loans as of December 31, 2024 (in thousands):

	Real estate	Equipment	Other	Total
Commercial Banking:				
Commercial real estate loans	$ 27,907	—	339	28,246
Commercial loans	—	1,651	2,204	3,855
Total Commercial Banking	27,907	1,651	2,543	32,101
Total	$ 27,907	1,651	2,543	32,101

Occasionally, the Company modifies loans to borrowers in financial distress by providing principal forgiveness, term extensions, an other-than-insignificant payment delay, or interest rate reduction. When principal forgiveness is provided, the amount of forgiveness is charged off against the allowance for credit losses.

In some cases, the Company provides multiple types of concessions to one loan. Typically, one type of concession, such as a term extension, is granted initially. If the borrower continues to experience financial difficulty, another concession, such as principal forgiveness, may be granted. For loans included in the "combination" columns below, multiple types of modifications have been made on the same loan within the current reporting period. The combination is at least two of the following: a term extension, principal forgiveness, an other-than-insignificant payment delay, and/or an interest rate reduction.

The following table presents the amortized cost basis of loans for the periods indicated that were both experiencing financial difficulty and modified during the respective period, by class and by type of modification. The percentage of the amortized cost basis of loans that were modified to borrowers in financial distress as compared to the amortized cost basis of each class of financial receivable is also presented below (dollars in thousands).

	For the quarter ended September 30,							
	2025				2024			
	Payment delay	Term extension	Combination term extension and interest rate reduction	Total class of financing receivable	Payment delay	Term extension	Combination term extension and interest rate reduction	Total class of financing receivable
Personal Banking:								
Residential mortgage loans	$ —	$ 606	—	0.02 %	—	494	—	0.02 %
Home equity loans	—	164	—	0.01 %	—	29	—	0.00 %
Consumer loans	—	—	—	—%	—	—	11	0.01 %
Total Personal Banking	—	770	—	0.01 %	—	523	11	0.01 %
Commercial Banking:								
Commercial real estate loans	8,476	76,062	—	2.73 %	1,357	—	—	0.05 %
Commercial loans	63	148	136	0.02 %	—	35	—	0.00 %
Total Commercial Banking	8,539	76,210	136	1.46 %	1,357	35	—	0.03 %
Total	$ 8,539	$ 76,980	136	0.66 %	1,357	558	11	0.02 %

	For the nine months ended September 30,								
	2025				2024				
	Payment delay	Term extension	Combination term extension and interest rate reduction	Total class of financing receivable	Payment delay	Term extension	Interest rate reduction	Combination term extension and interest rate reduction	Total class of financing receivable
Personal Banking:									
Residential mortgage loans	$ —	909	—	0.03 %	—	979	—	—	0.03 %
Home equity loans	—	241	—	0.02 %	—	551	—	84	0.05 %
Consumer loans	—		—	—%	—	—	—	13	0.01 %
Total Personal Banking	—	1,150	—	0.02 %	—	1,530	—	97	0.03 %
Commercial Banking:									
Commercial real estate loans	8,544	81,905	87	2.93 %	1,628	202	—	—	0.07 %
Commercial real estate loans - owner occupied	—	3,492	—	0.87 %	—	—	680	—	0.19 %
Commercial loans	1,848	155	136	0.09 %	—	35	—	8	0.00 %
Total Commercial Banking	10,392	85,552	223	1.66 %	1,628	237	680	8	0.05 %
Total	$ 10,392	86,702	223	0.75 %	1,628	1,767	680	105	0.04 %

The following table presents the effect of the loan modifications presented above to borrowers experiencing financial difficulty for the periods indicated:

	For the quarter ended September 30,					
	2025			2024		
	Weighted-average interest rate reduction	Weighted-average term extension in months	Weighted-average payment deferral in years	Weighted-average interest rate reduction	Weighted-average term extension in months	Weighted-average payment deferral in years
Personal Banking:						
Residential mortgage loans	—%	161	0	—%	156	0
Home equity loans	—%	67	0	—%	105	0
Consumer loans	—%	0	0	5 %	10	0
Total Personal Banking	—%	141	0	5 %	151	0
Commercial Banking:						
Commercial real estate loans	—%	12	0.5	—%	0	0.3
Commercial loans	3 %	74	0.3	—%	6	0
Total Commercial Banking	3 %	12	0.5	—%	6	0.3
Total loans	3 %	13	0.5	5 %	142	0.3

	For the nine months ended September 30,					
	2025			2024		
	Weighted-average interest rate reduction	Weighted-average term extension in months	Weighted-average payment deferral in years	Weighted-average interest rate reduction	Weighted-average term extension in months	Weighted-average payment deferral in years
Personal Banking:						
Residential mortgage loans	—	147	0	—	151	0
Home equity loans	—%	87	0	2 %	99	0
Consumer loans	—%	0	0	6 %	66	0
Total Personal Banking	—%	134	0	3 %	130	0
Commercial Banking:						
Commercial real estate loans	—%	12	0.5	—%	117	0.5
Commercial real estate loans - owner occupied	—%	6	0	2 %	0	0
Commercial loans	3 %	73	0.75	4 %	32	0
Total Commercial Banking	2 %	12	0.5	2 %	102	0.5
Total loans	2 %	13	0.5	2 %	126	0.5

The Company closely monitors the performance of loans that are modified to borrowers experiencing financial difficulty to understand the effectiveness of its modification efforts. The following table presents the performance of loans that such loans have been modified within the previous twelve months of September 30, 2025 (in thousands):

	Current	30-59 days delinquent	60-89 days delinquent	90 days or greater delinquent
Personal Banking:				
Residential mortgage loans	$ 879	—	—	210
Home equity loans	313	—	—	—
Total Personal Banking	1,192	—	—	210
Commercial Banking:				
Commercial real estate loans	85,170	5,367	—	—
Commercial real estate loans - owner occupied	3,492	—	—	—
Commercial loans	353	—	—	1,785
Total Commercial Banking	89,015	5,367	—	1,785
Total loans	$ 90,207	5,367	—	1,995

The following table presents the performance of loans modified within the previous twelve months of September 30, 2024 (in thousands):

	Current	30-59 days delinquent	60-89 days delinquent	90 days or greater delinquent
Personal Banking:				
Residential mortgage loans	$ 976	—	—	3
Home equity loans	525	13	9	88
Consumer loans	13	—	—	—
Total Personal Banking	1,514	13	9	91
Commercial Banking:				
Commercial real estate loans	1,830	—	—	—
Commercial real estate loans - owner occupied	680	—	—	—
Commercial loans	43	—	—	—
Total Commercial Banking	2,553	—	—	—
Total loans	$ 4,067	13	9	91

A modification is considered to be in default when the loan is 90 days or more past due. The following table provides the amortized cost basis of financing receivables that had a payment default during the periods indicated and were modified within the previous twelve months to borrowers experiencing financial difficulty (in thousands):

	For the quarter ended September 30,		
	2025		2024
	Term extension	Payment delay	Term extension
Personal Banking:			
Residential mortgage loans	$ 31	$ 179	3
Home equity loans	—	—	88
Total Personal Banking	31	179	91
Commercial Banking:			
Commercial loans	—	1,785	—
Total Commercial Banking	—	1,785	—
Total	$ 31	1,964	91

The modifications to borrowers experiencing financial distress are included in their respective portfolio segment and the current loan balance and updated loan terms are run through their respective ACL models to arrive at the quantitative portion of the ACL. Subsequent performance of the loans will be measured by delinquency status and will be captured through our ACL models or our qualitative factor assessment, as deemed appropriate. If we no longer believe the loan demonstrates similar risks to their respective portfolio segment an individual assessment will be performed. Upon the Company's determination that a modified loan (or portion of a loan) has subsequently been deemed uncollectible, the loan (or a portion of the loan) is written off. Therefore, the amortized cost basis of the loan is reduced by the uncollectible amount and the allowance for credit losses is adjusted by the same amount.

The following table provides information related to the amortized cost basis of loan payment delinquencies at September 30, 2025 (in thousands):

	30-59 days delinquent	60-89 days delinquent	90 days or greater delinquent	Total delinquency	Current	Total loans receivable
Personal Banking:						
Residential mortgage loans	$ 1,639	7,917	9,427	18,983	3,138,870	3,157,853
Home equity loans	4,644	2,671	2,963	10,278	1,510,615	1,520,893
Vehicle loans	11,285	3,241	3,861	18,387	2,298,305	2,316,692
Consumer loans	972	450	1,004	2,426	134,687	137,113
Total Personal Banking	18,540	14,279	17,255	50,074	7,082,477	7,132,551
Commercial Banking:						
Commercial real estate loans	13,600	1,575	55,252	70,427	3,023,809	3,094,236
Commercial real estate loans - owner occupied	1,000	—	1,201	2,201	399,227	401,428
Commercial loans	9,974	1,915	9,490	21,379	2,291,339	2,312,718
Total Commercial Banking	24,574	3,490	65,943	94,007	5,714,375	5,808,382
Total loans	$ 43,114	17,769	83,198	144,081	12,796,852	12,940,933

The following table provides information related to the amortized cost basis of loan payment delinquencies at December 31, 2024 (in thousands):

	30-59 days delinquent	60-89 days delinquent	90 days or greater delinquent	Total delinquency	Current	Total loans receivable
Personal Banking:						
Residential mortgage loans	$ 28,690	10,112	4,931	43,733	3,134,536	3,178,269
Home equity loans	5,365	1,434	2,250	9,049	1,140,347	1,149,396
Vehicle loans	10,242	3,257	3,191	16,690	1,854,153	1,870,843
Consumer loans	860	383	776	2,019	122,223	124,242
Total Personal Banking	45,157	15,186	11,148	71,491	6,251,259	6,322,750
Commercial Banking:						
Commercial real estate loans	5,100	857	7,702	13,659	2,482,067	2,495,726
Commercial real estate loans - owner occupied	115	58	—	173	353,963	354,136
Commercial loans	5,632	1,726	7,335	14,693	1,992,709	2,007,402
Total Commercial Banking	10,847	2,641	15,037	28,525	4,828,739	4,857,264
Total originated loans	$ 56,004	17,827	26,185	100,016	11,079,998	11,180,014

Credit Quality Indicators: For Commercial Banking we categorize loans into risk categories based on relevant information about the ability of borrowers to service their debt such as: current financial information, historical payment experience, credit documentation, public information, and current economic trends, among other factors. We analyze loans individually by classifying the loans by credit risk. Credit relationships greater than or equal to $1.0 million classified as special mention or substandard are reviewed quarterly for deterioration or improvement to determine if the loan is appropriately classified. We use the following definitions for risk ratings other than pass:

Special Mention — Loans designated as special mention have specific, well-defined risk issues, which create a high level of uncertainty regarding the long-term viability of the business. Loans in this class are considered to have high-risk characteristics. A special mention loan exhibits material negative financial trends due to company-specific or systemic conditions. If these potential weaknesses are not mitigated, they threaten the borrower's capacity to meet its debt obligations. Special mention loans still demonstrate sufficient financial flexibility to react to and positively address the root cause of the adverse financial trends without significant deviations from their current business strategy. Their potential weaknesses deserve our close attention and warrant enhanced monitoring.

Substandard — Loans classified as substandard are inadequately protected by the current net worth and payment capacity of the obligor or of the collateral pledged, if any. Loans so classified have a well-defined weakness or weaknesses that jeopardize the liquidation of the debt. They are characterized by the distinct possibility that we will sustain some loss if the deficiencies are not corrected.

Doubtful — Loans classified as doubtful have all the weaknesses inherent in those classified as substandard. In addition, those weaknesses make collection or liquidation in full highly questionable and improbable. A loan classified as doubtful exhibits discernible loss potential, but a complete loss seems very unlikely. The possibility of a loss on a doubtful loan is high, but because of certain important and reasonably specific pending factors that may strengthen the loan, its classification as an estimated loss is deferred until a more exact status can be determined.

Loss — Loans classified as loss are considered uncollectible and of such value that the continuance as a loan is not warranted. A loss classification does not mean that the loan has no recovery or salvage value; instead, it means that it is not practical or desirable to defer writing off all or a portion of a basically worthless loan even though partial recovery may be possible in the future.

For Personal Banking loans a pass risk rating is maintained until they are 90 days or greater past due, and risk rating reclassification is based primarily on past due status of the loan. The risk rating categories can generally be described by the following groupings:

Pass — Loans classified as pass are homogeneous loans that are less than 90 days past due from the required payment date at month-end.

Substandard — Loans classified as substandard are homogeneous loans that are greater than 90 days past due from the required payment date at month-end, or homogenous retail loans that are greater than 180 days past due from the required payment date at month-end that has been written down to the value of underlying collateral, less costs to sell.

Doubtful — Loans classified as doubtful are homogeneous loans that are greater than 180 days past due from the required payment date at month-end and not written down to the value of underlying collateral. These loans are generally charged-off in the month in which the 180 day period elapses.

The following table presents the amortized cost basis of our loan portfolio by year of origination and credit quality indicator and the current period charge-offs by year of origination for each portfolio segment as of September 30, 2025 (in thousands):

	YTD September 30, 2025	2024	2023	2022	2021	Prior	Revolving loans	Revolving loans converted to term loans	Total loans receivable
Personal Banking:									
Residential mortgage loans									
Pass	$ 41,277	42,770	221,145	621,045	724,760	1,495,358	—	—	3,146,355
Substandard	—	—	235	3,291	1,041	6,931	—	—	11,498
Total residential mortgage loans	41,277	42,770	221,380	624,336	725,801	1,502,289	—	—	3,157,853
Residential mortgage current period charge-offs	—	—	(51)	(447)	(55)	(395)	(50)	—	(998)
Home equity loans									
Pass	70,813	28,333	50,077	75,064	75,448	307,314	854,971	51,894	1,513,914
Substandard		16	66	262	33	1,278	3,756	1,568	6,979
Total home equity loans	70,813	28,349	50,143	75,326	75,481	308,592	858,727	53,462	1,520,893
Home equity current period charge-offs	—	(8)	(13)	(218)	(91)	(323)	(195)	(174)	(1,022)
Vehicle loans									
Pass	862,928	530,426	380,871	328,822	138,959	69,116	—	—	2,311,122
Substandard	186	1,008	1,524	1,399	745	708	—	—	5,570
Total vehicle loans	863,114	531,434	382,395	330,221	139,704	69,824	—	—	2,316,692
Vehicle current period charge-offs	(226)	(1,256)	(1,612)	(1,621)	(947)	(904)	—	—	(6,566)
Consumer loans									
Pass	29,927	19,527	9,818	3,902	1,401	3,454	67,534	523	136,086
Substandard	43	46	74	15	7	36	700	106	1,027
Total consumer loans	29,970	19,573	9,892	3,917	1,408	3,490	68,234	629	137,113
Consumer loan current period charge-offs	(1,891)	(551)	(580)	(278)	(171)	(859)	(144)	(90)	(4,564)
Total Personal Banking	1,005,174	622,126	663,810	1,033,800	942,394	1,884,195	926,961	54,091	7,132,551
Commercial Banking:									
Commercial real estate loans									
Pass	89,316	267,160	341,942	475,235	292,083	1,035,484	46,950	18,106	2,566,276
Special mention	1,770	2,976	21,477	30,053	27,964	78,629	848	—	163,717
Substandard	504	29,159	16,403	88,479	97,398	128,483	1,998	1,819	364,243
Total commercial real estate loans	91,590	299,295	379,822	593,767	417,445	1,242,596	49,796	19,925	3,094,236
Commercial real estate current period charge-offs	—	(3)	—	(2,009)	(30)	(2,154)	(16)	(173)	(4,385)
Commercial real estate loans - owner occupied									
Pass	61,660	34,700	18,971	23,819	61,944	138,212	6,584	—	345,890
Special mention	—	—	—	—	634	5,281	400	973	7,288
Substandard	—	3,968	11,752	2,129	3,554	24,312	1,971	564	48,250
Total commercial real estate loans - owner occupied	61,660	38,668	30,723	25,948	66,132	167,805	8,955	1,537	401,428
Commercial real estate - owner occupied current period charge-offs	—	—	—	—	—	(335)	(1)	—	(336)
Commercial loans									
Pass	418,200	573,420	270,301	230,666	40,649	64,051	540,633	3,316	2,141,236
Special mention	279	18,599	9,215	2,718	6,034	212	44,571	381	82,009
Substandard	1,702	22,490	19,873	3,664	1,753	9,220	29,362	1,409	89,473
Total commercial loans	420,181	614,509	299,389	237,048	48,436	73,483	614,566	5,106	2,312,718
Commercial loans current period charge-offs	—	(128)	(464)	(2,719)	(206)	(1,346)	(293)	(1,407)	(6,563)
Total Commercial Banking	573,431	952,472	709,934	856,763	532,013	1,483,884	673,317	26,568	5,808,382
Total loans	$ 1,578,605	1,574,598	1,373,744	1,890,563	1,474,407	3,368,079	1,600,278	80,659	12,940,933

For the nine months ended September 30, 2025, $8 million of revolving loans were converted to term loans.

