



Q3 2025 | BOU Bancorp, Inc. FINANCIAL REPORT

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



For All of Utah

Bank of Utah closed Q3 2025 with record-breaking results and a sense of excitement unlike any other quarter in our history. In October, as we prepared for the Bank of Utah Championship at Black Desert Resort, our team gathered to review performance, and there was much to celebrate. Surrounded by the beauty of southern Utah and the anticipation of sponsoring our first PGA TOUR event, it was the perfect setting to reflect on how far we've come and where we're headed next.

This was a standout quarter, driven by strength across our core businesses and the collective efforts of teams across the state:

Performance Aligned With Purpose and Strategy

Our financial results for the third 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** soared to \$13.8 million, a significant jump from \$10.3 million in Q2 and \$10.6 million in Q3 2024. Even while making key strategic investments in the PGA TOUR event and new technology, the Bank delivered one of its best performances to date. Year-to-date net income now totals \$34.4 million, reflecting record strength and strong momentum heading into the final quarter.
- **Average deposits** climbed to \$3.0 billion, up from \$2.7 billion in the previous quarter. Growth in core, relationship-based deposits was exceptional, led by a 15.4 percent increase in noninterest-bearing balances — our strongest growth in several years. This achievement reflects the confidence and loyalty of our clients and the collaboration of teams across the Bank. Partnerships like our alliance with REEF Capital Partners through the Bank of Utah Championship further reinforced this success and deepened our commitment to Utah communities.
- **Total loans** grew to \$2.9 billion, compared to \$2.8 billion in Q2 and \$2.6 billion in Q3 2024. Steady loan demand demonstrates the Bank's ongoing strength in meeting the needs of Utah businesses and families, helping them move forward with confidence.

These financial results matter because they provide the foundation that allows us to keep giving back to the communities that trust us, through our work, our partnerships and our purpose — for *all* of Utah.



Branden P Hansen
President

SHAREHOLDER DIVIDEND

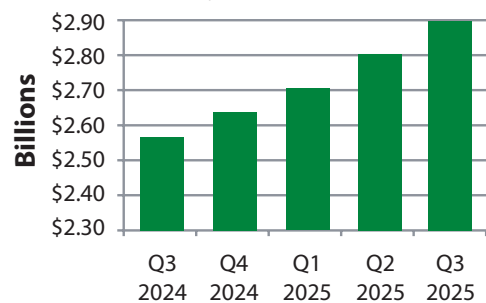
A dividend of \$0.10 per share was paid on September 30, 2025 for Q3 2025 compared to \$0.10 per share dividend paid in Q2 2025 and \$0.10 per share in Q3 2024.

Q3 2025 FINANCIAL ANALYSIS

Lending

Lending activity continued to grow, with total loans of \$2.9 billion at the end of Q3 2025, compared to \$2.7 billion at the end of Q3 2024, an 8.5 percent increase. Growth was supported by consistent demand across commercial, residential and multifamily lending. Small Business Administration (SBA) lending also expanded, with gains on sales up 25 percent from the previous quarter. This growth is remarkable given the relatively short time the program has been offered at the Bank. Credit quality remained strong, with nonperforming assets at 0.01 percent.

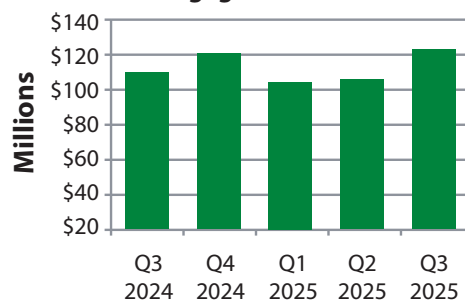
Period End Loans, Net of Unearned Income



Mortgage Production

Mortgage production totaled \$120.5 million in Q3 2025, an increase of 11.2 percent over the previous quarter and 8.0 percent year over year. The Bank's mortgage team continued to perform well despite typical seasonal trends and a measured housing market, successfully helping clients adapt to changing rates and find financing solutions that fit their goals. Gain on sale of loans was \$1.5 million, up from \$1.2 million in Q2 2025. The team's consistent focus underscores our commitment to supporting our clients' homeownership and investment goals across Utah.

