

Seneca Financial Corp. Announces Adoption of Plan of Conversion and Reorganization to Undertake Second Step Conversion

BALDWINVILLE, N.Y. — May 9, 2025 — Seneca Financial Corp. (the “Company”) (OTC Pink: “SNNF”), the holding company for Seneca Savings (the “Bank”), announced today that the Board of Directors of its parent mutual holding company, Seneca Financial MHC, has adopted a Plan of Conversion and Reorganization pursuant to which Seneca Financial MHC will undertake a “second step” conversion from the mutual holding company structure to the stock holding company structure. In connection with the second step conversion, the Bank intends to seek regulatory approval to convert its charter to a national bank.

Seneca Financial MHC currently owns approximately 58.1% of the outstanding shares of common stock of the Company which it acquired in connection with the reorganization of the Bank into the mutual holding company structure and the related initial public offering by the Company in 2017.

As a result of the proposed transaction, a new stock holding company for the Bank (the “New Bank Holding Company”), which will succeed the Company, and will offer for sale shares of its common stock, representing Seneca Financial MHC’s ownership interest in the Company, to depositors and certain borrowers of the Bank in a subscription offering and, if necessary, a community offering and/or a syndicated community offering. Eligible account holders of the Bank as of the close of business on March 31, 2024 have first priority non-transferable subscription rights to subscribe for shares of common stock of the New Bank Holding Company. The total number of shares of common stock of the New Bank Holding Company to be issued in the proposed stock offering will be based on the aggregate pro forma market value of the common stock of the New Bank Holding Company, as determined by an independent appraisal. In addition, each share of common stock of the Company owned by persons other than Seneca Financial MHC (the “minority stockholders”) will be converted into and become the right to receive a number of shares of common stock of the New Bank Holding Company pursuant to an exchange ratio established at the completion of the proposed transaction. The exchange ratio is designed to preserve in the New Bank Holding Company the same aggregate percentage ownership interest that the minority stockholders will have in the Company immediately before the completion of the proposed transaction, exclusive of the purchase of any additional shares of common stock of the New Bank Holding Company by minority stockholders in the stock offering and the effect of cash received in lieu of issuance of fractional shares of common stock of the New Bank Holding Company, and adjusted to reflect certain assets held by Seneca Financial MHC.

The proposed transaction is expected to be completed in the fourth quarter of 2025, subject to regulatory approval, approval by the members of Seneca Financial MHC (i.e., depositors and certain borrowers of the Bank), and approval by the stockholders of the Company, including by a separate vote of approval by the Company’s minority stockholders. Detailed information regarding the proposed transaction, including the stock offering, will be sent to stockholders of the Company and members of Seneca Financial MHC following regulatory approval.

This press release is neither an offer to sell nor a solicitation of an offer to buy common stock. The offer is made only by the prospectus when accompanied by a stock order form. The shares of common stock to be offered for sale by the New Bank Holding Company are not savings accounts or savings deposits and are not insured by the Federal Deposit Insurance Corporation or by any other government agency.

About Seneca Financial Corp.

Seneca Financial Corp. is the holding company for Seneca Savings, a federally-chartered savings bank. The Bank maintains its executive offices and main branch in Baldwinsville, New York, with branches in Liverpool, North Syracuse, Manlius and Bridgeport, New York.

Forward-Looking Statements

Certain statements contained herein constitute “forward-looking statements” and may be identified by words such as “may,” “will,” “would,” “intend,” “believe,” “expect,” “plan,” “estimate,” “anticipate,” “continue,” or similar terms or variations on those terms, or the negative of those terms. These statements are based upon the current beliefs and expectations of Company management and are subject to significant risks and uncertainties. Actual results may differ materially from those set forth in the forward-looking statements as a result of numerous factors. Factors that could cause such differences to exist include, but are not limited to: the failure to obtain the requisite approvals of the Company’s stockholders, Seneca Financial MHC’s members and applicable regulatory agencies for the proposed conversion and related stock offering, delays in obtaining such approvals, or adverse conditions imposed in connection with such approvals; that customary closing conditions may not be satisfied in a timely manner, if at all; and other risks described in filings the New Bank Holding Company will make with the Securities and Exchange Commission (the “SEC”), which will be available at the SEC’s website, www.sec.gov.

Important Additional Information and Where to Find It

The New Bank Holding Company will file with the SEC a registration statement on Form S-1 that will include a proxy statement of the Company and a prospectus of the New Bank Holding Company, as well as other relevant documents concerning the proposed transaction. **STOCKHOLDERS OF THE COMPANY ARE URGED TO READ THE REGISTRATION STATEMENT, THE PROXY STATEMENT, AND THE PROSPECTUS CAREFULLY WHEN THESE DOCUMENTS BECOME AVAILABLE AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.** When filed, these documents and other documents relating to the proposed transaction can be obtained free of charge from the SEC’s website at www.sec.gov. Alternatively, these documents, when available, can be obtained free-of-charge from the Company upon written request to the Company, 35 Oswego Street, Baldwinsville, New York 13027, Attention: Jamie Nastri, Corporate Secretary.

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