The following table presents the amortized cost basis of our loan portfolio by year of origination and credit quality indicator for each portfolio segment as of December 31, 2024 (in thousands):

	2024	2023	2022	2021	2020	Prior	Revolving loans	Revolving loans converted to term loans	Total loans receivable
Personal Banking:									
Residential mortgage loans									
Pass	$ 28,841	194,267	628,285	745,949	466,888	1,103,217	—	—	3,167,447
Substandard	—	51	1,107	464	321	8,879	—	—	10,822
Total residential mortgage loans	28,841	194,318	629,392	746,413	467,209	1,112,096	—	—	3,178,269
Residential mortgage current period charge-offs	—	—	(387)	—	(114)	(344)	—	—	(845)
Home equity loans									
Pass	33,534	58,234	85,308	88,226	124,046	234,918	476,013	45,577	1,145,856
Substandard	—	—	174	91	52	1,352	1,080	791	3,540
Total home equity loans	33,534	58,234	85,482	88,317	124,098	236,270	477,093	46,368	1,149,396
Home equity current period charge-offs	—	—	(40)	(2)	(197)	(558)	(608)	(331)	(1,736)
Vehicle loans									
Pass	616,515	452,912	443,997	228,309	64,332	59,950	—	—	1,866,015
Substandard	272	1,472	1,342	1,129	223	390	—	—	4,828
Total vehicle loans	616,787	454,384	445,339	229,438	64,555	60,340	—	—	1,870,843
Vehicle current period charge-offs	(454)	(2,197)	(2,626)	(2,087)	(414)	(1,031)	—	—	(8,809)
Consumer loans									
Pass	27,363	14,779	6,330	2,707	735	5,914	65,055	581	123,464
Substandard	36	59	24	—	7	1	578	73	778
Total consumer loans	27,399	14,838	6,354	2,707	742	5,915	65,633	654	124,242
Consumer loan current period charge-offs	(1,106)	(2,015)	(678)	(285)	(116)	(1,044)	(651)	(34)	(5,929)
Total Personal Banking	706,561	721,774	1,166,567	1,066,875	656,604	1,414,621	542,726	47,022	6,322,750
Commercial Banking:									
Commercial real estate loans									
Pass	189,670	252,202	430,653	258,681	286,457	803,111	26,690	23,578	2,271,042
Special Mention	—	4,877	19,030	18,533	14,383	5,654	237	—	62,714
Substandard	—	2,273	11,137	48,539	19,356	80,417	175	73	161,970
Total commercial real estate loans	189,670	259,352	460,820	325,753	320,196	889,182	27,102	23,651	2,495,726
Commercial real estate current period charge-offs	(102)	(686)	(2,522)	(360)	(619)	(11,032)	—	—	(15,321)
Commercial real estate loans - owner occupied									
Pass	53,831	14,252	32,095	46,911	11,933	141,211	640	—	300,873
Special Mention	—	1,166	2,231	93	—	5,165	1,232	—	9,887
Substandard	—	12,572	5,733	—	2,956	18,695	751	2,669	43,376
Total commercial real estate loans - owner occupied	53,831	27,990	40,059	47,004	14,889	165,071	2,623	2,669	354,136
Commercial real estate - owner occupied current period charge-offs	—	—	—	—	—	—	—	—	—
Commercial loans									
Pass	729,863	353,568	262,498	29,806	12,633	56,300	475,333	3,381	1,923,382
Special Mention	—	3,914	3,898	627	479	7	28,127	11	37,063
Substandard	7,133	21,606	4,669	1,063	89	1,761	8,847	1,789	46,957
Total commercial loans	736,996	379,088	271,065	31,496	13,201	58,068	512,307	5,181	2,007,402
Commercial loans current period charge-offs	(1,456)	(6,752)	(4,301)	(235)	(522)	(916)	(212)	(68)	(14,462)
Total Commercial Banking	980,497	666,430	771,944	404,253	348,286	1,112,321	542,032	31,501	4,857,264
Total loans	$ 1,687,058	1,388,204	1,938,511	1,471,128	1,004,890	2,526,942	1,084,758	78,523	11,180,014

For the year ended December 31, 2024, $16 million of revolving loans were converted to term loans.

(5) Goodwill and Other Intangible Assets

The following table provides information for intangible assets subject to amortization at the dates indicated (in thousands):

	September 30, 2025	December 31, 2024
Amortizable intangible assets:		
Core deposit intangibles - gross	$ 74,899	74,899
Acquisitions	48,000	—
Less: accumulated amortization	(74,975)	(72,062)
Core deposit intangibles - net	$ 47,924	2,837
Total intangible assets - net	$ 47,924	2,837

The following table shows the actual aggregate amortization expense for the quarters ended September 30, 2025 and 2024, as well as the estimated aggregate amortization expense, based upon current levels of intangible assets, for the current fiscal year and each of the five succeeding fiscal years (in thousands):

For the quarter ended September 30, 2025	$ 1,974
For the quarter ended September 30, 2024	590
For the nine months ended September 30, 2025	2,914
For the nine months ended September 30, 2024	1,926
For the year ending December 31, 2025	5,563
For the year ending December 31, 2026	9,559
For the year ending December 31, 2027	8,040
For the year ending December 31, 2028	6,783
For the year ending December 31, 2029	5,831
For the year ending December 31, 2030	4,879

The following table provides information for the changes in the carrying amount of goodwill (in thousands):

	Total
Balance at December 31, 2024	$ 380,997
Goodwill acquired	57,405
Balance at September 30, 2025	$ 438,402

We performed our annual goodwill impairment test as of June 30, 2025 in accordance with Accounting Standards Codification ("ASC") 350, *Intangibles - Goodwill and Other,* and concluded that goodwill was not impaired.

(6) Borrowed Funds

(a) Borrowings

Borrowed funds at September 30, 2025 and December 31, 2024 are presented in the following table (dollars in thousands):

	September 30, 2025		December 31, 2024	
	Amount	Average rate	Amount	Average rate
Term notes payable to the FHLB of Pittsburgh, due within one year	$ 242,953	4.46 %	$ 175,000	4.64 %
Term notes payable to the FHLB of Pittsburgh, due in more than one year	105,605	4.09 %	—	—%
Total term notes payable to the FHLB	348,558		175,000	
Collateralized borrowings, due within one year	18,223	1.41 %	22,323	1.73 %
Collateral received, due within one year	1,460	4.36 %	3,008	4.65 %
Total borrowed funds	$ 368,241		$ 200,331	

Borrowings from the Federal Home Loan Bank ("FHLB") of Pittsburgh, if any, are secured by our residential first mortgage and other qualifying loans. At September 30, 2025, the carrying value of these loans was $5.3 billion. Certain of these borrowings are subject to restrictions or penalties in the event of prepayment.

The revolving line of credit with the FHLB of Pittsburgh carries a commitment of $250 million. The rate is adjusted daily by the FHLB of Pittsburgh, and any borrowings on this line may be repaid at any time without penalty. There was no balance on the revolving line of credit at September 30, 2025 and December 31, 2024.

At September 30, 2025 and December 31, 2024, collateralized borrowings due within one year were $18 million and $22 million, respectively. These borrowings are collateralized by cash or various securities held in safekeeping by the FHLB. At September 30, 2025, the carrying value of the cash and securities used as collateral was $33 million.

At September 30, 2025 and December 31, 2024, collateral received was $1 million and $3 million, respectively. This represents collateral posted to us from our derivative counterparties.

At September 30, 2025 and December 31, 2024, term notes payable to the FHLB of Pittsburgh due within one year was $243 million and $175 million, respectively. At September 30, 2025 term notes payable to the FHLB of Pittsburgh due in more than one year was $106 million.

On September 9, 2020, the Company issued $125 million of 4.00% fixed-to-floating rate subordinated notes with a maturity date of September 15, 2030. The subordinated notes, which qualify as Tier 2 capital, bear interest at an annual rate of 4.00%, payable semi-annually in arrears commencing on March 15, 2021, and a floating rate of interest equivalent to the 3-month Secured Overnight Financing Rate ("SOFR") plus 3.89% payable quarterly in arrears commencing on December 15, 2025. During 2022 the Company repurchased $10 million of subordinated notes leaving $115 million of subordinated notes outstanding. The subordinated debt issuance costs of approximately $2 million are being amortized over five years on a straight-line basis into interest expense. At September 30, 2025 and December 31, 2024, subordinated notes, net of issuance costs, were $115 million. For the nine months ended September 30, 2025 and September 30, 2024 total interest expense paid on the subordinated notes was $4 million.

(b) Trust Preferred Securities

The Company has seven statutory business trusts: Northwest Bancorp Capital Trust III, a Delaware statutory business trust, Northwest Bancorp Statutory Trust IV, a Connecticut statutory business trust, LNB Trust II, a Delaware statutory business trust, Union National Capital Trust I ("UNCT I"), a Delaware statutory business trust, Union National Capital Trust II ("UNCT II"), a Delaware statutory business trust, MFBC Statutory Trust I, a Delaware statutory trust, and Universal Preferred Trust, a Delaware statutory trust (the "Trusts"). The Trusts exist solely to issue preferred securities to third parties for cash, issue common securities to the Company in exchange for capitalization of the Trusts, invest the proceeds from the sale of trust securities in an equivalent amount of debentures of the Company, and engage in other activities that are incidental to those previously listed.

The Trusts have invested the proceeds of the offerings in junior subordinated deferrable interest debentures issued by the Company. The structure of these debentures mirrors the structure of the trust-preferred securities. These subordinated debentures are the sole assets of the Trusts. As the shareholders of the trust preferred securities are the primary beneficiaries of the Trusts, the Trusts are not consolidated in our financial statements.

The following table sets forth a summary of the cumulative trust preferred securities and the junior subordinated debt held by the Trust as of the date listed (dollars in thousands).

	Maturity date	Interest rate	Capital debt securities	September 30, 2025	December 31, 2024
Northwest Bancorp Capital Trust III	December 30, 2035	3-month SOFR plus 1.38%	$ 50,000	51,547	51,547
Northwest Bancorp Statutory Trust IV	December 15, 2035	3-month SOFR plus 1.38%	50,000	51,547	51,547
LNB Trust II	June 15, 2037	3-month SOFR plus 1.48%	7,875	8,119	8,119
Union National Capital Trust I (1)	January 23, 2034	3-month SOFR plus 2.85%	8,000	8,043	8,024
Union National Capital Trust II (1)	November 23, 2034	3-month SOFR plus 2.00%	3,000	2,843	2,823
MFBC Statutory Trust I (1)	September 15, 2035	3-month SOFR plus 1.70%	5,000	3,969	3,891
Universal Preferred Trust (1)	October 7, 2035	3-month SOFR plus 1.69%	5,000	3,960	3,883
			$ 128,875	130,028	129,834

(1) Net of discounts due to the fair value adjustment made at the time of acquisition.

Cash distributions on the trust securities are made on a quarterly basis to the extent interest on the debentures is received by the Trusts. We have the right to defer payment of interest on the subordinated debentures at any time, or from time-to-time, for periods not exceeding five years. If interest payments on the subordinated debentures are deferred, the distributions on the trust securities also are deferred. To date there have been no interest deferrals. Interest on the subordinated debentures and distributions on the trust securities is cumulative. Our obligation constitutes a full, irrevocable, and unconditional guarantee on a subordinated basis of the obligations of the trust under the preferred securities. For the nine months ended September 30, 2025 and September 30, 2024 total interest expense paid on trust preferred securities was $6 million and $7 million, respectively.

The Trusts must redeem the preferred securities when the debentures are paid at maturity or upon an earlier redemption of the debentures to the extent the debentures are redeemed. All or part of the debentures may be redeemed at any time.

(7) Guarantees

We issue standby letters of credit in the normal course of business. Standby letters of credit are conditional commitments issued by the Company to guarantee the performance of a customer to a third party. Standby letters of credit generally are contingent upon the failure of the customer to perform according to the terms of the underlying contract with the third party. We are required to perform under a standby letter of credit when drawn upon by the guaranteed third party in the case of nonperformance by our customer. The credit risk associated with standby letters of credit is essentially the same as that involved in extending loans to customers and is subject to normal loan underwriting procedures. Collateral may be obtained based on management's credit assessment of the customer. At September 30, 2025, the maximum potential amount of future payments we could be required to make under these non-recourse standby letters of credit was $70 million, of which $64 million is fully collateralized. At September 30, 2025, we had a liability which represents deferred income of $1 million related to the standby letters of credit.

In addition, we maintain a $21 million unsecured line of credit with a correspondent bank for private label credit card facilities for certain existing commercial clients of the Bank, of which $12 million in notional value of credit cards have been issued. These issued credit cards had an outstanding balance of $3 million at September 30, 2025. The clients of the Bank are responsible for repaying any balances due on these credit cards directly to the correspondent bank; however, if the customer fails to repay their balance, the Bank could be required to satisfy the obligation to correspondent bank and initiate collection from our customer as part of the existing credit facility of that customer.

(8) Earnings Per Share

Basic earnings per common share ("EPS") is computed by dividing net income available to common shareholders by the weighted average number of common shares outstanding for the period, without considering any dilutive items. Diluted EPS is calculated using both the two-class and the treasury stock methods with the more dilutive method used to determine diluted EPS. The two-class method was used to determine basic EPS for the three and nine months ended September 30, 2025 and 2024 and the treasury stock method was used to determine diluted earnings per share for the three and nine months ended September 30, 2025 and 2024.

The following table sets forth the computation of basic and diluted EPS (in thousands, except share data and per share amounts):

	Quarter ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Numerator for earnings per share - Basic and Diluted:				
Net income - treasury stock method - Basic and Diluted	$ 3,167	33,618	80,300	67,528
Less: Dividends and undistributed earnings allocated to participating securities	2	43	41	86
Net income available to common shareholders - two class method - Basic and Diluted	$ 3,165	33,575	80,259	67,442
Denominator for earnings per share - treasury stock method - Basic and Diluted				
Weighted average common shares outstanding - Basic	140,667,671	127,206,579	131,947,911	127,015,478
Add: Potentially dilutive shares	507,845	507,932	752,606	553,536
Denominator for treasury stock method - Diluted	141,175,516	127,714,511	132,700,517	127,569,014
Denominator for earnings per share - two class method - Basic and Diluted:				
Weighted average common shares outstanding - Basic	140,667,671	127,206,579	131,947,911	127,015,478
Add: Average participating shares outstanding	74,822	162,943	74,822	162,943
Denominator for two class method - Diluted	140,742,493	127,369,522	132,022,733	127,178,421
Basic earnings per share	$ 0.02	0.26	0.61	0.53
Diluted earnings per share	$ 0.02	0.26	0.61	0.53
Anti-dilutive awards (1)	1,981	2,195	1,981	2,369

(1) Reflects the total number of shares related to outstanding options that have been excluded from the computation of diluted earnings per share because the impact would have been anti-dilutive.