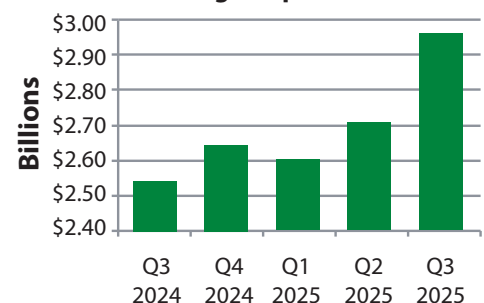
Mortgage Production



Deposits

Average deposit balances reached a record \$3.0 billion for Q3 2025, up from \$2.7 billion in Q2 2025 and \$2.5 billion a year ago. The results reflect progress in building a stronger, more cost-effective funding mix. Growth in stable, low-cost deposits, including a 15.4 percent increase in noninterest-bearing balances, highlights deepening client relationships and continued trust in the Bank. At the same time, wholesale funding declined 12.7 percent, reducing reliance on higher-cost sources. Together, these shifts strengthen the Bank's foundation and position it for lasting stability and growth.

Average Deposits



Corporate Trust

At the close of Q3 2025, Corporate Trust maintained stable fee income year over year, reflecting consistent performance across core product lines. Domestic markets saw steady aircraft delivery activity, and overall client engagement remained strong. The quarter was marked by continued business from repeat clients, a result of sustained relationships and dependable service from our team members.

Personal Trust

Personal Trust fee revenue totaled \$0.8 million in Q3 2025, holding steady with the previous quarter and reflecting the Bank's continued commitment to long-term client relationships. Activity remained consistent across fiduciary and investment management services, contributing to stable, recurring revenue that supports the Bank's broader wealth and trust strategy.

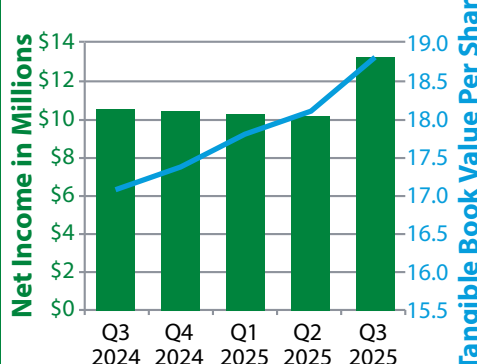
COMPANY NOTABLE POINTS

Earnings per share rose to \$0.59, compared to \$0.44 in Q2, showing how the Bank's performance translated into stronger per-share profitability for stockholders.

Net interest margin expanded to 3.72 percent, up from 3.62 percent in Q2 2025 and 3.51 percent in Q3 2024. The continued improvement reflects disciplined loan and deposit pricing and relief from prior yield-curve pressures.

Total assets were \$3.7 billion at the end of Q3 2025, up from \$3.5 billion in Q2 and steady with Q3 2024. Maintaining this strong asset base year over year highlights the Bank's ongoing stability and the depth of its client relationships.

Net Income and Book Value



	Q3 2025	Q2 2025	Q3 2024
Return on Average Assets	1.47%	1.19%	1.28%
Return on Average Equity	12.63%	9.75%	10.51%
Net Income	\$13.8MM	\$10.3MM	\$10.6MM
Net Interest Margin (FTE)	3.72%	3.62%	3.51%
Net Interest Income (FTE)	\$33.1MM	\$29.6MM	\$27.5MM
Noninterest Income	\$6.6MM	\$6.9MM	\$6.4MM
Earnings Per Share	\$0.59	\$0.44	\$0.46
Dividend Per Share	\$0.10	\$0.10	\$0.10
Equity	\$442.0MM	\$428.5MM	\$404.9MM
Total Assets	\$3.7B	\$3.5B	\$3.7B