

BOU BANCORP, INC.

ANNUAL REPORT

2025



**BANK OF
UTAH**®

Our Vision

Bank of Utah will be your first choice and most trusted financial partner, providing expert guidance and personalized solutions through our team of knowledgeable professionals.

Our Mission

We strive to unlock the potential of our team members, clients and community.

We act with integrity in every decision, build trust through every interaction and exceed expectations at every opportunity.

We seek to responsibly create lasting prosperity today and for generations to come.

Our Values

Team Member Experience

Drive Collaboration

Elevate the Client Experience

Embrace Technology

We Communicate

Purposeful Growth

Express Gratitude

Contents

BUSINESS OVERVIEW

- 02** LETTER TO SHAREHOLDERS
- 04** THE BANK OF UTAH CHAMPIONSHIP
- 06** LINES OF BUSINESS
- 08** FINANCIAL OVERVIEW

FINANCIALS

- 10** REPORT OF INDEPENDENT AUDITORS
- 12** CONSOLIDATED FINANCIAL STATEMENTS
- 17** NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
- 38** CONSOLIDATING SCHEDULES

LEADERSHIP

- 42** BOARD OF DIRECTORS
- 43** BANK OF UTAH LEADERSHIP
- 44** LEGACY OF SERVICE
- 46** BANK OF UTAH OFFICERS

Letter to Shareholders

The quiet work behind every big moment.

As we reflect on 2025, several moments stand out. The year was punctuated by the roar of the crowd during the PGA TOUR's Bank of Utah Championship at Black Desert Resort. When that winning putt dropped against the iconic red rock scenery, the air was electric. It marked a career milestone for the athlete and cast a national spotlight on our state. For our Bank, it represented months of planning and partnership to bring world-class competition back to Utah.

While the finish was dramatic, the excellence on display came from years of discipline. Those athletes didn't arrive there by chance. They spent countless hours building the focus required to perform under pressure. Similarly, Bank of Utah has spent decades building the strength and stability that allow us to step into opportunities like this with confidence.

A YEAR OF STEADY PERFORMANCE

That same steady focus carried through our financial performance in 2025.

- Consolidated net income increased 14.6 percent to \$46.1 million
- Deposits grew to approximately \$2.8 billion
- Total loans reached approximately \$2.9 billion

RECOGNITION THAT REFLECTS OUR WORK

That discipline brought recognition at both the national and local level.

- #14 in S&P Global Market Intelligence's Community Bank Rankings
- Named Best Utah Bank by GOBankingRates
- Gold and Silver "Best of" awards in Northern and Southern Utah
- Honored with the Ogden-Weber Chamber's 60-Year Milestone Award
- Named as one of Utah's 100 Fastest Growing Companies by MountainWest Capital Network

"Like in championship play, success is built long before the final moment arrives."

COMMITMENT THAT SHOWS UP EVERY YEAR

Financial strength provides the foundation for our growth and allows us to give back in meaningful ways.

- 300+ team members logged nearly 2,100 service hours across 100+ organizations
- 561 clothing bags delivered through Warm Bodies, Warm Souls
- \$200,000+ secured for 30 nonprofits through the Federal Home Loan Bank of Des Moines Member Impact Fund
- 16 mortgage loans totaling \$5 million funded through the FHLB Des Moines Mortgage Rate Relief program

Our priorities for the future remain clear. We will continue investing in those who make this work matter. Just like in championship play, success is built long before the final moment arrives.



Branden P. Hansen
Branden P. Hansen
President



Benjamin F. Browning
Benjamin F. Browning
Vice Chairman & CEO

The Bank of Utah Championship

A statewide partnership built beyond the course.

“The most significant work happened long before tournament week.”