(9) Pension and Other Post-Retirement Benefits

The following table sets forth the net periodic costs for the defined benefit pension plans and post-retirement healthcare plans for the periods indicated (in thousands):

	Quarter ended September 30,			
	Pension benefits		Other post-retirement benefits	
	2025	2024	2025	2024
Service cost	$ 1,120	1,425	—	—
Interest cost	2,312	2,205	15	15
Expected return on plan assets	(3,290)	(3,776)	—	—
Amortization of prior service cost	(203)	(563)	—	—
Amortization of the net loss	(37)	18	7	10
Net periodic cost	$ (98)	(691)	22	25

	Nine months ended September 30,			
	Pension benefits		Other post-retirement benefits	
	2025	2024	2025	2024
Service cost	$ 3,360	4,275	—	—
Interest cost	6,658	6,615	45	45
Expected return on plan assets	(9,268)	(11,328)	—	—
Amortization of prior service cost	(609)	(1,689)	—	—
Amortization of the net loss	(111)	54	21	30
Net periodic cost	$ 30	(2,073)	66	75

Because of the current funding status, we do not anticipate a funding requirement during the year ending December 31, 2025.

(10) Disclosures About Fair Value of Financial Instruments

We are required to disclose fair value information about financial instruments whether or not recognized in the Consolidated Statement of Financial Condition. Fair value information of certain financial instruments and all nonfinancial instruments is not required to be disclosed. Accordingly, the aggregate fair value amounts presented do not represent the underlying value of the Company.

Financial assets and liabilities recognized or disclosed at fair value on a recurring basis and certain financial assets and liabilities on a non-recurring basis are accounted for using a three-level hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. This hierarchy gives the highest priority to quoted prices with readily available independent data in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable market inputs (Level 3). When various inputs for measurement fall within different levels of the fair value hierarchy, the lowest level input that has a significant impact on fair value measurement is used.

Financial assets and liabilities are categorized based upon the following characteristics or inputs to the valuation techniques:

- Level 1 — Financial assets and liabilities for which inputs are observable and are obtained from reliable quoted prices for identical assets or liabilities in actively traded markets. This is the most reliable fair value measurement and includes, for example, active exchange-traded equity securities.

- Level 2 — Financial assets and liabilities for which values are based on quoted prices in markets that are not active or for which values are based on similar assets or liabilities that are actively traded. Level 2 also includes pricing models in which the inputs are corroborated by market data, for example, matrix pricing.

- Level 3 — Financial assets and liabilities for which values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Level 3 inputs include the following:
  - Quotes from brokers or other external sources that are not considered binding;
  - Quotes from brokers or other external sources where it cannot be determined that market participants would in fact transact for the asset or liability at the quoted price; and
  - Quotes and other information from brokers or other external sources where the inputs are not deemed observable.

We are responsible for the valuation process and as part of this process may use data from outside sources in establishing fair value. We perform due diligence to understand the inputs used or how the data was calculated or derived. We also corroborate the reasonableness of external inputs in the valuation process.

The carrying amounts reported in the Consolidated Statement of Financial Condition approximate fair value for the following financial instruments: cash and cash equivalents, marketable securities available-for-sale, loans held-for-sale, accrued interest receivable, interest rate lock commitments, forward commitments, interest rate swaps, savings and checking deposits, foreign exchange swaps, risk participation agreements, and accrued interest payable.

Marketable Securities

Where available, market values are based on quoted market prices, dealer quotes, and prices obtained from independent pricing services.

Debt Securities — available-for-sale - Generally, debt securities are valued using pricing for similar securities, recently executed transactions and other pricing models utilizing observable inputs. The valuation for most debt securities is classified as Level 2. Securities within Level 2 include corporate bonds, municipal bonds, mortgage-backed securities and U.S. government obligations.

Debt Securities — held-to-maturity - The fair value of debt securities held-to-maturity is determined in the same manner as debt securities available-for-sale.

Loans Receivable

Loans with comparable characteristics including collateral and re-pricing structures are segregated for valuation purposes. Each loan pool is separately valued utilizing a discounted cash flow analysis. Projected monthly cash flows are discounted to present value using a market rate for comparable loans, which is not considered an exit price. Characteristics of comparable loans include remaining term, coupon interest, and estimated prepayment speeds. Delinquent loans are separately evaluated given the impact delinquency has on the projected future cash flow of the loan including the approximate discount or market rate, which is not considered an exit price.

Loans Held-for-Sale

The estimated fair value of loans held-for-sale is based on market bids obtained from potential buyers.

FHLB Stock

Due to the restrictions placed on transferability of FHLB stock, it is not practical to determine the fair value. FHLB stock is recorded at cost.

Deposit Liabilities

The estimated fair value of deposits with no stated maturity, which includes demand deposits, money market, and other savings accounts, is the amount payable on demand. Although market premiums paid for depository institutions reflect an additional value for these low-cost deposits, adjusting fair value for any value expected to be derived from retaining those deposits for a future period of time or from the benefit that results from the ability to fund interest-earning assets with these deposit liabilities is prohibited. The fair value estimates of deposit liabilities do not include the benefit that results from the low-cost funding provided by these deposits compared to the cost of borrowing funds in the market. Fair values for time deposits are estimated using a discounted cash flow calculation that applies contractual cost currently being offered in the existing portfolio to current market rates being offered locally for deposits of similar remaining maturities. The valuation adjustment for the portfolio consists of the present value of the difference of these two cash flows, discounted at the assumed market rate of the corresponding maturity.

Borrowed Funds

Fixed rate advances are valued by comparing their contractual cost to the prevailing market cost. The carrying amount of repurchase agreements approximates their fair value.

Subordinated Debentures

The fair value of our subordinated debentures is calculated using the discounted cash flows at rates observable for other similarly traded liabilities.

Junior Subordinated Debentures

The fair value of junior subordinated debentures is calculated using the discounted cash flows at the prevailing rate of interest.

Interest Rate Lock Commitments and Forward Commitments

The fair value of interest rate lock commitments is based on the value of underlying loans held-for-sale which is based on quoted prices for similar loans in the secondary market. This value is then adjusted based on the probability of the loan closing (i.e., the "pull-through" amount, a significant unobservable input). The fair value of forward sale commitments is based on quoted prices from the secondary market based on the settlement date of the contracts.

Interest Rate and Foreign Exchange Swap Agreements and Risk Participation Agreements

The fair value of interest rate swaps is based upon the present value of the expected future cash flows using the SOFR discount curve, the basis for the underlying interest rate. To price interest rate swaps, cash flows are first projected for each payment date using the fixed rate for the fixed side of the swap and the forward rates for the floating side of the swap. These swap cash flows are then discounted to time zero using SOFR zero-coupon interest rates. The sum of the present value of both legs is the fair market value of the interest rate swap. These valuations have been derived from our third party vendor's proprietary models rather than actual market quotations. The proprietary models are based upon financial principles and assumptions that we believe to be reasonable. The fair value of the foreign exchange swap is derived from proprietary models rather than actual market quotations. The proprietary models are based upon financial principles and assumptions that we believe to be reasonable. Risk participation agreements are entered into when Northwest Bank purchases a portion of a commercial loan that has an interest rate swap. Northwest Bank assumes credit risk on its portion of the interest rate swap should the borrower fail to pay as agreed. The value of risk participation agreements is determined based on the value of the swap after considering the credit quality, probability of default, and loss given default of the borrower.

Off-Balance Sheet Financial Instruments

These financial instruments generally are not sold or traded, and estimated fair values are not readily available. However, the fair value of commitments to extend credit and standby letters of credit is estimated using the fees currently charged to enter into similar agreements. Commitments to extend credit are generally short-term in nature and, if drawn upon, are issued under current market terms. At September 30, 2025 and December 31, 2024, there was no significant unrealized appreciation or depreciation on these financial instruments.

The following table sets forth the carrying amount and estimated fair value of our financial instruments included in the Consolidated Statement of Financial Condition at September 30, 2025 (in thousands):

	Carrying amount	Estimated fair value	Level 1	Level 2	Level 3	Netting Adjustments (1)
Financial assets:						
Cash and cash equivalents	$ 278,817	278,817	278,817	—	—	—
Securities available-for-sale	1,270,880	1,270,880	—	1,270,880	—	—
Securities held-to-maturity	702,392	618,633	—	618,633	—	—
Loans receivable, net	12,783,537	12,105,878	—	—	12,105,878	—
Loans held-for-sale	22,297	22,297	—		22,297	—
Accrued interest receivable	55,549	55,549	55,549	—	—	—
Interest rate lock commitments	1,030	1,030	—	—	1,030	—
Forward commitments	229	229	—	229	—	—
Foreign exchange swaps	57	57	—	57	—	—
Interest rate swaps designated as hedging instruments	—	—	—	126	—	(126)
Interest rate swaps not designated as hedging instruments	12,681	12,681	—	29,056	—	(16,375)
FHLB stock	33,349	33,349	—	—	—	—
Total financial assets	$ 15,160,818	14,399,400	334,366	1,918,981	12,129,205	(16,501)

Financial liabilities:						
Savings and checking deposits	$ 10,824,705	10,824,705	10,824,705	—	—	—
Time deposits	2,871,544	2,860,894	—	—	2,860,894	—
Borrowed funds	368,241	367,464	371,454	—	—	(3,990)
Subordinated debt	114,800	118,683	—	118,683	—	—
Junior subordinated debentures	130,028	127,178	—	—	127,178	—
Interest rate swaps designated as hedging instruments	—	—	—	1,279	—	(1,279)
Interest rate swaps not designated as hedging instruments	20,000	20,000	—	31,232	—	(11,232)
Risk participation agreements	31	31	—	31	—	—
Accrued interest payable	10,555	10,555	10,555	—	—	—
Total financial liabilities	$ 14,339,904	14,329,510	11,206,714	151,225	2,988,072	(16,501)

(1) Amounts represent the impact of legally enforceable master netting agreements that allow the Company to settle positive and negative positions and cash collateral held or placed with the same counterparties.

The following table sets forth the carrying amount and estimated fair value of our financial instruments included in the Consolidated Statement of Financial Condition at December 31, 2024 (in thousands):

	Carrying amount	Estimated fair value	Level 1	Level 2	Level 3	Netting Adjustments (1)
Financial assets:						
Cash and cash equivalents	$ 288,378	288,378	288,378	—	—	—
Securities available-for-sale	1,108,944	1,108,944	—	1,108,944	—	—
Securities held-to-maturity	750,586	637,948	—	637,948	—	—
Loans receivable, net	11,063,195	10,431,355	—	—	10,431,355	—
Loans held-for-sale	76,331	76,331	—	68,620	7,711	—
Accrued interest receivable	46,356	46,356	46,356	—	—	—
Interest rate lock commitments	342	342	—	—	342	—
Forward commitments	34	34	—	34	—	—
Forward exchange swaps	199	199	—	199	—	—
Interest rate swaps designated as hedging instruments	1,497	1,497	—	1,529	—	(32)
Interest rate swaps not designated as hedging instruments	3,493	3,493	—	37,697	—	(34,204)
FHLB stock	21,006	21,006	—	—	—	—
Total financial assets	$ 13,360,361	12,615,883	334,734	1,854,971	10,439,408	(34,236)
Financial liabilities:						
Savings and checking accounts	$ 9,466,909	9,466,909	9,466,909	—	—	—
Time deposits	2,677,645	2,677,070	—	—	2,677,070	—
Borrowed funds	200,331	196,277	228,119	—	—	(31,842)
Subordinated debt	114,538	115,982	—	115,982	—	—
Junior subordinated debentures	129,834	128,122	—	—	128,122	—
Foreign exchange swaps	4	4	—	4	—	—
Interest rate swaps designated as hedging instruments	—	—	—	32	—	(32)
Interest rate swaps not designated as hedging instruments	35,405	35,405	—	37,767	—	(2,362)
Risk participation agreements	16	16	—	16	—	—
Accrued interest payable	6,935	6,935	6,935	—	—	—
Total financial liabilities	$ 12,631,617	12,626,720	9,701,963	153,801	2,805,192	(34,236)

(1) Amounts represent the impact of legally enforceable master netting agreements that allow the Company to settle positive and negative positions and cash collateral held or placed with the same counterparties.

Fair value estimates are made at a point-in-time, based on relevant market data and information about the instrument. The methods and assumptions detailed above were used in estimating the fair value of financial instruments at both September 30, 2025 and December 31, 2024.

The following table represents assets and liabilities measured at fair value on a recurring basis at September 30, 2025 (in thousands):

	Level 1	Level 2	Level 3	Netting Adjustments (1)	Total assets at fair value
Debt securities:					
U.S. government and agencies	$ —	36,171	—	—	36,171
Government-sponsored enterprises	—	2,061	—	—	2,061
States and political subdivisions	—	86,074	—	—	86,074
Corporate	—	39,763	—	—	39,763
Total debt securities	—	164,069	—	—	164,069
Mortgage-backed securities:					
GNMA	—	54,572	—	—	54,572
FNMA	—	112,122	—	—	112,122
FHLMC	—	124,952	—	—	124,952
Non-agency	—	3	—	—	3
Collateralized mortgage obligations:					
GNMA	—	575,200	—	—	575,200
FNMA	—	80,789	—	—	80,789
FHLMC	—	159,173	—	—	159,173
Total mortgage-backed securities	—	1,106,811	—	—	1,106,811
Interest rate lock commitments	—	—	1,030	—	1,030
Forward commitments	—	229	—	—	229
Foreign exchange swaps	—	57	—	—	57
Interest rate swaps designated as hedging instruments	—	126	—	(126)	—
Interest rate swaps not designated as hedging instruments	—	29,056	—	(16,375)	12,681
Total assets	$ —	1,300,348	1,030	(16,501)	1,284,877
Interest rate swaps designated as hedging instruments	$ —	1,279	—	(1,279)	—
Interest rate swaps not designated as hedging instruments	—	31,232	—	(11,232)	20,000
Risk participation agreements	—	31	—	—	31
Total liabilities	$ —	32,542	—	(12,511)	20,031

(1) Amounts represent the impact of legally enforceable master netting agreements that allow the Company to settle positive and negative positions and cash collateral held or placed with the same counterparties.

The following table represents assets and liabilities measured at fair value on a recurring basis at December 31, 2024 (in thousands):

	Level 1	Level 2	Level 3	Netting Adjustment (1)	Total assets at fair value
Debt securities:					
U.S. government and agencies	$ —	35,391	—	—	35,391
Government-sponsored enterprises	—	118	—	—	118
States and political subdivisions	—	58,627	—	—	58,627
Corporate	—	26,101	—	—	26,101
Total debt securities	—	120,237	—	—	120,237
Mortgage-backed securities:					
GNMA	—	50,149	—	—	50,149
FNMA	—	84,212	—	—	84,212
FHLMC	—	89,840	—	—	89,840
Non-agency	—	5	—	—	5
Collateralized mortgage obligations:					
GNMA	—	562,948	—	—	562,948
FNMA	—	74,395	—	—	74,395
FHLMC	—	127,158	—	—	127,158
Total mortgage-backed securities	—	988,707	—	—	988,707
Interest rate lock commitments	—	—	342	—	342
Forward commitments	—	34	—	—	34
Foreign exchange swaps	—	199	—	—	199
Interest rate swaps designated as hedging instruments	—	1,529	—	(32)	1,497
Interest rate swaps not designated as hedging instruments	—	37,697	—	(34,204)	3,493
Total assets	$ —	1,148,403	342	(34,236)	1,114,509
Foreign exchange swaps	$ —	4	—	—	4
Interest rate swaps designated as hedging instruments	—	32	—	(32)	—
Interest rate swaps not designated as hedging instruments	—	37,767	—	(2,362)	35,405
Risk participation agreements	—	16	—	—	16
Total liabilities	$ —	37,819	—	(2,394)	35,425

(1) Amounts represent the impact of legally enforceable master netting agreements that allow the Company to settle positive and negative positions and cash collateral held or placed with the same counterparties.

