

# Q1 | BOU Bancorp, Inc.

## 2025 | FINANCIAL REPORT

### P R E S I D E N T ' S   M E S S A G E



**Branden P Hansen**  
President

#### SHAREHOLDER DIVIDEND

*A dividend of \$0.10  
per share was paid on  
March 31, 2025 for Q1  
2025 compared to \$0.10  
per share dividend paid  
in Q4 2024 and \$0.10 per  
share in Q1 2024.*

#### A Start That Merits Attention

This year began with a strong vote of confidence. In the first quarter, Bank of Utah was ranked No. 14 among the **Top U.S. Community Banks of 2024** by S&P Global Market Intelligence, named **Utah's Best Bank** by GOBankingRates and recognized as the SBA's **Top Export Lender in Utah for 2025**. While we don't do the work for accolades, these honors mean a great deal to us. They reflect what matters most: the loyalty of our clients, the strength of our relationships and the care our team brings to every interaction.

Over the years, we've built our approach around principles that stand the test of time: sound decisions, meaningful service and a clear sense of purpose. It's a way of operating grounded in values that don't shift with the market, even as we stay responsive to new conditions. That foundation helped shape another solid quarter.

#### FINANCIAL HIGHLIGHTS

- **Consolidated net income** reached \$10.4 million, a slight 1.1 percent increase over Q4 2024 and a 13 percent gain compared to this time last year. This growth reflects the Bank's ability to remain profitable through changing economic conditions, including swings in yields and costs across our portfolio.
- **Total assets** grew to \$3.5 billion, up from \$3.3 billion at the end of 2024 and \$3.0 billion in Q1 of last year. The increase was fueled by continued loan demand, made possible in part by a stable deposit base — a sign that clients are turning to Bank of Utah to fund their goals and manage their finances.
- **Net interest margin (FTE)** held steady at 3.54 percent, nearly unchanged from Q4 2024, a positive sign in a rate environment where margins have been under continued pressure. That consistency reflects disciplined balance sheet management and a healthy shift in how we fund growth. More of our funding came from client deposits through branches and corporate trust — a lower-cost, more stable source — while outside borrowing remained flat, helping us manage costs and protect margins.

Our financial performance tells one side of the story. The other side is found in everyday moments of problem-solving and partnership. I recently heard from an individual facing a tricky situation that other banks hadn't been able to solve. I connected him with a loan officers, who quickly found a solution that fit. It served as a reminder of what sets Bank of Utah apart: the ability to understand the situation, think creatively and deliver with care.

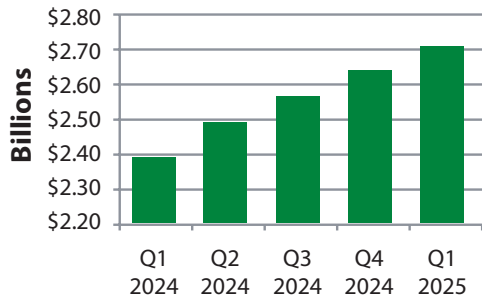
That's the kind of banking we'll continue to show up for, quarter after quarter.

# Q1 2025 FINANCIAL ANALYSIS

## Lending

In Q1 2025, lending activity showed both demand and determination. Period-end loans increased to \$2.7 billion, marking a 3.5 percent gain over Q4 2024 and a 15.2 percent increase year over year. While some banks pulled back lending in recent years, Bank of Utah remained committed, providing financing for everything from business expansion to long-term real estate to municipal projects. Loan quality remains strong, with nonperforming and delinquent loans at just 0.01 percent of capital plus reserves.

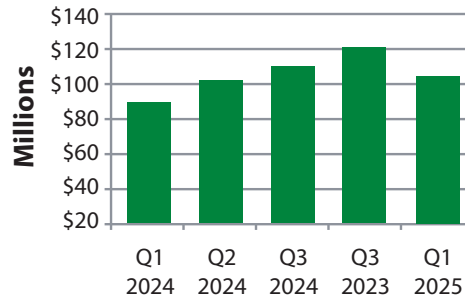
### Period End Loans, Net of Unearned Income



## Mortgage Production

Mortgage activity jumped to \$106.2 million, a strong start to the year and a 21.3 percent increase over the same quarter last year. As the state continues to focus on expanding access to affordable housing, Bank of Utah is doing its part by helping homebuyers navigate a still-unpredictable market. Our mortgage teams are stepping in with personalized guidance, helping clients act when the timing is right and making sure each step of the process feels clear and supported.

