

# Q2 | 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 June 23, 2025 for Q2 2025 compared to \$0.10 per share dividend paid in Q1 2025 and \$0.10 per share in Q2 2024.*

#### Elevating Our Work, Our Voice and Our Community

Some quarters are steady. Some are strong. And then there are quarters that take what you've built over time and raise it to a new level. The second quarter of 2025 delivered one of those moments — clear, energizing and full of forward motion.

In early July, the announcement of the Bank of Utah Championship, a PGA TOUR event coming to Utah at the amazing Black Desert Resort this fall, brought a surge of energy across the Bank and throughout our communities. As the title sponsor, we're proud to step into this visible, exciting role.

The spotlight may be new, but the work behind it, the steady effort to elevate our clients, our team and our communities, is what got us here. And in the spirit of that work, we're building new, thoughtful partnerships that align with our values, create opportunity and help shape a future we believe in.

#### Performance That Reflects Long-Term Focus

Our financial results for the second quarter of 2025 reflect the kind of performance we value most — steady, relationship-driven and built to last. Lending activity remained strong, supported by healthy demand and stable pricing. On the deposit side, we saw solid growth, with pricing strategies that supported margin expansion and aligned with our long-term funding approach.

#### FINANCIAL HIGHLIGHTS

- **Consolidated net income** for Q2 2025 was \$10.3 million compared to \$10.4 million for Q1 2025 and \$10.2 million for Q2 2024. Net income for the first half of 2025 totaled \$20.7 million, a 6.7 percent increase from \$19.4 million for the same period in 2024.
- **Period-end loans**, net of unearned income, were \$2.8 billion, a 3.5 percent quarter-over-quarter increase and a 14.3 percent year-over-year increase.
- **Average deposits** for the second quarter of 2025 were \$2.7 billion, a 4.0 percent increase from the first quarter of 2025 and an 11.9 percent increase from the second quarter of 2024.

#### A Championship Platform, A Community Purpose

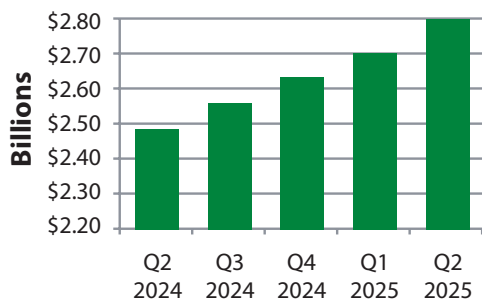
That foundation, built over time through thoughtful growth and community commitment, is what made our role as title sponsor of the Bank of Utah Championship possible. The opportunity aligns with who we are: a bank invested in Utah's future, in business and in life. We're ready to step confidently into new ways of supporting both, and as we bring this new experience to life, we're proud to do it **For All of Utah.**

# Q2 2025 FINANCIAL ANALYSIS

## Lending

In Q2 2025, lending reflected Bank of Utah's steady commitment to helping communities thrive. Period-end loans rose to \$2.8 billion, up 3.5 percent from Q1 2025 and 14.3 percent from Q2 2024. Balances increased 7.0 percent since year-end, with growth across multifamily, residential, commercial, construction and industrial lending. Loan quality remains strong, with one resolved nonperforming loan temporarily pushing ratios to 2.4 percent. With the loan now paid off, ratios are expected to return to their consistently strong, near-zero levels next quarter.

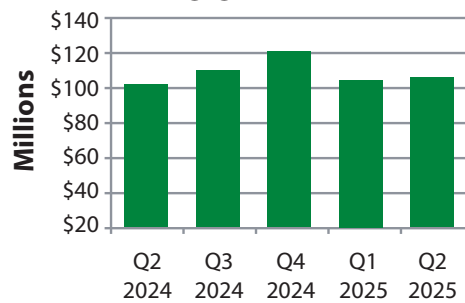
### Period End Loans, Net of Unearned Income



## Mortgage Production

Mortgage production totaled \$108.4 million in Q2 2025, up 2.1 percent from the previous quarter and 4.2 percent from Q2 2024. Gain on sale of mortgages contributed \$1.2 million to fee revenue, a notable increase from nearly \$800,000 in Q1, helping strengthen our noninterest income. With buyers navigating a more measured housing market, our mortgage team continues to provide clarity, support and trusted guidance. Their work helps clients make informed decisions — and continues to deliver strong results for the Bank.