The following table presents the changes in Level 3 assets and liabilities measured at fair value on a recurring basis (in thousands):

	For the quarter ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Beginning balance,	$ 933	791	342	641
Interest rate lock commitments:				
Net activity	97	(118)	688	32
Transfers from Level 3	—	—	—	—
Transfers into Level 3	—	—	—	—
Ending balance	$ 1,030	673	1,030	673

Certain assets and liabilities are measured at fair value on a nonrecurring basis after initial recognition such as loans individually assessed, real estate owned, and MSRs.

The following table represents the fair market measurement for only those nonrecurring assets that had a fair market value below the carrying amount as of September 30, 2025 (in thousands):

	Level 1	Level 2	Level 3	Total assets at fair value
Loans individually assessed	$ —	—	38,698	38,698
Real estate owned, net	—	—	174	174
Total assets	$ —	—	38,872	38,872

The following table represents the fair market measurement for only those nonrecurring assets that had a fair market value below the carrying amount as of December 31, 2024 (in thousands):

	Level 1	Level 2	Level 3	Total assets at fair value
Loans individually assessed	$ —	—	9,801	9,801
Mortgage servicing rights	—	—	20	20
Real estate owned, net	—	—	35	35
Total assets	$ —	—	9,856	9,856

Individually Assessed Loans — A loan is considered to be individually assessed as described in Note 1(f) of the Notes to the Consolidated Financial Statements in Item 8 of Part II of our 2024 Annual Report on Form 10-K. We classify loans individually assessed as nonrecurring Level 3.

Mortgage Servicing Rights — Mortgage servicing rights represent the value of servicing residential mortgage loans, when the mortgage loans have been sold into the secondary market and the associated servicing has been retained. The value is determined through a discounted cash flow analysis, which uses interest rates, prepayment speeds and delinquency rate assumptions as inputs. All of these assumptions require a significant degree of management judgment. Servicing rights and the related mortgage loans are segregated into categories or homogeneous pools based upon common characteristics. Adjustments are only made when the estimated discounted future cash flows are less than the carrying value, as determined by individual pool. As such, mortgage servicing rights are classified as nonrecurring Level 3.

Real Estate Owned — Real estate owned is comprised of property acquired through foreclosure or voluntarily conveyed by borrowers. These assets are recorded on the date acquired at the lower of the related loan balance or fair value, less estimated disposition costs, with the fair value being determined by appraisal. Subsequently, foreclosed assets are valued at the lower of the amount recorded at acquisition date or fair value, less estimated disposition costs. We classify real estate owned as nonrecurring Level 3.

The following table presents additional quantitative information about assets measured at fair value on a recurring and nonrecurring basis and for which we have utilized Level 3 inputs to determine fair value at September 30, 2025 (in thousands):

	Fair value	Valuation techniques	Significant unobservable inputs	Range (weighted average)
Loans individually assessed	$ 38,698	Appraisal value (1)	Estimated cost to sell	10%
Mortgage servicing rights	—	Discounted cash flow	Annual service cost	$89
			Prepayment rate	6.0% to 17.2% (10.3%)
			Expected life (months)	49.3 to 106.2 (74)
			Option adjusted spread	724 basis points
			Forward yield curve	4.39% to 4.02%
Real estate owned, net	174	Appraisal value (1)	Estimated cost to sell	10%
Loans held for sale	22,297	Quoted prices for similar loans in active markets adjusted by an expected pull-through rate	Estimated pull-through rate	100%

(1) Fair value is generally determined through independent appraisals of the underlying collateral, which may include Level 3 inputs that are not identifiable, or by using the discounted cash flow method if the loan is not collateral dependent.

(11) Derivative Financial Instruments

We are a party to derivative financial instruments in the normal course of business to manage our own exposure to fluctuations in interest rates and to meet the needs of our customers. The primary derivatives that we use are interest rate swaps and caps and foreign exchange contracts, which are entered into with counterparties that meet established credit standards. We believe that the credit risk inherent in all of our derivative contracts is minimal based on our credit standards and the netting and collateral provisions of the interest rate swap agreements.

Derivatives Designated as Hedging Instruments

As of September 30, 2025, the Company had entered into seven separate pay-fixed interest rate swaps in order to synthetically convert short-term three month FHLB advances to fixed-rate term funding with an aggregate value of $175 million with maturities ranging from three to five years. Our risk management objective and strategy for these interest rate swaps at such time was to reduce our exposure to variability in interest-related cash outflows attributable to changes in the USD-SOFR swap rate, the designated benchmark interest rate being hedged. Based upon our contemporaneous quantitative analysis at the inception of the interest rate swaps, we have determined these interest rate swaps qualify for hedge accounting in accordance with ASC 815, *Derivatives and Hedging*. Our cash flow hedges are recorded within other assets on the Consolidated Statement of Financial Condition at their estimated fair value.

As long as the hedge remains highly effective, the changes in the fair value of derivatives designated, and that qualify, as cash flow hedges are recorded in accumulated other comprehensive income and are subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. A hedging relationship that is determined to not be highly effective no longer qualifies for hedge accounting and any gain or loss is recognized immediately into earnings. Amounts reclassified into earnings are included in interest expense in the Consolidated Statement of Income.

Derivatives Not Designated as Hedging Instruments

We act as an interest rate or foreign exchange swap counterparty for certain commercial borrowers in the normal course of servicing our customers, which are accounted for at fair value. We manage our exposure to such interest rate or foreign exchange swaps by entering into corresponding and offsetting interest rate swaps with third parties that mirror the terms of the swaps we have with the commercial borrowers. These positions (referred to as “customer swaps”) directly offset each other and our exposure is the fair value of the derivatives due to changes in credit risk of our commercial borrowers and third parties. Customer swaps are recorded within other assets or other liabilities on the Consolidated Statement of Financial Condition at their estimated fair value. Changes to the fair value of assets and liabilities arising from these derivatives are included, net, in other operating income in the Consolidated Statement of Income.

We enter into interest rate lock commitments for residential mortgage loans which commit us to lend funds to a potential borrower at a specific interest rate within a specified period of time. Interest rate lock commitments that relate to the origination of mortgage loans that will be held-for-sale are considered derivative financial instruments under applicable accounting guidance. Interest rate lock commitments on loans held-for-sale are carried at fair value in other assets on the Consolidated Statement of Financial Condition. Northwest Bank sells loans to the secondary market on a mandatory or best efforts basis. The loans sold on a mandatory basis commit us to deliver a specific principal amount of mortgage loans to an investor at a specified price, by a specified date, or the commitment must be paired off. These forward commitments entered into on a mandatory delivery basis meet the definition of a derivative financial instrument. All closed loans to be sold on a mandatory delivery basis are classified as held-for-sale on the Consolidated Statement of Financial Condition. Changes to the fair value of the interest rate lock commitments and the forward commitments are recorded in mortgage banking income in the Consolidated Statements of Income.

We enter into risk participation agreements with financial institution counterparties for interest rate swaps related to loans in which we are a participant. The risk participation agreements provide credit protection to the financial institution should the borrower fail to perform on its interest rate derivative contract with the financial institution. These risk participation agreements are recorded within other liabilities on the Consolidated Statement of Financial Condition at their estimated fair value. Changes to the fair value of the risk participation agreements are included in other operating income in the Consolidated Statement of Income.

The following table presents information regarding our derivative financial instruments at the dates indicated (in thousands):

	Asset derivatives		Liability derivatives	
	Notional amount	Fair value	Notional amount	Fair value
At September 30, 2025				
Derivatives designated as hedging instruments:				
Interest rate swap agreements	$ 50,000	126	125,000	1,279
Derivatives not designated as hedging instruments:				
Interest rate swap agreements	943,903	29,056	943,903	31,232
Foreign exchange swap agreements	2,800	57	—	—
Interest rate lock commitments	34,841	1,030	—	—
Forward commitments	8,027	229	—	—
Risk participation agreements	—	—	118,919	31
Total Derivatives	$ 1,039,571	30,498	1,187,822	32,542
At December 31, 2024				
Derivatives designated as hedging instruments:				
Interest rate swap agreements	$ 125,000	1,529	50,000	32
Derivatives not designated as hedging instruments:				
Interest rate swap agreements	780,177	37,697	780,177	37,767
Foreign exchange swap agreements	5,724	199	2,690	4
Interest rate lock commitments	17,426	342	—	—
Forward commitments	1,509	34	—	—
Risk participation agreements	—	—	129,439	16
Total derivatives	$ 929,836	39,801	962,306	37,819

The following table presents income or expense recognized on derivatives for the periods indicated (in thousands):

	For the quarter ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
Hedging derivatives:				
Decrease in interest expense	$ 302	732	889	2,198
Non-hedging swap derivatives:				
Increase/(decrease) in other income	325	(221)	(287)	(45)
Increase/(decrease) in mortgage banking income	223	(73)	1,012	135

The following table presents information regarding our derivative financial instruments designated as hedging for the quarter ended September 30, 2025 (dollars in thousands):

	Notional amount	Effective rate	Estimated decrease to interest expense in the next twelve months	Maturity date	Remaining term (in months)
Interest rate products:					
Issued May 11, 2023	$ 25,000	3.40 %	$ (271)	5/11/2027	19
Issued May 12, 2023	25,000	3.42 %	(258)	5/12/2028	31
Issued May 19, 2023	25,000	3.73 %	(185)	11/19/2027	26
Issued May 31, 2023	25,000	3.95 %	(132)	11/30/2026	14
Issued July 26, 2023	25,000	4.16 %	(82)	7/26/2028	34
Issued July 31, 2023	25,000	4.23 %	(60)	1/31/2028	28
Issued August 9, 2023	25,000	4.21 %	(64)	8/9/2027	22
Total	$ 175,000		$ (1,052)		

Our derivatives are presented on a net basis taking into consideration the effects of legally enforceable master netting agreements. Additionally, collateral exchanged with counterparties is also netted against the applicable derivative fair values. We enter into derivative transactions with two primary groups, banks and our customers. Different methods are utilized for managing counterparty credit exposure and credit risk for each of these groups.

The following tables present the gross amounts of these assets and liabilities with any offsets to arrive at the net amounts recognized in the Consolidated Statements of Financial Condition as of September 30, 2025 (dollars in thousands).

Derivative assets	Gross amounts of recognized assets	Gross amounts offset in the consolidated statement of financial condition	Net amounts of assets presented in the consolidated of condition
Interest rate swaps - hedging	$ 126	(126)	—
Interest rate swaps - not hedging	29,056	(16,375)	12,681

Derivative liabilities	Gross amounts of recognized liabilities	Gross amounts offset in the consolidated statement of financial condition	Net amounts of liabilities presented in the consolidated of condition
Interest rate swaps - hedging	1,279	(1,279)	—
Interest rate swaps - not hedging	31,232	(11,232)	20,000

The following tables present the gross amounts of these assets and liabilities with any offsets to arrive at the net amounts recognized in the Consolidated Statements of Financial Condition as of December 31, 2024 (dollars in thousands).

Derivative assets	Gross amounts of recognized assets	Gross amounts offset in the consolidated statement of financial condition	Net amounts of assets presented in the consolidated of condition
Interest rate swaps - hedging	$ 1,529	(32)	1,497
Interest rate swaps - not hedging	37,697	(34,204)	3,493

Derivative liabilities	Gross amounts of recognized liabilities	Gross amounts offset in the consolidated statement of financial condition	Net amounts of liabilities presented in the consolidated of condition
Interest rate swaps - hedging	$ 32	(32)	—
Interest rate swaps - not hedging	37,767	(2,362)	35,405

(12) Legal Proceedings

We establish accruals for legal proceedings when information related to the loss contingencies represented by those matters indicates both that a loss is probable and that the amount of loss can be reasonably estimated. As of September 30, 2025, we do not anticipate that the aggregate ultimate liability arising out of any pending or threatened legal proceedings will be material to our Consolidated Financial Statements. Any such accruals are adjusted thereafter as appropriate to reflect changes in circumstances. Due to the inherent subjectivity of assessments and unpredictability of outcomes of legal proceedings, any amounts accrued may not represent the ultimate loss to us from legal proceedings.

(13) Changes in Accumulated Other Comprehensive Income

The following tables show the changes in accumulated other comprehensive income by component for the periods indicated (in thousands):

	For the quarter ended September 30, 2025			
	Unrealized losses on securities available-for-sale	Change in fair value of interest rate swaps	Change in defined benefit pension plans	Total
Balance as of June 30, 2025	$ (112,959)	(752)	17,837	(95,874)
Other comprehensive income/(loss) income before reclassification adjustments (1) (3)	8,820	(84)	—	8,736
Amounts reclassified from accumulated other comprehensive income (2) (4)	44	—	(168)	(124)
Net other comprehensive income/(loss)	8,864	(84)	(168)	8,612
Balance as of September 30, 2025	$ (104,095)	(836)	17,669	(87,262)

	For the quarter ended September 30, 2024			
	Unrealized losses on securities available-for-sale	Change in fair value of interest rate swaps	Change in defined benefit pension plans	Total
Balance as of June 30, 2024	$ (132,959)	2,110	765	(130,084)
Other comprehensive (loss)/income before reclassification adjustments (5) (7)	27,947	(3,654)	—	24,293
Amounts reclassified from accumulated other comprehensive income (6) (8)	—	—	(387)	(387)
Net other comprehensive income/(loss)	27,947	(3,654)	(387)	23,906
Balance as of September 30, 2024	$ (105,012)	(1,544)	378	(106,178)

(1) Consists of unrealized holding gains, net of tax of ($2,826).
(2) Consists of realized losses, net of tax of ($13).
(3) Change in fair value of interest rate swaps, net of tax $32.
(4) Consists of realized gains, net of tax of $64.
(5) Consists of unrealized holding gains, net of tax of ($8,980).
(6) Consists of realized losses, net of tax of $0
(7) Change in fair value of interest rate swaps, net of tax $1,068.
(8) Consists of realized gains, net of tax of $148.

	For the nine months ended September 30, 2025			
	Unrealized losses on securities available-for-sale	Change in fair value of interest rate swaps	Change in defined benefit pension plans	Total
Balance as of December 31, 2024	$ (130,248)	1,159	18,175	(110,914)
Other comprehensive income/(loss) before reclassification adjustments (1) (3)	26,108	(1,995)	—	24,113
Amounts reclassified from accumulated other comprehensive income (2) (4)	45	—	(506)	(461)
Net other comprehensive income/(loss)	26,153	(1,995)	(506)	23,652
Balance as of September 30, 2025	$ (104,095)	(836)	17,669	(87,262)

	For the nine months ended September 30, 2024			
	Unrealized losses on securities available-for-sale	Change in fair value of interest rate swaps	Change in defined benefit pension plans	Total
Balance as of December 31, 2023	$ (150,659)	(374)	1,541	(149,492)
Other comprehensive loss before reclassification adjustments (5) (7)	18,858	(1,170)	—	17,688
Amounts reclassified from accumulated other comprehensive income (6) (8)	26,789	—	(1,163)	25,626
Net other comprehensive loss	45,647	(1,170)	(1,163)	43,314
Balance as of September 30, 2024	$ (105,012)	(1,544)	378	(106,178)

(1) Consists of unrealized holding gains, net of tax of ($8,489).
(2) Consists of realized losses, net of tax of ($13).
(3) Change in fair value of interest rate swaps, net of tax $655.
(4) Consists of realized gains, net of tax of $191.
(5) Consists of unrealized holding gains, net of tax ($7,054).
(6) Consists of realized losses, net of tax ($7,706).
(7) Change in fair value of interest rate swaps, net of tax $342.
(8) Consists of realized gains, net of tax of $442.