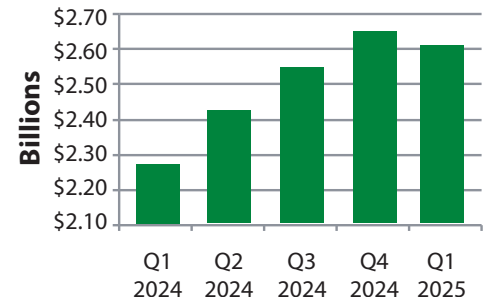
### Mortgage Production



## Deposits

Average deposit balances reached \$2.6 billion, marking a 15.2 percent increase over Q1 2024. Although slightly below Q4 2024 levels, the numbers reflect a solid start to the year and stable deposit activity overall. With rate awareness still high, the Bank remains responsive to market shifts to keep balances strong and services competitive. This dependable deposit base plays a key role in supporting loan growth and fueling progress in Utah communities.

### Average Deposits



## Corporate Trust

In Q1 2025, corporate trust revenue experienced a notable 9 percent increase from Q1 2024. This growth was primarily fueled by the expanding market for security trustees and steady organic growth within life settlements and aircraft owner trusts. Bank of Utah continues to fortify its position as a global leader in aircraft trusts, with robust demand from commercial and corporate operators. The department is seeing strong demand for the new owner trust product launched in 2024.

## Personal Trust

Personal trust assets under management stood at \$742.2 million at the end of Q1 2025, holding steady despite mixed market conditions. Bank of Utah's trust officers continue to support clients with the ongoing management of estate and wealth plans. These services provide stability and structure during major life transitions and contribute to the Bank's long-term client relationships and consistent fee-based revenue.

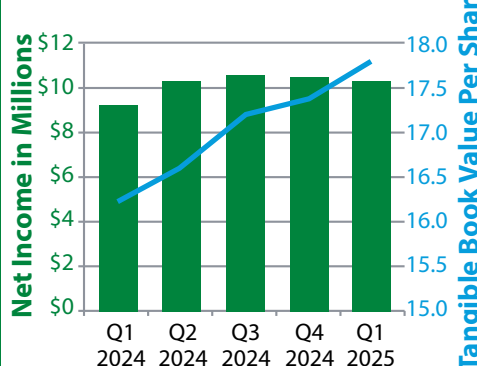
## COMPANY NOTABLE POINTS

The Bank's efficiency ratio was 57.8 percent in Q1 2025, staying fairly level with the previous quarter and improving from 61.0 percent in Q1 2024. Salaries remain an important investment, one that pays off when combined with the smart use of technology and deep team experience.

Noninterest income totaled \$6.2 million in Q1 2025, a 9.8 percent year-over-year increase. Revenue from trust services, gain on sale of mortgages and SBA loans, debit card interchange, and deposit service charges reflects one of the most diverse sources of fee income among peer institutions.

Tangible book value per share rose to \$17.79 in Q1 2025, up from \$17.32 in the previous quarter and \$16.22 in Q1 2024.

### Net Income and Book Value



|                           | Q1 2025   | Q4 2024   | Q1 2024   |
|---------------------------|-----------|-----------|-----------|
| Return on Average Assets  | 1.27%     | 1.21%     | 1.25%     |
| Return on Average Equity  | 10.16%    | 10.04%    | 10.16%    |
| Net Income                | \$10.4MM  | \$10.3MM  | \$9.2MM   |
| Net Interest Margin (FTE) | 3.54%     | 3.55%     | 3.58%     |
| Net Interest Income (FTE) | \$27.7MM  | \$28.7MM  | \$25.0MM  |
| Noninterest Income        | \$6.2MM   | \$7.5MM   | \$5.7MM   |
| Earnings Per Share        | \$0.45    | \$0.44    | \$0.40    |
| Dividend Per Share        | \$0.10    | \$0.10    | \$0.10    |
| Equity                    | \$419.5MM | \$408.4MM | \$382.9MM |
| Total Assets              | \$3.5B    | \$3.3B    | \$3.0B    |