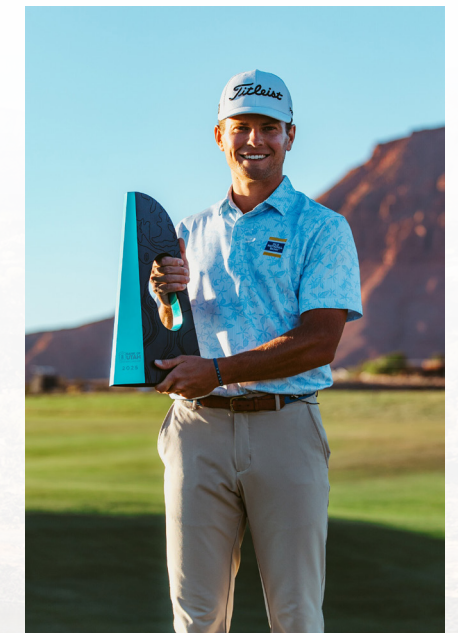
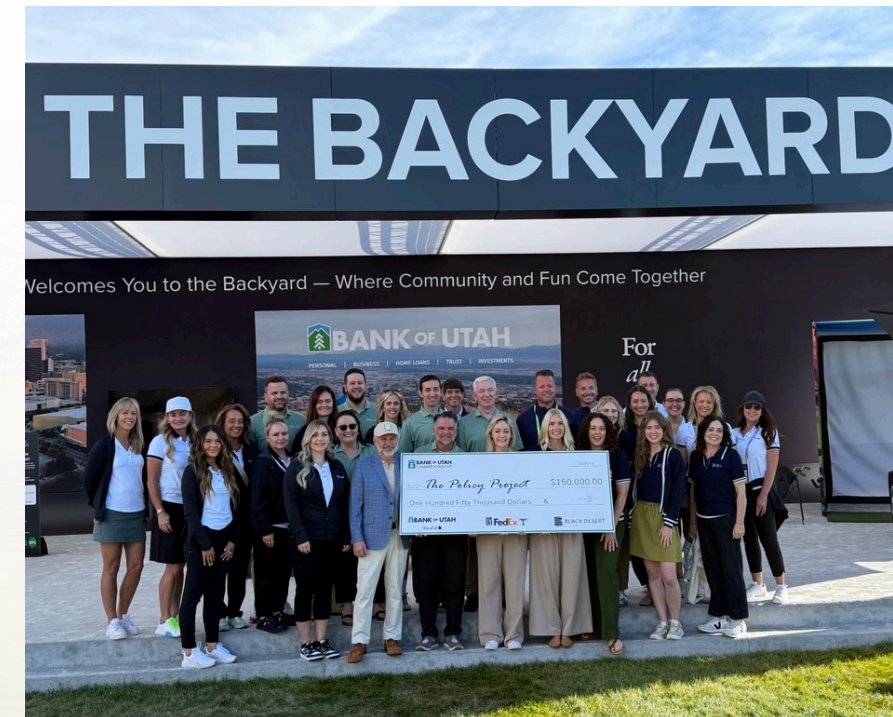
When the PGA TOUR returned to Utah in 2025 after a 60-year absence, it presented an opportunity to turn a premier sporting event into a platform for community investment. Bank of Utah became the title sponsor of the Bank of Utah Championship at Black Desert Resort to align world-class athletics with local service.

Spectators experienced elite competition, but the most significant work happened through months of preparation and outreach. Leading up to tournament week, the championship trophy traveled to Bank locations across the state, bringing the excitement of the TOUR to our local branches. By offering sponsor exemptions to local golfers, we ensured that Utah communities had their own athletes to rally behind. By the time the first tee shot was hit, the outreach efforts of the Bank had already turned a sporting event into a broad community partnership.

The most lasting legacy of this partnership is the statewide financial literacy initiative launched with The Policy Project. While the leaderboard provided the week’s excitement, our primary goal was to provide young people across Utah with the practical money skills and confidence they need for long-term prosperity. This initiative specifically targeted the expansion of Teen Centers, creating safe spaces for mentorship and educational support.



COMMUNITY IMPACT



Michael Brennan, winner of the 2026 Bank of Utah Championship

By the Numbers

\$150K
Championship funding for Teen Centers and financial literacy.

1,000
Hygiene kits assembled for Teen Centers.

1,000
Clothing donations from the community.

Lines of Business

Disciplined growth across every line of business.