(14) Segment Information

The Company's reportable segment is determined by the Chief Executive Officer, who is the designated chief operating decision maker, based upon information provided about the Company's products and services offered, primarily banking operations. Our one operating segment, Banking, is also distinguished by the level of information provided to the chief operating decision maker, who uses such information to review performance of the various components of the business such as branches and lending, which are then aggregated because operating performance, products/services and customers are similar. The chief operating decision maker will evaluate the financial performance of the Company's business components by evaluating revenue streams, significant expenses and budget to actual results in assessing the Company's segment and in the determination of allocating resources. The information reviewed is on a consolidated basis and discrete financial information is not available. The chief operating decision maker uses revenue streams to evaluate product pricing and significant expenses to assess performance and evaluate return on assets. The chief operating decision maker uses consolidated net income through return on average assets and return on average equity and the efficiency ratio, as well as loan growth to benchmark the Company against its competitors. The benchmarking analysis coupled with monitoring of budget to actual results are used in assessment performance and in establishing compensation. Loans, investments, and deposits provide the revenues in the banking operation. Interest expense, provisions for credits losses and payroll provide the significant expenses in the banking operating. All operations are domestic.

Accounting policies for segment are the same as those described in Note 1 of the Notes to the Consolidated Financial Statements in Item 8 of Part II of our 2024 Annual Report on Form 10-K. Segment performance is evaluated using consolidated net income. Information reported internally for performance assessment by the chief operating decision maker follows, inclusive of reconciliations of significant segment totals to the financial statements:

	Banking Segment			
	Quarter ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Interest income	$ 194,678	171,381	546,843	498,474
Reconciliation of revenue				
Service charges and fees	16,911	15,932	47,695	46,982
Trust and other financial services income	8,040	7,924	23,898	22,617
Gain (loss) on sale of investments	36	—	36	(39,413)
Other revenue (1)	7,211	3,977	19,862	16,761
Consolidated revenues	$ 226,876	199,214	638,334	545,421
Less:				
Interest expense	58,704	60,079	163,607	177,093
Segment net interest income and noninterest income	$ 168,172	139,135	474,727	368,328
Less:				
Provision for credit losses	31,205	4,875	47,860	7,940
Compensation and employee benefits	63,014	56,186	172,767	161,257
Processing expenses	15,072	14,570	42,035	43,990
Premises and occupancy costs	7,707	7,115	23,229	22,206
Professional services	3,010	3,302	9,756	11,095
Office operations	3,495	2,811	9,382	9,397
Federal deposit insurance premiums	3,361	2,763	7,985	8,651
Other segment items (2)	37,839	4,020	57,621	16,615
Income tax expense	302	9,875	23,792	19,649
Segment net income/consolidated net income	$ 3,167	33,618	80,300	67,528

(1) Other revenues include loan sales, gain on real estate owned, income from bank owned life insurance and other operating income.
(2) Other segment items include expenses for collections, marketing, amortization of intangibles, merger, asset disposition and restructuring and other operating expense.

	Banking Segment			
	Quarter ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
ıer segment disclosures				
ıterest income	$ 194,678	171,381	546,843	498,474
ıterest expense	58,704	60,079	163,607	177,093
)epreciation	1,147	1,583	6,667	2,564
ımortization	1,974	590	2,914	1,926
)ther significant noncash items:				
Provision for credit losses	31,205	4,875	47,860	7,940
ıment assets	16,381,009	14,354,325	16,381,009	14,354,325
ɔenditures for segment assets	3,648	1,989	9,099	2,076

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

In addition to historical information, this document may contain certain forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements contained herein are subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, as they reflect management's analysis only as of the date of this report. We have no obligation to revise or update these forward-looking statements to reflect events or circumstances that arise after the date of this report.

Important factors that might cause such a difference include, but are not limited to:

- the possibility that any of the anticipated benefits of the Merger (as defined below) will not be realized or will not be realized within the expected time period; the effect of the Merger on the combined company's customer and employee relationships and operating results; and other factors that may affect the results of operations and financial condition of the combined company;
- inflation and changes in the interest rate environment that reduce our margins, our loan origination, or the fair value of financial instruments;
- changes in asset quality, including increases in default rates on loans and higher levels of nonperforming loans and loan charge-offs generally;
- changes in laws, government regulations or supervision, examination and enforcement priorities affecting financial institutions, including as part of the regulatory reform agenda of the Trump administration, as well as changes in regulatory fees and capital requirements;
- changes in federal, state, or local tax laws and tax rates;
- general economic conditions, either nationally or in our market areas, that are different than expected, including inflationary or recessionary pressures or those related to changes in monetary, fiscal, regulatory and tariff policies of the U.S. government, including policies of the U.S. Department of Treasury and the Federal Reserve Board;
- adverse changes in the securities and credit markets;
- instability or breakdown in the financial services sector, including failures or rumors of failures of other depository institutions, along with actions taken by governmental agencies to address such turmoil;
- cyber-security concerns, including an interruption or breach in the security of our website or other information systems;
- technological changes that may be more difficult or expensive than expected;
- changes in liquidity, including the size and composition of our deposit portfolio, and the percentage of uninsured deposits in the portfolio;
- the ability of third-party providers to perform their obligations to us;
- competition among depository and other financial institutions, including with respect to deposit gathering, service charges and fees;
- our ability to enter new markets successfully and capitalize on growth opportunities;
- our ability to manage our growth internally and our ability to successfully integrate acquired entities, businesses or branch offices;
- changes in consumer spending, borrowing and savings habits;
- our ability to continue to increase and manage our commercial, including commercial real estate, and personal loans;
- possible impairments of securities held by us, including those issued by government entities and government sponsored enterprises;
- changes in the value of our goodwill or other intangible assets;
- the impact of the economy on our loan portfolio (including cash flow and collateral values), investment portfolio, customers and capital market activities;
- our ability to receive regulatory approvals for proposed transactions or new lines of business;
- the effects of any federal government shutdown or the inability of the federal government to manage debt limits:
- a prolonged government shutdown, which could adversely affect the U.S. and global economy;
- changes in the financial performance and/or condition of our borrowers;
- the effect of changes in accounting policies and practices, as may be adopted by the regulatory agencies, as well as the Securities and Exchange Commission, the Public Company Accounting Oversight Board, the Financial Accounting Standards Board ("FASB") and other accounting standard setters;
- changes in the level and direction of loan delinquencies and write-offs and changes in estimates of the adequacy of the allowance for credit losses;
- our ability to access cost-effective funding;
- the effect of global or national war, conflict, or terrorism;

- our ability to manage market risk, credit risk and operational risk;
- the disruption to local, regional, national and global economic activity caused by infectious disease outbreaks, and the significant impact that any such outbreaks may have on our growth, operations and earnings;
- the effects of natural disasters and extreme weather events;
- changes in our ability to continue to pay dividends, either at current rates or at all;
- our ability to retain key employees; and
- our compensation expense associated with equity allocated or awarded to our employees.

Overview of Critical Accounting Policies Involving Estimates

Please refer to Note 1 of the Notes to Consolidated Financial Statements in Item 8 of Part II of our 2024 Annual Report on Form 10-K.

Recently Issued Accounting Standards

The following Accounting Standard Updates (“ASU”) issued by the Financial Accounting Standards Board ("FASB") have not yet been adopted.

In October 2023, the FASB issued ASU No. 2023-06, "Disclosure Improvements." This ASU includes amendments on several subtopics in the FASB Accounting Standards Codification ("Codification") to incorporate certain disclosures and presentation requirements currently residing in SEC Regulations S-X and S-K. The adoption of this ASU may lead to certain disclosures being relocated into the financial statements. The effective date for each amendment will be the date on which the SEC’s removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. These amendments are to be applied prospectively. If the SEC has not removed the applicable requirements from Regulation S-X or Regulation S-K by June 30, 2027, the pending content of the related amendment will be removed from the Codification and will not become effective for any entity. We do not believe this guidance will have a material impact on the Company's financial statements.

In December 2023, the FASB issued ASU No. 2023-09, "Improvements to Income Tax Disclosures." This ASU requires additional disaggregated disclosures on entity's effective tax rate reconciliation and additional details on income taxes paid. This guidance is effective for annual periods beginning after December 15, 2024, with early adoption permitted. This ASU is applied prospectively with the option to apply the ASU retrospectively. We do not believe this guidance will have a material impact on the Company's financial statements.

In November 2024, the FASB issued ASU 2024-03, “Income Statement-Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses”. The guidance requires disaggregated disclosure of specified expense categories. The guidance also requires disclosure of total selling expenses and how the Company defines selling expenses. The guidance is effective for fiscal years beginning after December 15, 2026, and interim periods within annual periods beginning after December 15, 2027. Prospective application is required, with retrospective application permitted. The Company is currently evaluating the effect the updated guidance will have on the Company’s financial statement disclosures. In January 2025, the FASB issued ASU 2025-01, “Income Statement — Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40).” The guidance amends the effective date of ASU 2024-03 to clarify that all public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted.

In September 2025, the FASB issued ASU 2025-06, "Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software”. This ASU addresses the challenges of applying current internal-use software accounting requirements due to the evolution of software development since the original guidance was issued. The ASU removes all references to project stages. The amendments require an entity to start capitalizing software costs when management has authorized and committed to funding the software project, and it is probable that the project will be completed and the software will be used to perform the function intended. The amendments in the ASU are effective for annual reporting periods beginning after December 15, 2027, and for interim reporting periods beginning after December 15, 2027. Early adoption is permitted as of the beginning of an annual reporting period. We do not believe this guidance will have a material impact on the Company's financial statements.

On July 4, 2025, President Trump signed into law the legislation formally titled “An Act to Provide for Reconciliation Pursuant to Title II of H. Con. Res. 14” and commonly referred to as the One Big Beautiful Bill Act(“the Act”). The enactment of the Act did not have a material impact on the company's financial statements.

Acquisition of Penns Woods

On July 25, 2025, the Company completed its acquisition of Penns Woods, pursuant to the merger agreement, which was entered into by the Company and Penns Woods on December 16, 2024 (the "Merger Agreement"). In accordance with the Merger Agreement, the Company and Penns Woods completed a business combination whereby Penns Woods merged with and into the Company (the "Merger"), with the Company as the surviving corporation in the Merger. Immediately after the effective time of the Merger (the "Effective Time"), Penns Woods' wholly-owned subsidiary banks, Luzerne Bank, a Pennsylvania-chartered state bank, and Jersey Shore State Bank, a Pennsylvania-chartered state bank, merged with and into Northwest Bank, with Northwest Bank as the surviving bank in the subsidiary bank mergers. Under the terms and subject to the conditions of the Merger Agreement, at the Effective Time, each share of Penns Woods' common stock, $5.55 par value, issued and outstanding immediately prior to the Effective Time (except for Treasury Shares (as provided for in the Merger Agreement), converted, in accordance with the procedures set forth in the Merger Agreement, into a right to receive 2.385 shares of common stock, $0.01 par value, of the Company.

The Penns Woods results of operations are included in the Company's consolidated results since the date of acquisition. Therefore, the Company's third quarter and year to date 2025 results reflect increased levels of average balances, net interest income, and noninterest expense compared to the prior quarter and 2024 results. After purchase accounting fair value adjustments, the acquisition added $2.2 billion of total assets, including $1.8 billion of loans, $160 million of investments, of which $82 million were immediately sold, as well as $2.0 billion of total liabilities, primarily consisting of $1.6 billion in deposits. The Company recorded preliminary goodwill of $57 million and core deposit intangibles of $48 million related to the acquisition.

Comparison of Financial Condition

Total assets at September 30, 2025 were $16.4 billion, an increase of $2.0 billion from December 31, 2024. This increase in assets was primarily driven by the addition of the Penns Woods assets. A discussion of significant changes follows.

Cash and cash equivalents decreased by $10 million, or 3%, to $279 million at September 30, 2025, from $288 million at December 31, 2024 due to these funds being invested into higher yielding loans and marketable securities.

Total marketable securities increased to $2.0 billion at September 30, 2025, increasing by $114 million, or 6%, from December 31, 2024. Available-for-sale securities increased by $162 million, this was driven by the acquisition of Penns Woods which included $160 million is marketable securities, of which $82 million were immediately sold. Additional increases were driven by the purchase of additional securities and the improvement of our unrealized loss position. Held-to-maturity securities decreased $48 million, driven by maturities and regular monthly cash flows.

Gross loans receivable was $12.9 billion at September 30, 2025, increasing $1.8 billion from December 31, 2024. This increase is attributed to the Penns Woods acquisition of $1.8 billion in loans. Our personal banking loan portfolio increased by $810 million, to $7.1 billion at September 30, 2025 while our commercial banking loans increased by $951 million, to $5.8 billion at September 30, 2025.

The following table provides the various loan sectors in our commercial real estate portfolio at September 30, 2025:

Property type	Percent of portfolio
5 or more unit dwelling	10.3 %
Retail Building	9.9
Nursing Home	7.6
Commercial office building - non-owner occupied	7.5
Manufacturing & industrial building	5.1
Warehouse/storage building	3.3
Commercial office building - owner occupied	3.3
Multi-use building - commercial, retail and residential	2.8
Multi-use building - office and warehouse	2.7
Other medical facility	2.1
Residential acquisition & development - 1-4 family, townhouses and apartments	2.7
Hotel/motel	1.8
Single family dwelling	1.7
Student housing	1.7
Agricultural real estate	1.5
2-4 family	1.2
Commercial acquisition and development	1.6
All other	33.2
Total	100.0 %

The following table describes the collateral of our commercial real estate portfolio by state at September 30, 2025:

State	Percent of portfolio
New York	24.7 %
Pennsylvania	42.2
Ohio	15.6
Indiana	4.9
New Jersey	2.1
All other	10.5
Total	100.0 %

Total deposits increased by $1.6 billion, to $13.7 billion at September 30, 2025 from $12.1 billion at December 31, 2024. This increase was driven by the acquisition which resulted in an additional $1.6 billion in deposits.

As of September 30, 2025, we had $115 million of brokered deposits, which made up 4% of our time deposits and 1% of our total deposit balance at quarter end. As of December 31, 2024, we had $201 million of brokered deposits, which made up 7% of our time deposits and 2% of our total deposit balance at year end. The balance carried an average all-in cost of 4.18% and 4.32% as of September 30, 2025 and December 31, 2024, respectively and an average original term of 12 months. These deposits were purchased through a registered broker, as part of an Asset/Liability Committee ("ALCO") strategy to increase and diversify funding sources.

In addition, we had $795 million and had $713 million of deposits through our participation in the IntraFi Network Deposits and FIS Insured Deposit programs as of September 30, 2025 and December 31, 2024, respectively. These deposits are part of a reciprocal program that allows our depositors to receive expanded FDIC coverage by placing multiple interest-bearing demand accounts at other member banks and Northwest Bank receives an equal amount of deposits from other member banks. The balance carried an average cost of 3.34% as of September 30, 2025 and 3.68% as of December 31, 2024.

At September 30, 2025 and December 31, 2024, we had total deposits in excess of $250,000 (the limit for FDIC insurance) of $1.9 billion. At those dates, we had no deposits that were uninsured for any other reason. The following table presents details regarding the Company's uninsured deposits portfolio:

	As of September 30, 2025		
	Balance	Percent of total deposits	Number of relationships
Uninsured deposits per the Call Report (1)	$ 3,746,638	27.4 %	6,277
Less intercompany deposit accounts	1,321,881	9.7 %	12
Less collateralized deposit accounts	480,761	3.5 %	253
Uninsured deposits excluding intercompany and collateralized accounts	$ 1,943,996	14.2 %	6,012

(1) Uninsured deposits presented may be different from actual amounts due to titling of accounts.