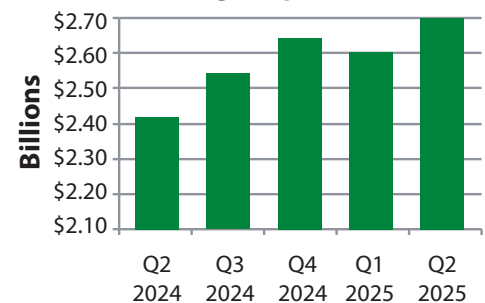
### Mortgage Production



## Deposits

Average deposit balances rose to \$2.7 billion in Q2 2025, a 4.0 percent quarter-over-quarter increase and an 11.9 percent year-over-year increase. Growth came from multiple channels, including steady performance in our branches and digital branch, new initiatives from personal trust, and increased client activity in corporate trust. Early results from new partnerships, including those tied to the Bank of Utah Championship, point to a strong second half of the year.

### Average Deposits



## Corporate Trust

At the end of Q2 2025, Corporate Trust achieved 4 percent year-over-year fee growth, with the quarter-over-quarter increase driven primarily by core product offerings. Markets outside the U.S. continue to take delivery of aircraft, though tariff uncertainty has delayed many companies from planning additional deliveries for the remainder of the year. While the market is prepared for business as usual, the second quarter in particular saw significant delays due to ongoing concerns about tariffs.

## Personal Trust

Personal trust assets under management reached \$751.9 million at the end of Q2 2025, a 1.3 percent increase from the previous quarter and a 1.6 percent decrease from Q2 2024. Our trust officers help clients manage wealth, plan for future generations and adapt to life's changing needs. Through longstanding relationships and new opportunities alike, personal trust continues to be a meaningful and consistent source of fee-based revenue for the Bank.

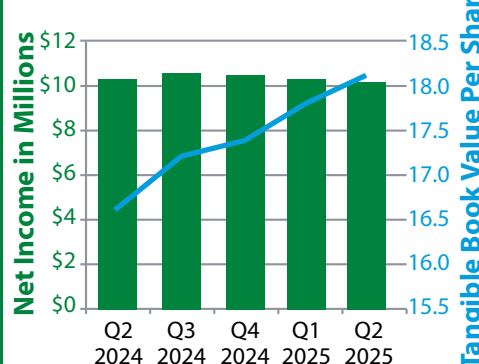
## COMPANY NOTABLE POINTS

Net interest income rose to \$29.6 million, a 6.8 percent increase from Q1 2025 and 18 percent growth from the Q2 2024, supported by healthy, high-quality lending and steady deposit performance.

Net interest margin expanded to 3.62 percent, up from 3.54 percent in Q1 2025 and 3.39 percent in Q2 2024. As one of the Bank's top priorities this year, maintaining and growing the margin supports long-term performance. This quarter's improvement reflects our focused efforts to price loans and deposits with care and consistency.

Tangible book value per share increased to \$18.18, compared to \$17.79 in Q1 2025 and \$16.56 in Q2 2024, reflecting continued earnings retention and long-term value growth for shareholders.

### Net Income and Book Value



	Q2 2025	Q1 2025	Q2 2024
Return on Average Assets	1.19%	1.27%	1.31%
Return on Average Equity	9.75%	10.16%	10.57%
Net Income	\$10.3MM	\$10.4MM	\$10.2MM
Net Interest Margin (FTE)	3.62%	3.54%	3.39%
Net Interest Income (FTE)	\$29.6MM	\$27.7MM	\$25.1MM
Noninterest Income	\$6.9MM	\$6.2MM	\$6.5MM
Earnings Per Share	\$0.44	\$0.45	\$0.44
Dividend Per Share	\$0.10	\$0.10	\$0.10
Equity	\$428.5MM	\$419.5MM	\$390.8MM
Total Assets	\$3.5B	\$3.5B	\$3.3B