\$2.9B

LOANS

↑ 8.4%
year over year

\$2.8B

AVERAGE
DEPOSITS

↑ 13.0%
year over year

\$46.1M

NET INCOME

↑ 14.6%
year over year

\$3.6B

TOTAL ASSETS

↑ 9.1%
year over year

COMMERCIAL LENDING

In 2025, lending reflected careful growth. Businesses across Utah continued investing in expansion and long-term development, and our lenders worked alongside them to structure financing aligned with sustainable strategy. Throughout the year, our teams balanced opportunity with a disciplined approach. Local decision-making remained central, allowing the Bank to respond quickly while maintaining portfolio strength.



DEPOSITS AND BANKING SERVICES

Deposit growth reflected both new relationships and deeper engagement from long-standing clients. Whether through our branches or our digital channels, clients continued choosing Bank of Utah for consistent service and accessibility, with personal service available wherever they are. In a competitive environment, steady work across teams supported continued expansion of our deposit base.

PERSONAL TRUST

Personal Trust services center on long-term stewardship. Clients rely on steady fiduciary oversight and thoughtful planning to protect assets and prepare for future generations. In 2025, our trust officers continued serving families and business owners with care and professionalism.

\$1 BILLION
ASSETS UNDER MANAGEMENT

Equal
year-over-year



CORPORATE TRUST

Corporate Trust concluded 2025 with one of its strongest finishes on record, supported by continued aviation activity and commercial transaction volume. The team's precision and expertise in managing complex transactions remain defining strengths of this business line.

MORTGAGE

The housing market continued to shift throughout 2025. Buyers approached decisions thoughtfully and clarity mattered. Our mortgage professionals focused on communication and responsiveness at every stage. Even in a complex rate environment, families relied on the Bank during one of their most important financial milestones.



\$214.6 MILLION
MORTGAGE PRODUCTION

↑
12.1% year-over-year
growth

\$5.5 MILLION
GAIN ON SALE

↑
11.6% year-over-year
increase

Financial Highlights

Performance built on stability. The 2025 fiscal year was marked by disciplined growth across our balance sheet and a strengthening of our core earnings. By maintaining a sharp focus on asset quality and relationship banking, we achieved significant milestones in our returns on both assets and equity. These results represent significant progress; they reflect the enduring trust of our shareholders and the families and businesses we serve throughout Utah.

| YEARLY COMPARISONS | YEAR END 2025 | YEAR END 2024 |
|-------------------------------|---------------|---------------|
| Return on Average Assets | 1.30% | 1.26% |
| Return on Average Equity | 10.78% | 10.22% |
| Net Income | \$46.1MM | 40.2MM |
| Net Interest Margin (FTE) | 3.66% | 3.51% |
| Net Interest Income (FTE) | \$123.0MM | \$106.2MM |
| Noninterest Income | \$28.3MM | \$26.1MM |
| Earnings Per Share | \$1.99 | \$1.74 |
| Dividends Per Share | \$0.40 | \$0.40 |
| Equity | \$452.1MM | \$408.4MM |
| Tangible Book Value Per Share | \$19.21 | \$17.32 |
| Total Assets | \$3.6B | \$3.3B |

CAPITAL

Our Tier 1 leverage ratio was 12.38 percent, keeping us well above regulatory requirements. This level of capital supports continued loan growth and allows us to respond to opportunities while maintaining a strong, stable position.

RESERVE

Our loan loss reserve ratio was 1.28 percent, compared to 1.24 percent in 2024. Credit quality remained strong, and we continued to maintain reserves at a level that keeps us prepared as conditions change.