Our largest uninsured depositor, excluding intercompany and collateralized deposit accounts, had an aggregate uninsured deposit balance of $39 million, or 0.28% of total deposits, as of September 30, 2025. Our top ten largest uninsured depositors, excluding intercompany and collateralized deposit accounts, had an aggregate uninsured deposit balance of $198 million, or 1.45%, of total deposits, as of September 30, 2025. The average uninsured deposit account balance, excluding intercompany and collateralized accounts, was $323,353 as of September 30, 2025.

Total shareholders' equity increased to $1.9 billion, or $12.70 per share, at September 30, 2025 compared to $12.52 per share at December 31, 2024, increasing by $259 million in the current year, primarily driven by the issuance of common stock in connection with the Penns Woods acquisition. The additional increase was the result of the an improvement in accumulated other comprehensive loss of $24 million, or 21%, primarily due to a decrease in unrealized losses in the available-for-sale investment portfolio, partially offset by 81 million of cash dividend payments for the nine months ended September 30, 2025.

Regulatory Capital

Financial institutions and their holding companies are subject to various regulatory capital requirements. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by the regulators that, if undertaken, could have a direct, material effect on a company's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, financial institutions must meet specific capital guidelines that involve quantitative measures of its assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting guidelines. Capital amounts and classifications are also subject to qualitative judgments made by the regulators about components, risk-weighting and other factors.

Applicable rules limit an organization's capital distributions and certain discretionary bonus payments if the organization does not hold a "capital conservation buffer" consisting of 2.5% of Total, Tier 1 and Common Equity Tier 1 ("CET1") capital to risk-weighted assets in addition to the amount necessary to meet its minimum risk-based capital requirements.

Quantitative measures, established by regulation to ensure capital adequacy, require financial institutions to maintain minimum amounts and ratios (set forth in the table below) of Total, CET1 and Tier 1 capital (as defined in the regulations) to risk-weighted assets (as defined), and of Tier 1 capital to average assets (as defined). Capital requirements are presented in the tables below (dollars in thousands).

	At September 30, 2025					
	Actual		Minimum capital requirements (1)		Well capitalized requirements (2)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total capital (to risk weighted assets)						
Northwest Bancshares, Inc.	$ 1,876,174	15.45 %	$ 1,274,938	10.50 %	$ 1,214,227	10.00 %
Northwest Bank	1,677,965	13.83 %	1,273,516	10.50 %	1,212,872	10.00 %
Tier 1 capital (to risk weighted assets)						
Northwest Bancshares, Inc.	1,483,249	12.22 %	1,032,093	8.50 %	728,536	6.00 %
Northwest Bank	1,526,047	12.58 %	1,030,941	8.50 %	970,298	8.00 %
CET1 capital (to risk weighted assets)						
Northwest Bancshares, Inc.	1,483,249	12.22 %	849,959	7.00 %	N/A	N/A
Northwest Bank	1,526,047	12.58 %	849,010	7.00 %	788,367	6.50 %
Tier 1 capital (leverage) (to average assets)						
Northwest Bancshares, Inc.	1,483,249	9.47 %	626,201	4.00 %	N/A	N/A
Northwest Bank	1,526,047	9.76 %	625,427	4.00 %	781,784	5.00 %

(1) Amounts and ratios include the capital conservation buffer of 2.5%, which does not apply to Tier 1 capital to average assets (leverage ratio).
(2) Reflects the well-capitalized standard applicable to Northwest Bank and the well-capitalized standard applicable to the Company under the Federal Reserve Board's Regulation Y.

	At December 31, 2024 (1)					
	Actual		Minimum capital requirements (2)		Well capitalized requirements (3)	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total capital (to risk weighted assets)						
Northwest Bancshares, Inc.	$ 1,708,786	16.08 %	$ 1,115,932	10.50 %	$ 1,062,793	10.00 %
Northwest Bank	1,466,832	13.81 %	1,114,929	10.50 %	1,061,837	10.00 %
Tier 1 capital (to risk weighted assets)						
Northwest Bancshares, Inc.	1,468,646	13.82 %	903,374	8.50 %	637,676	6.00 %
Northwest Bank	1,341,230	12.63 %	902,561	8.50 %	849,469	8.00 %
CET1 capital (to risk weighted assets)						
Northwest Bancshares, Inc.	1,342,801	12.63 %	743,955	7.00 %	N/A	N/A
Northwest Bank	1,341,230	12.63 %	743,286	7.00 %	690,194	6.50 %
Tier 1 capital (leverage) (to average assets)						
Northwest Bancshares, Inc.	1,468,646	10.39 %	565,426	4.00 %	N/A	N/A
Northwest Bank	1,341,230	9.50 %	564,937	4.00 %	706,171	5.00 %

(1) We elected to temporarily delay the estimated impact of current expected credit losses ("CECL") on regulatory capital in accordance with a rule of the Federal Reserve Board and other U.S. banking agencies for a two-year deferral period, followed by a three-year transition period which began January 1, 2022. As of December 31, 2024, 75% of the impact of the CECL deferral was phased, while the impact of the CECL deferral was fully phased in as of June 30, 2025.
(2) Amounts and ratios include the capital conservation buffer of 2.5%, which does not apply to Tier 1 capital to average assets (leverage ratio).
(3) Reflects the well-capitalized standard applicable to Northwest Bank and the well-capitalized standard applicable to the Company under the Federal Reserve Board's Regulation Y.

Regulatory Considerations

It is uncertain how the rapid changes initiated by the Trump administration will impact our business going forward. These include the impact of tariffs, immigration reform, and changes at the agencies that regulate us, including the modification, rescission, withdrawal or changes to the approach and enforcement of rules and guidance relating to us.

Liquidity

Northwest Bank is required to maintain a sufficient level of liquid assets, as determined by management and reviewed for adequacy by the FDIC and the Pennsylvania Department of Banking and Securities during their regular examinations. Northwest frequently monitors its liquidity position primarily using the ratio of unencumbered available-for-sale liquid assets as a percentage of deposits and borrowings ("liquidity ratio"). Northwest Bank's liquidity ratio at September 30, 2025 was 12.95%. Northwest Bank adjusts liquidity levels in order to meet funding needs for deposit outflows, payment of real estate taxes and insurance on mortgage loan escrow accounts, repayment of borrowings and loan commitments. At September 30, 2025, Northwest had $3.7 billion of additional borrowing capacity available with the FHLB, including $250 million on an overnight line of credit, which had no balance as of September 30, 2025, as well as $795 million of borrowing capacity available with the Federal Reserve Bank and $369 million with four correspondent banks.

Dividends

We paid $29 million in cash dividends during the quarter ended September 30, 2025 compared to $25 million for the quarter ended June 30, 2024. The common stock dividend payout ratio (dividends declared per share divided by net income per diluted share) for the quarters ended September 30, 2025 and 2024 was 1000.0% and 76.9% on dividends of $0.20 per share. On October 16, 2025, the Board of Directors declared a cash dividend of $0.20 per share payable on November 18, 2025 to shareholders of record as of November 6, 2025. This represents the 124th consecutive quarter we have paid a cash dividend.

Nonperforming Assets

The following table sets forth information with respect to nonperforming assets. Nonaccrual loans are those loans on which the accrual of interest has ceased. Generally, when a loan is 90 days past due, we fully reverse all accrued interest thereon and cease to accrue interest thereafter. Exceptions are made for loans that have contractually matured, are in the process of being modified to extend the maturity date and are otherwise current as to principal and interest, and well-secured loans that are in the process of collection. Loans may also be placed on nonaccrual before they reach 90 days past due if conditions exist that call into question our ability to collect all

contractual interest. Other nonperforming assets represent property acquired through foreclosure or repossession. Foreclosed property is carried at the lower of its fair value less estimated costs to sell or the principal balance of the related loan.

	September 30, 2025	December 31, 2024
	(in thousands)	
Loans 90 days or more past due:		
Residential mortgage loans	$ 9,427	4,931
Home equity loans	2,963	2,250
Vehicle loans	3,861	3,191
Other consumer loans	1,004	776
Commercial real estate loans	55,252	7,702
Commercial real estate - owner occupied	1,201	—
Commercial loans	9,490	7,335
Total loans 90 days or more past due	$ 83,198	26,185
Total real estate owned (REO)	$ 174	35
Total loans 90 days or more past due and REO	83,372	26,220
Total loans 90 days or more past due to net loans receivable	0.65 %	0.23 %
Total loans 90 days or more past due and REO to total assets	0.51 %	0.18 %
Nonperforming assets:		
Nonaccrual loans - loans 90 days or more past due	82,498	25,529
Nonaccrual loans - loans less than 90 days past due	45,827	35,872
Loans 90 days or more past due still accruing	701	656
Total nonperforming loans	129,026	62,057
Other nonperforming assets (1)	—	16,102
Total nonperforming assets	$ 129,200	$ 78,194
Total nonaccrual loans to total loans	0.99 %	0.55 %

(1) Other nonperforming assets includes nonaccrual loans held for sale.

Allowance for Credit Losses

On an ongoing basis, the Credit Administration department, as well as loan officers and department heads, review and monitor the loan portfolio for problem loans. This portfolio monitoring includes a review of the monthly delinquency reports as well as historical comparisons and trend analysis. Personal and small business commercial loans are classified primarily by delinquency status. In addition, a meeting is held every quarter with each vertical to monitor the performance and status of commercial loans on an internal watch list. On an on-going basis, the loan officer, in conjunction with a portfolio manager, grades or classifies problem commercial loans or potential problem commercial loans based upon their knowledge of the lending relationship and other information previously accumulated. This rating is also reviewed independently by our Loan Review department on a periodic basis. Our loan grading system for problem commercial loans is consistent with industry regulatory guidelines which classifies loans as “substandard”, “doubtful” or “loss”. Loans that do not expose us to risk sufficient to warrant classification in one of the previous categories, but which possess some weaknesses, are designated as “special mention”. A “substandard” loan is any loan that is 90 days or more contractually delinquent or is inadequately protected by the current net worth and paying capacity of the obligor or of the collateral pledged, if any. Loans classified as “doubtful” have all the weaknesses inherent in those classified as “substandard” with the added characteristic that the weaknesses present make collection or liquidation in full, on the basis of currently existing facts, conditions or values, highly questionable and improbable. Loans classified as “loss” have all the weakness inherent in those classified as “doubtful” and are considered uncollectible.

Credit relationships that have been classified as substandard or doubtful and are greater than or equal to $1.0 million are reviewed by the Credit Administration department to determine if they no longer continue to demonstrate similar risk characteristics to their loan pool. If a loan no longer demonstrates similar risk characteristics to their loan pool they are removed from the pool and an individual assessment will be performed.

If it is determined that a loan needs to be individually assessed, the Credit Administration department determines the proper measure of fair value for each loan based on one of three methods: (1) the present value of expected future cash flows discounted at the loan’s effective interest rate; (2) the loan’s observable market price; or (3) the fair value of the collateral if the loan is collateral dependent, less costs of sale or disposal. If the measurement of the fair value of the loan is more or less than the amortized cost basis of the loan, the Credit Administration department adjusts the specific allowance associated with that individual loan accordingly.

If a substandard or doubtful loan is not individually assessed, it is grouped with other loans that possess common characteristics for credit losses and analysis. For the purpose of calculating reserves, we have grouped our loans into seven segments: residential

mortgage loans, home equity loans, vehicle loans, consumer loans, commercial real estate loans, commercial real estate loans - owner occupied and commercial loans. The allowance for credit losses is measured using a combination of statistical models and qualitative assessments. We use a twenty four month forecasting period and revert to historical average loss rates thereafter. Reversion to average loss rates takes place over twelve months. Historical average loss rates are calculated using historical data beginning in October 2009 through the current period.

The credit losses for individually assessed loans along with the estimated loss for each homogeneous pool are consolidated into one summary document. This summary schedule along with the support documentation used to establish this schedule is presented to management's Allowance for Credit Losses Committee ("ACL Committee") monthly. The ACL Committee reviews and approves the processes and ACL documentation presented. Based on this review and discussion, the appropriate amount of ACL is estimated and any adjustments to reconcile the actual ACL with this estimate are determined. The ACL Committee also considers if any changes to the methodology are needed. In addition to the ACL Committee's review and approval, a review is performed by the Risk Management Committee of the Board of Directors on a quarterly basis and annually by internal audit.

In addition to the reviews by management's ACL Committee and the Board of Directors' Risk Management Committee, regulators from either the FDIC and/or the Pennsylvania Department of Banking and Securities perform an extensive review on at least an annual basis for the adequacy of the ACL and its conformity with regulatory guidelines and pronouncements. Any recommendations or enhancements from these independent parties are considered by management and the ACL Committee and implemented accordingly.

We acknowledge that this is a dynamic process and consists of factors, many of which are external and out of our control that can change frequently, rapidly and substantially. The adequacy of the ACL is based upon estimates using all the information previously discussed as well as current and known circumstances and events. There is no assurance that actual portfolio losses will not be substantially different than those that were estimated.

We utilize a structured methodology each period when analyzing the adequacy of the allowance for credit losses and the related provision for credit losses, which the ACL Committee assesses regularly for appropriateness. As part of the analysis as of September 30, 2025, we considered the most recent economic conditions and forecasts available which incorporated the impact of material recent economic events. In addition, we considered the overall trends in asset quality, reserves on individually assessed loans, historical loss rates and collateral valuations. The ACL increased by $41 million to $157 million, or 1.22% of total loans at September 30, 2025, up from 1.04% at December 31, 2024. This increase was primarily driven by the Day 1 initial provision from the Penns Woods acquisition of $20.6 million. Excluding the Day 1 provision for credit losses from the acquisition, the provision for credit losses for the quarter ended September 30, 2025 was $10.5 million, which increased compared to the prior year primarily due to an increase in net charge offs coupled with an increase due to individually assessed loans.

Total classified loans increased by $255 million to $527 million at September 30, 2025 compared to $272 million at December 31, 2024. This increase was driven by changes in our commercial real estate portfolio which increased $141 million. The increase in classified loans was driven by the Penns Woods acquisition, the remaining long-term healthcare portfolio being returned to held for investment, construction projects with lease up rates lower than projected and a few larger C&I borrowers whose performance deteriorated during the year.

We also consider how the levels of nonaccrual loans and historical charge-offs have influenced the required amount of allowance for credit losses. Nonaccrual loans of $128 million at September 30, 2025 increased by $67 million, or 109%, from $61 million at December 31, 2024, or 0.99% of total loans receivable as of September 30, 2025 and 0.55% of total loans receivable as of December 31, 2024. As a percentage of average loans, annualized net charge-offs were 0.29% for the three months ended September 30, 2025 compared to 0.32% for the year ended December 31, 2024 which included a $15 million write-down on certain loans to fair value before they were transferred to held for sale.

Comparison of Operating Results for the Quarters Ended September 30, 2025 and 2024

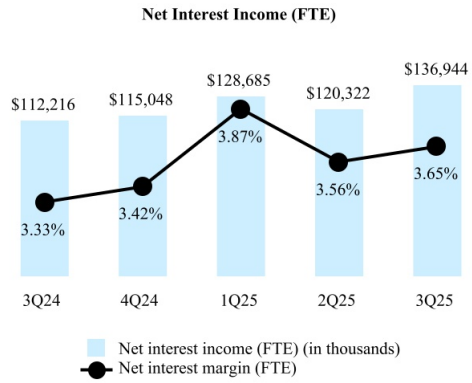
The following chart provides a reconciliation of net income from the quarter ended September 30, 2024 to the quarter ended September 30, 2025 (dollars in thousands):



Net income for the quarter ended September 30, 2025 was $3 million, or $0.02 per diluted share, a decrease of $31 million, or 91%, from net income of $34 million, or $0.26 per diluted share, for the quarter ended September 30, 2024. This decrease in net income resulted primarily from an increase in noninterest expense of $43 million which was driven by the increase in acquisition expense of $31 million and compensation and employee benefits of $7 million. This was offset by an increase in net interest income of $25 million which was driven by an increase in income on loans receivable of $21 million. Net income for the quarter ended September 30, 2025 represents annualized returns on average equity and average assets of 0.69% and 0.08%, respectively, compared to 8.50% and 0.93% for the same quarter last year.

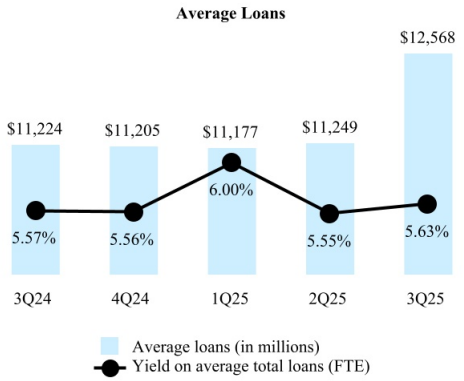
To make it easier to compare both the results across several periods and the yields on various types of earning assets (some taxable, some not), we present net interest income in the discussion below on a fully taxable equivalent “FTE basis” (i.e., as if all income were taxable and at the same rate). For example, $100 of tax-exempt income would be presented as $126, an amount that, if taxed at the statutory federal income tax rate of 21%, would yield $100. See the "GAAP to Non-GAAP Reconciliations" for information regarding tax-equivalent adjustments and GAAP results.

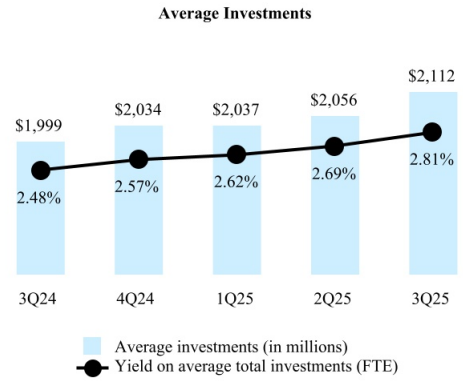
Net Interest Income

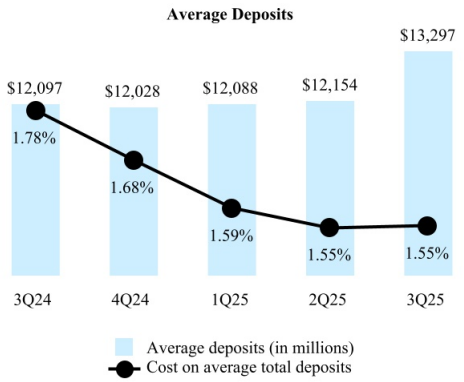


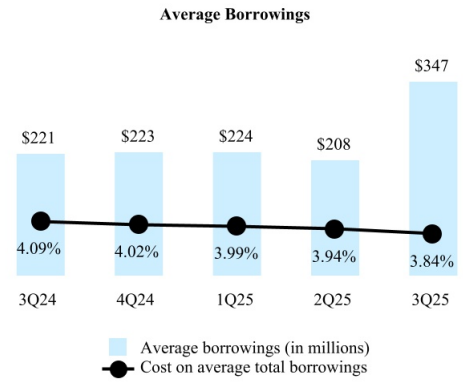
Net interest income for the third quarter of 2025 was $136 million which increased $25 million, or 22%, from the third quarter of 2024. Net interest income (FTE) was $137 million for the quarter ended September 30, 2025 and net interest margin (FTE) was 3.65%. Compared to the same quarter of the prior year, net interest income (FTE) increased $25 million and net interest margin (FTE) increased by thirty-two basis points. The increase in net interest income (FTE) and net interest margin (FTE) was driven by an increase in interest income resulting from higher earning asset yields, coupled with a decrease in interest expense due to decline in the average balance of borrowings and higher cost brokered CD.

For the nine months ended September 30, 2025, net interest income (FTE) was $386 million, an increase of $62 million, or 19% from the same period last year. Net interest margin increased by forty-eight basis points. Similar to the quarterly fluctuations noted above, the increase in net interest income (FTE) included increases in interest income driven by higher interest-earning asset yields, including a $13.1 million non-accrual interest recovery in the first quarter of 2025, and balances, partially offset by lower interest-bearing liability costs and balances.









Average loans receivable increased $1.3 billion, or 12%, from the quarter ended September 30, 2024. This increase was driven by the acquisition of Penns Woods which resulted in an additional $1.8 billion in loans. Interest income on loans receivable increased by $21 million, or 14%, from the same quarter in the prior year, and by $37 million, or 8%, from the same nine-month period in the prior year, driven by the Penns Woods acqusition and a loan mix shift towards higher yielding commercial loans and an interest recovery of $13.1 million on a non-accrual commercial real estate loan payoff during the first quarter of 2025.

Average investments increased 6% from the third quarter of 2024 driven by the Penns Woods acquisition and the reinvestment of cash flows from regular principal payments and maturities. Interest income on investment securities increased by $2 million, or 19%, from the quarter ended September 30, 2024 and increased $9 million, or 29%, for the nine months ended September 30, 2024. The increase is due to the increase in the average balance of investment and the increase in yield on investments (FTE) to 2.81% for the quarter ended September 30, 2025 and 2.71% for the nine months ended September 30, 2025.

Average deposits grew 10% from the quarter ended September 30, 2024 driven by an increase in average balances from the Penns Woods merger. Our average money market and interest-bearing checking deposit accounts grew by $426 million and $215 million, respectively, from the quarter ended September 30, 2024 partly due to acquisition and customers shifting funds to these competitively priced products as their time deposits matured. These increases were partially offset by a decrease in time deposits of $12 million. Interest expense on deposits decreased by $2 million, or 4% from the quarter ended September 30, 2024, and by $9 million, or 6% from the nine months ended September 30, 2024, primarily attributable to decrease in average yield paid on deposits which was partially offset by an increase in average balance of deposit accounts.

Compared to the quarter ended September 30, 2024, average borrowings saw a 57% increase. This increase was attributable to the acquisition of long-term borrowings from Penns Woods. The increase in the average balance of borrowings resulted in an increase in interest expense on borrowings by $1 million from the quarter ended September 30, 2024. Interest expense decreased $5 million from the nine months ended September 30, 2024 from the strategic pay-down of wholesale borrowings with the proceeds from our investment portfolio restructuring in the second quarter of 2024.

Average Balance Sheet
(in thousands)

The following table sets forth certain information relating to the Company's average balance sheet and reflects the average yield on interest-earning assets and average cost of interest-bearing liabilities for the periods indicated. Such yields and costs are derived by dividing income or expense by the average balance of assets or liabilities, respectively, for the periods presented. Average balances are calculated using daily averages.

	Quarter ended September 30,					
	2025			2024		
	Average balance	Interest	Avg. yield/ cost (h)	Average balance	Interest	Avg. yield/ cost (h)
Assets						
Interest-earning assets:						
Residential mortgage loans	$ 3,160,008	31,386	3.97 %	$ 3,286,316	31,537	3.84 %
Home equity loans	1,421,717	21,080	5.88 %	1,166,866	17,296	5.90 %
Consumer loans	2,330,173	32,729	5.57 %	1,955,988	26,034	5.29 %
Commercial real estate loans	3,377,740	51,761	6.00 %	2,995,032	47,473	6.31 %
Commercial loans	2,278,859	41,519	7.13 %	1,819,400	34,837	7.62 %
Loans receivable (a) (b) (d) (includes FTE adjustments of $752 and $764, respectively)	12,568,497	178,475	5.63 %	11,223,602	157,177	5.57 %
Mortgage-backed securities (c)	1,810,209	12,668	2.80 %	1,735,728	10,908	2.51 %
Investment securities (c) (d) (includes FTE adjustments of $218 and $150, respectively)	301,719	2,153	2.85 %	263,127	1,504	2.29 %
FHLB stock, at cost	30,434	652	8.51 %	20,849	394	7.51 %
Other interest-earning deposits	164,131	1,700	4.05 %	173,770	2,312	5.29 %
Total interest-earning assets (includes FTE adjustments of $970 and $914, respectively)	14,874,990	195,648	5.22 %	13,417,076	172,295	5.11 %
Noninterest-earning assets (e)	1,067,450			934,593		
Total assets	$ 15,942,440			$ 14,351,669		
Liabilities and shareholders' equity						
Interest-bearing liabilities:						
Savings deposits	$ 2,343,137	6,679	1.13 %	$ 2,151,933	6,680	1.23 %
Interest-bearing demand deposits	2,782,369	8,258	1.18 %	2,567,682	7,452	1.15 %
Money market deposit accounts	2,392,748	11,785	1.95 %	1,966,684	9,170	1.85 %
Time deposits	2,818,526	25,158	3.54 %	2,830,737	30,896	4.34 %
Total interest-bearing deposits (g)	10,336,780	51,880	1.99 %	9,517,036	54,198	2.27 %
Borrowed funds (f)	347,357	3,366	3.84 %	220,677	2,266	4.09 %
Subordinated debentures	114,745	1,335	4.65 %	114,396	1,148	4.01 %
Junior subordinated debentures	129,986	2,123	6.39 %	129,727	2,467	7.56 %
Total interest-bearing liabilities	10,928,868	58,704	2.13 %	9,981,836	60,079	2.39 %
Noninterest-bearing demand deposits (g)	2,959,871			2,579,775		
Noninterest-bearing liabilities	244,306			217,161		
Total liabilities	14,133,045			12,778,772		
Shareholders' equity	1,809,395			1,572,897		
Total liabilities and shareholders' equity	$ 15,942,440			$ 14,351,669		
Net interest income (FTE)/Interest rate spread (FTE) (d)		136,944	3.09 %		112,216	2.72 %
Net interest-earning assets/Net interest margin (FTE)	$ 3,946,122		3.65 %	$ 3,435,240		3.33 %
Tax equivalent adjustment (d)		970			914	
Net interest income, GAAP basis		135,974			111,302	
Ratio of interest-earning assets to interest- bearing liabilities	1.36X			1.34X		

(a) Average gross loans includes loans held as available-for-sale and loans placed on nonaccrual status.
(b) Interest income includes accretion/amortization of deferred loan fees/expenses, which were not material.
(c) Average balances do not include the effect of unrealized gains or losses on securities held as available-for-sale.
(d) Interest income on tax-free investment securities and tax-free loans are presented on a FTE basis. We believe this measure to be the preferred industry measurement of net interest income and provides relevant comparison between taxable and non-taxable amounts.
(e) Average balances include the effect of unrealized gains or losses on securities held as available-for-sale.
(f) Average balances include FHLB borrowings and collateralized borrowings.
(g) Average cost of deposits were 1.55% and 1.78%, respectively.
(h) Annualized.

Rate/Volume Analysis
(in thousands)

The following table represents the extent to which changes in interest rates and changes in the volume of interest-earning assets and interest-bearing liabilities have affected interest income (FTE) and interest expense during the periods indicated. Information is provided in each category with respect to (i) changes attributable to changes in volume (changes in volume multiplied by prior rate), (ii) changes attributable to changes in rate (changes in rate multiplied by prior volume), and (iii) net change. Changes that cannot be attributed to either rate or volume have been allocated to both rate and volume.

	For the quarter ended September 30, 2025 vs. 2024		
	Increase/(decrease) due to		Total increase/(decrease)
	Rate	Volume	
Interest-earning assets:			
Loans receivable	$ 2,201	19,097	21,298
Mortgage-backed securities	1,238	522	1,760
Investment securities	374	275	649
FHLB stock, at cost	53	205	258
Other interest-earning deposits	(512)	(100)	(612)
Total interest-earning assets	3,354	19,999	23,353
Interest-bearing liabilities:			
Savings deposits	(546)	545	(1)
Interest-bearing demand deposits	168	638	806
Money market deposit accounts	516	2,099	2,615
Time deposits	(5,628)	(110)	(5,738)
Borrowed funds	(128)	1,228	1,100
Subordinated debt	183	4	187
Junior subordinated debentures	(348)	4	(344)
Total interest-bearing liabilities	(5,783)	4,408	(1,375)
Net change in net interest income (FTE)	$ 9,137	15,591	24,728

Average Balance Sheet
(in thousands)

The following table sets forth certain information relating to the Company's average balance sheet and reflects the average yield on interest-earning assets and average cost of interest-bearing liabilities for the periods indicated. Such yields and costs are derived by dividing income or expense by the average balance of assets or liabilities, respectively, for the periods presented. Average balances are calculated using daily averages
.

	Nine months ended September 30,					
	2025			2024		
	Average balance	Interest	Avg. yield/ cost (h)	Average balance	Interest	Avg. yield/ cost (h)
Assets						
Interest-earning assets:						
Residential mortgage loans	$ 3,135,705	91,758	3.90 %	$ 3,340,332	96,392	3.85 %
Home equity loans	1,236,733	53,509	5.78 %	1,185,145	51,893	5.85 %
Consumer loans	2,118,568	87,650	5.53 %	2,012,461	77,401	5.14 %
Commercial real estate loans	3,033,193	151,726	6.60 %	3,005,966	136,556	6.07 %
Commercial loans	2,145,555	114,818	7.06 %	1,768,325	99,923	7.55 %
Loans receivable (a) (b) (d) (includes FTE adjustments of $2,186 and $2,227, respectively)	11,669,754	499,461	5.72 %	11,312,229	462,165	5.46 %
Mortgage-backed securities (c)	1,791,479	36,552	2.72 %	1,729,064	28,278	2.18 %
Investment securities (c) (d) (includes FTE adjustments of $529 and $427, respectively)	277,338	5,420	2.61 %	294,598	4,251	1.92 %
FHLB stock, at cost	23,080	1,336	7.74 %	26,195	1,499	7.64 %
Other interest-earning deposits	209,320	6,789	4.28 %	124,037	4,935	5.31 %
Total interest-earning assets (includes FTE adjustments of $2,715 and $2,654, respectively)	13,970,971	549,558	5.26 %	13,486,123	501,128	4.96 %
Noninterest-earning assets (e)	972,376			919,969		
Total assets	$ 14,943,347			$ 14,406,092		
Liabilities and shareholders' equity						
Interest-bearing liabilities:						
Savings deposits	$ 2,250,418	19,653	1.17 %	$ 2,139,461	17,673	1.10 %
Interest-bearing demand deposits	2,662,521	22,513	1.13 %	2,554,172	19,501	1.02 %
Money market deposit accounts	2,200,063	30,748	1.87 %	1,962,019	25,684	1.75 %
Time deposits	2,683,081	73,117	3.64 %	2,787,306	91,780	4.40 %
Total interesting-bearing deposits (g)	9,796,083	146,031	1.99 %	9,442,958	154,638	2.19 %
Borrowed funds (f)	260,392	7,618	3.91 %	337,427	11,636	4.61 %
Subordinated debentures	114,661	3,631	4.22 %	114,310	3,444	4.02 %
Junior subordinated debentures	129,922	6,327	6.42 %	129,662	7,375	7.60 %
Total interest-bearing liabilities	10,301,058	163,607	2.12 %	10,024,357	177,093	2.36 %
Noninterest-bearing demand deposits (g)	2,721,350			2,581,018		
Noninterest-bearing liabilities	232,909			245,917		
Total liabilities	13,255,317			12,851,292		
Shareholders' equity	1,688,030			1,554,800		
Total liabilities and shareholders' equity	$ 14,943,347			$ 14,406,092		
Net interest income (FTE)/Interest rate spread (FTE) (d)		385,951	3.14 %		324,035	2.60 %
Net interest-earning assets/Net interest margin (FTE)	$ 3,669,913		3.69 %	$ 3,461,766		3.21 %
Tax equivalent adjustment (d)		2,715			2,654	
Net interest income, GAAP basis		383,236			321,381	
Ratio of interest-earning assets to interest-bearing liabilities	1.36X			1.35X		

(a) Average gross loans includes loans held as available-for-sale and loans placed on nonaccrual status.
(b) Interest income includes accretion/amortization of deferred loan fees/expenses, which were not material.
(c) Average balances do not include the effect of unrealized gains or losses on securities held as available-for-sale.
(d) Interest income on tax-free investment securities and tax-free loans are presented on a fully taxable equivalent ("FTE") basis. We believe this measure to be the preferred industry measurement of net interest income and provides relevant comparison between taxable and non-taxable amounts.
(e) Average balances include the effect of unrealized gains or losses on securities held as available-for-sale.
(f) Average balances include FHLB borrowings and collateralized borrowings.
(g) Average cost of deposits were 1.56% and 1.72% respectively.
(h) Annualized.