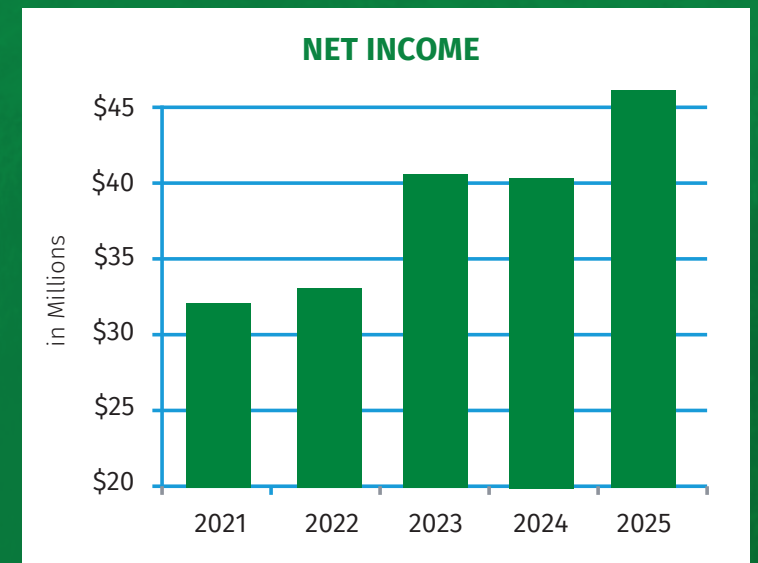
EFFICIENCY

Our efficiency ratio was 58.58 percent, compared to 57.95 percent in 2024. This reflects continued investment in our infrastructure and operations to support long-term growth.

Strategy Driving Results

Our teams delivered with focus and discipline in 2025, surpassing each of our key results and reinforcing our belief that banking is ultimately about people. Earning the trust of our clients continues to guide every decision we make and every relationship we build.

That trust is reflected in our performance. Consolidated net income increased 14.6 percent year over year to \$46.1 million, demonstrating the strength of our approach and the consistency of our execution.



NET INTEREST INCOME & MARGIN

Net interest income reached \$123.0 million, a 15.8 percent increase over 2024. Net interest margin improved to 3.66 percent from 3.51 percent, as we continued to be thoughtful in how we priced loans, managed deposit costs and positioned the balance sheet.

NON-INTEREST INCOME

Non-interest income totaled \$28.3 million, up 8.1 percent from 2024. This was supported by continued strength in our trust and mortgage businesses.

INTEREST ON DEPOSITS

Interest expense on deposits totaled \$69.6 million in 2025, compared to \$61.1 million in 2024. This reflects the continued impact of the rate environment, as we remained focused on maintaining a stable funding base and strong client relationships.



Report of Independent Auditors

The
Board of Directors and Stockholders
BOU Bancorp, Inc., and
Subsidiaries

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of BOU Bancorp, Inc., and Subsidiaries, which comprise the consolidated statements of financial condition as of December 31, 2025 and 2024, and the related consolidated statements of income, comprehensive income, retained earnings, changes in stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of BOU Bancorp, Inc., and Subsidiaries as of December 31, 2025 and 2024, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of BOU Bancorp, Inc., and Subsidiaries and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about BOU Bancorp, Inc., and Subsidiaries' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Baker Tilly Advisory Group, LP and Baker Tilly US, LLP, trading as Baker Tilly, are members of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities. Baker Tilly US, LLP is a licensed CPA firm that provides assurance services to its clients. Baker Tilly Advisory Group, LP and its subsidiary entities provide tax and consulting services to their clients and are not licensed CPA firms.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of BOU Bancorp, Inc., and Subsidiaries' internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about BOU Bancorp, Inc., and Subsidiaries' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating financial condition information and consolidating income information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Baker Tilly US, LLP
Spokane, Washington
March 19, 2026



BOU BANCORP, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
Years ended December 31, 2025 and 2024

(in thousands, except share data)