Rate/Volume Analysis
(in thousands)

The following table represents the extent to which changes in interest rates and changes in the volume of interest-earning assets and interest-bearing liabilities have affected interest income (FTE) and interest expense during the periods indicated. Information is provided in each category with respect to (i) changes attributable to changes in volume (changes in volume multiplied by prior rate), (ii) changes attributable to changes in rate (changes in rate multiplied by prior volume), and (iii) net change. Changes that cannot be attributed to either rate or volume have been allocated to both rate and volume.

	For the nine months ended September 30, 2025 vs. 2024		
	Increase/(decrease) due to		Total increase/(decrease)
	Rate	Volume	
Interest-earning assets:			
Loans receivable	$ 21,995	15,301	37,296
Mortgage-backed securities	7,000	1,274	8,274
Investment securities	1,508	(339)	1,169
FHLB stock, at cost	18	(181)	(163)
Other interest-earning deposits	(875)	2,729	1,854
Total interest-earning assets	29,646	18,784	48,430
Interest-bearing liabilities:			
Savings deposits	1,011	969	1,980
Interest-bearing demand deposits	2,096	916	3,012
Money market deposit accounts	1,738	3,326	5,064
Time deposits	(15,823)	(2,840)	(18,663)
Borrowed funds	(1,764)	(2,254)	(4,018)
Subordinated debt	176	11	187
Junior subordinated debentures	(1,061)	13	(1,048)
Total interest-bearing liabilities	(13,627)	141	(13,486)
Net change in net interest income (FTE)	$ 43,273	18,643	61,916

Provision for Credit Losses

	3Q24	4Q24	1Q25	2Q25	3Q25
Provision for credit losses - loans (in thousands)	$ 5,727	15,549	8,256	11,456	31,394
Provision/(benefit) for credit losses - unfunded commitments (in thousands)	(852)	1,016	(345)	(2,712)	(189)
Annualized net charge-offs to average loans	0.18 %	0.87 %	0.08 %	0.18 %	0.29 %

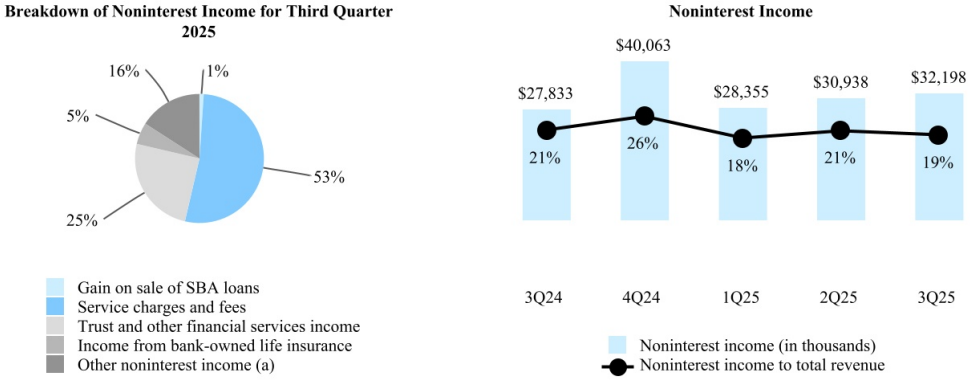
The provision for credit losses increased by $26 million from the quarter ended September 30, 2024. This increase included a $26 million increase in the provision for credit losses - loans, as well as a $0.7 million increase in the provision for credit losses - unfunded commitments. This increase is due to the initial Day 1 provision from the Penns Woods acquisition of $20.6 million. Excluding the Day 1 provision for credit losses from the acquisition, the provision for credit losses for the quarter ended September 30, 2025 was $10.5 million, which increased compared to the prior year and the prior quarter primarily due to an increase in net charge offs coupled with an increase due to individually assessed loans.

The increase in our provision for unfunded commitments in the current period is due to the Penns Woods acquisition offset by a decline based on the timing of organic origination and funding of commercial construction loans and lines of credit.

Additionally, the Company saw an increase in classified loans to $527 million, or 4.07% of total loans, at September 30, 2025 from $320 million, or 2.83% of total loans, at September 30, 2024 and $518 million, or 4.57% of total loans, at June 30, 2025. This increase was driven by changes in our commercial real estate portfolio which increased $141 million from the prior year. The increase
from the prior quarter was primarily due to classified loans acquired in the Penns Woods acquisition which were partially offset by improvements in our legacy loan portfolio.

In determining the amount of the current period provision, we considered current and forecasted economic conditions, including but not limited to improvements in unemployment levels, expected economic growth, bankruptcy filings, and changes in real estate values and the impact of these factors on the quality of our loan portfolio and historical loss experience. We analyze the allowance for credit losses as described in the section entitled "Allowance for Credit Losses." The provision that is recorded is appropriate, in our judgment, to bring this reserve to a level that reflects the current expected lifetime losses in our loan portfolio relative to loan mix, a reasonable and supportable economic forecast period and historical loss experience at September 30, 2025.

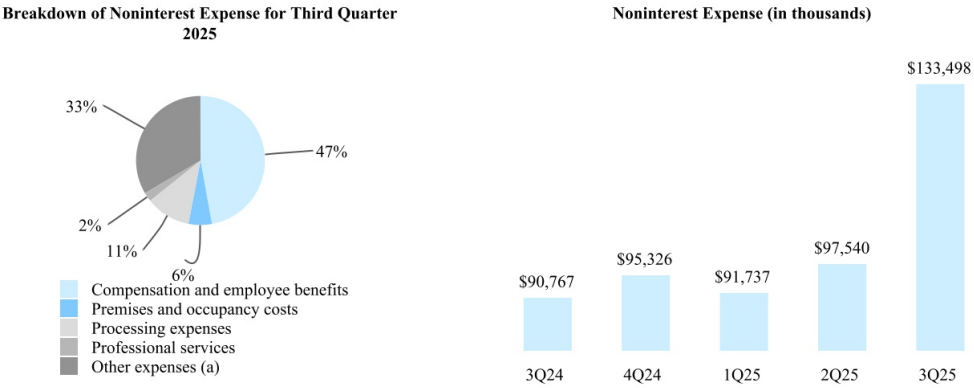
Noninterest Income



(a) Other noninterest income includes the net gain on real estate owned, mortgage banking income, and other operating income. See the "Consolidated Statements of Income" in Item 1. Financial Statements of this report.

Noninterest income for the quarter ended September 30, 2025 was $32 million, an increase of $4 million from the quarter ended September 30, 2024, driven by an increase in other operating income from a gain on equity method investments during the current quarter compared to a loss on equity method investments and the sale of a building during the prior year. From the nine months ended September 30, 2024 noninterest income increased $45 million which was driven by the loss on sale in investments that occurred in the second quarter of 2024. Excluding the loss on sale of securities, noninterest income increased $5 million, or 6%, from the nine months ended September 30, 2024, driven by growth within our trust and other financial services operations.

Noninterest Expense



(a) Other noninterest expense includes collections expense, marketing expense, FDIC insurance expense, amortization of intangible assets, asset disposition and restructuring expense, and other expenses. See the "Consolidated Statements of Income" in Item 1. Financial Statements of this report.

Noninterest expense increased by $43 million, or 47%, from the quarter ended September 30, 2024 and $50 million, or 18% from the nine months ended September 30, 2024. The increase from the prior year quarter was primarily attributable to the increase in merger and restructuring expenses of $31 million for the quarter ended September 30, 2025, which is driven by the Penns Woods acquisition and an increase in compensation and employee benefits expense of $7 million, or 12%, to $63 million for the quarter ended

September 30, 2025 driven primarily by an increase in core compensation and benefits expense due to the addition of Penns Woods employees coupled with an increase in performance based incentive compensation expense. Additionally, there was a $1 million in amortization of intangible expense related to the acquisition.

The increase from the nine months ended September 30, 2024 was driven by an increase in merger and restructuring expenses of $36 million, driven by the Penns Woods acquisition and an increase in compensation and employee benefits expense of $12 million or 7% driven primarily by the same factors discussed above.

Income Taxes

The provision for income taxes decreased by $10 million from the quarter ended September 30, 2024 due to lower income before taxes caused by the large acquisition expense in during the third quarter. The provision for income taxes increased by $4 million from the nine months ended September 30, 2024 primarily due to higher income before income taxes from the loss on sale in investments that occurred in the second quarter of 2024..

The provision for income taxes is primarily driven by changes in our current period income before taxes. We anticipate our effective tax rate to be between 22.0% and 24.0% for the year ending December 31, 2025.

GAAP to Non-GAAP Reconciliations

The following non-GAAP financial measures used by the Company provide information useful to investors in understanding our operating performance and trends, and facilitate comparisons with the performance of our peers. The following table summarizes the non-GAAP financial measures derived from amounts reported in the Company's Consolidated Statements of Income.

	Quarter ended				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Net interest income fully tax equivalent (FTE)					
Net interest income (GAAP)	$ 135,974	119,444	127,818	114,197	111,302
Plus: Taxable-equivalent adjustment	970	878	867	851	914
Net interest income FTE	136,944	120,322	128,685	115,048	112,216

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As the holding company for a savings bank, one of our primary market risks is interest rate risk. Interest rate risk is the sensitivity of net interest income to variations in interest rates over a specified time period. The sensitivity results from differences in the time periods in which interest rate sensitive assets and liabilities mature or re-price. We attempt to control interest rate risk by matching, within acceptable limits, the re-pricing periods of assets and liabilities. We have attempted to limit our exposure to interest sensitivity by increasing core deposits, borrowing funds with fixed-rates and longer maturities and by shortening the maturities of our assets by emphasizing the origination of more short-term fixed rate loans and adjustable rate loans. We also have the ability to sell a portion of the long-term, fixed-rate mortgage loans that we originate. In addition, we purchase shorter term or adjustable-rate investment securities and mortgage-backed securities.

We have an ALCO Committee consisting of members of management which meets monthly to review market interest rates, economic conditions, the pricing of interest-earning assets and interest-bearing liabilities, cash flow projections, and the balance sheet structure. On a quarterly basis, this Committee also reviews the interest rate risk position, liquidity stress scenarios, and capital stress scenarios.

The Board of Directors has a Risk Management Committee which meets quarterly and reviews interest rate risk and trends, our interest sensitivity position, the liquidity position and the market risk inherent in the investment portfolio.

In an effort to assess interest rate risk and market risk, we utilize a simulation model to determine the effect of immediate incremental increases and decreases in interest rates on net income and the market value of equity. Certain assumptions are made regarding loan prepayments and decay rates of savings and interest-bearing demand accounts. Because it is difficult to accurately project the market reaction of depositors and borrowers, the effect of actual changes in interest rates on these assumptions may differ from simulated results. We have established the following guidelines for assessing interest rate risk:

Net interest income simulation. Given a parallel shift of 100 basis points ("bps"), 200 bps and 300 bps in interest rates, the estimated net income may not decrease by more than 5%, 10% and 15%, respectively, within a one-year period.

Net income simulation. Given a parallel shift of 100 bps, 200 bps and 300 bps in interest rates, the estimated net income may not decrease by more than 10%, 20% and 30%, respectively, within a one-year period.

Market value of equity simulation. The market value of equity is the present value of assets and liabilities. Given a parallel shift of 100 bps, 200 bps and 300 bps in interest rates, the market value of equity may not decrease by more than 10%, 20% and 25%, respectively, from the computed economic value at current interest rate levels.

The following table illustrates the simulated impact of a 100 bps, 200 bps or 300 bps upward or a 100 bps, 200 bps or 300 bps downward movement in interest rates on net income, return on average equity, earnings per share and market value of equity. This analysis was prepared assuming that interest-earning asset and interest-bearing liability levels at September 30, 2025 remain constant. The impact of the rate movements was computed by simulating the effect of an immediate and sustained shift in interest rates over a twelve-month period from September 30, 2025 levels.

	Increase			Decrease		
Parallel shift in interest rates over the next 12 months	**100 bps**	**200 bps**	**300 bps**	**100 bps**	**200 bps**	**300 bps**
Projected percentage increase/(decrease) in net interest income	(1.2) %	(2.8) %	(4.5) %	(0.4%)	(4.4%)	(6.1%)
Projected percentage increase/(decrease) in net income	(2.9) %	(7.1) %	(11.4) %	(1.2%)	(11.4%)	(15.7%)
Projected increase/(decrease) in return on average equity	(2.8) %	(6.7) %	(10.8) %	(1.1%)	(10.9%)	(15.0%)
Projected increase/(decrease) in earnings per share	$ (0.04)	$ (0.10)	$ (0.15)	$ (0.02)	$ (0.15)	$ (0.21)
Projected percentage increase/(decrease) in market value of equity	(4.1%)	(8.8%)	(13.5%)	2.4%	1.5%	1.7%

The figures included in the table above represent projections that were computed based upon certain assumptions including prepayment rates and decay rates. These assumptions are inherently uncertain and, as a result, cannot precisely predict the impact of changes in interest rates. Actual results may differ significantly due to timing, magnitude and frequency of interest rate changes and changes in market conditions, and actions that may be taken by management in response to interest rate changes.

Item 4. CONTROLS AND PROCEDURES

Under the supervision of and with the participation of management, including the Principal Executive Officer and Principal Financial Officer, we evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this quarterly report (the "Evaluation Date"). Based upon that evaluation, the Principal Executive Officer and Principal Financial Officer concluded that, as of the Evaluation Date, these disclosure controls and procedures were effective.

There were no changes in the internal controls over financial reporting during the period covered by this report or in other factors that have materially affected, or are reasonably likely to materially affect the internal controls over financial reporting.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

We are subject to a number of asserted and unasserted claims encountered in the normal course of business. We believe that any additional liability, other than that which has already been accrued, that may result from such potential litigation will not have a material adverse effect on the financial statements. However, we cannot presently determine whether or not any claims against us will have a material adverse effect on our results of operations in any future reporting period. Refer to Note 11.

Item 1A. RISK FACTORS

Except as previously disclosed, there have been no material updates or additions to the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024 as filed with the Securities and Exchange Commission. Additional risks not presently known to us, or that we currently deem immaterial, may also adversely affect our business, financial condition or results of operations.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS, AND ISSUER PURCHASES OF EQUITY SECURITIES

a) Not applicable.

b) Not applicable.

c) On December 13, 2012, the Board of Directors approved a program that authorizes the repurchase of approximately 5,000,000 shares of common stock. This program does not have an expiration date. During the quarter ended September 30, 2025, there were no shares of common stock repurchased and there are a maximum of 2,261,130 remaining shares that can be purchased under the current repurchase program.

Item 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

Item 5. OTHER INFORMATION

During the three months ended September 30, 2025, no directors or officers of the Company, as defined in Section 16 of the Exchange Act, adopted or terminated any "Rule 10b5-1 trading arrangements" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K of the Exchange Act.

Item 6. EXHIBITS

31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-15 or 15d-15 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-15 or 15d-15 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of the Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
104	The cover page of this Quarterly Report on Form 10-Q, formatted in inline XBRL.

* Furnished herwith

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed by the undersigned thereunto duly authorized.

NORTHWEST BANCSHARES, INC.
(Registrant)

Date: November 10, 2025

By: /s/ Louis J. Torchio
Louis J. Torchio
President and Chief Executive Officer
(Duly Authorized Officer)

Date: November 10, 2025

By: /s/ Joseph D. Canfield Jr.
Joseph D. Canfield Jr.
Executive Vice President, Chief Accounting Officer
(Principal Accounting Officer)