| <u>ASSETS</u> | <u>2025</u> | <u>2024</u> |
|---|---------------------|------------------|
| Cash and due from banks | \$ 15,406 | 74,878 |
| Interest-bearing deposits in banks | 234,103 | 139,490 |
| Federal funds sold | 565 | 773 |
| Investment securities (Notes 2 and 12): | | |
| Equity securities, at fair value | 7,787 | 6,965 |
| Debt securities available for sale, at fair value | 168,801 | 188,646 |
| Debt securities held to maturity, at amortized cost (fair value of \$84,184 and \$90,624 as of December 31, 2025 and 2024, respectively) | 94,968 | 106,071 |
| Less allowance for credit losses (Note 2) | 3 | 7 |
| Total investment securities | <u>271,553</u> | <u>301,675</u> |
| Loans held for sale | 16,770 | 7,804 |
| Loans (Note 3) | 2,866,979 | 2,644,231 |
| Less allowance for credit losses (Note 4) | 36,758 | 32,735 |
| Net loans | <u>2,830,221</u> | <u>2,611,496</u> |
| Accrued interest receivable | 14,770 | 14,743 |
| Bank owned life insurance, net | 55,944 | 44,548 |
| Investment in affordable housing tax credits, net | 37,456 | 31,591 |
| Goodwill (Note 5) | 8,903 | 8,903 |
| Premises and equipment, net (Note 7) | 49,394 | 48,329 |
| Other assets | 40,370 | 31,322 |
| Total assets | <u>\$ 3,575,455</u> | <u>3,315,552</u> |
| <u>LIABILITIES AND STOCKHOLDERS' EQUITY</u> | | |
| Deposits: | | |
| Noninterest-bearing | \$ 724,332 | 631,107 |
| Interest-bearing (Note 8) | 2,132,973 | 1,938,745 |
| Total deposits | <u>2,857,305</u> | <u>2,569,852</u> |
| Securities sold under agreements to repurchase (Note 9) | 116,987 | 95,527 |
| FHLB advances and other borrowings (Note 10) | 95,000 | 197,500 |
| Other liabilities | 54,069 | 44,263 |
| Total liabilities | <u>3,123,361</u> | <u>2,907,142</u> |
| Commitments and contingent liabilities (Note 13) | | |
| Common stock, \$1 par value, 50,000,000 shares authorized, 17,563,021 shares issued and outstanding at December 31, 2025 and 2024, respectively. | 17,563 | 17,563 |
| Common stock, non-voting, \$1 par value, 20,000,000 shares authorized, 5,625,611 shares issued and outstanding at December 31, 2025 and 2024, respectively. | 5,626 | 5,626 |
| Paid-in capital | 122,025 | 122,025 |
| Accumulated other comprehensive loss, net of tax | (7,378) | (14,207) |
| Retained earnings | 314,258 | 277,403 |
| Total stockholders' equity | <u>452,094</u> | <u>408,410</u> |
| Total liabilities and stockholders' equity | <u>\$ 3,575,455</u> | <u>3,315,552</u> |

BOU BANCORP, INC.
CONSOLIDATED STATEMENTS OF INCOME
Years ended December 31, 2025 and 2024

(in thousands, except per share data)

| | <u>2025</u> | <u>2024</u> |
|---|----------------|----------------|
| INTEREST INCOME: | | |
| Interest and fees on loans | \$ 173,737 | 150,935 |
| Interest on investment securities | 8,476 | 9,009 |
| Interest and fees on loans held for sale | 681 | 507 |
| Interest on cash and cash equivalents | 10,250 | 10,163 |
| Total interest income | <u>193,144</u> | <u>170,614</u> |
| INTEREST EXPENSE: | | |
| Interest on deposits | 69,628 | 61,101 |
| Interest on securities sold under agreements to repurchase and other borrowings | 9,600 | 11,173 |
| Total interest expense | <u>79,228</u> | <u>72,274</u> |
| Net interest income | <u>113,916</u> | <u>98,340</u> |
| Provision for credit losses (Notes 2 and 4) | 3,996 | 2,593 |
| Net interest income after provision for credit losses | <u>109,920</u> | <u>95,747</u> |
| NONINTEREST INCOME: | | |
| Service charges on deposits | 679 | 674 |
| Gain on sale of loans | 5,481 | 4,914 |
| Trust fees | 15,950 | 16,211 |
| Increase in cash surrender value of bank owned life insurance | 2,009 | 1,392 |
| Other | 4,132 | 2,949 |
| Total noninterest income | <u>28,251</u> | <u>26,140</u> |
| NONINTEREST EXPENSES: | | |
| Salaries and employee benefits | 52,014 | 46,491 |
| Net occupancy expense | 4,081 | 3,759 |
| Equipment expense | 10,143 | 7,780 |
| Professional fees and services | 4,600 | 4,813 |
| Advertising and business development expense | 6,369 | 2,482 |
| Office expense | 1,581 | 1,792 |
| Other | 4,491 | 5,014 |
| Total noninterest expenses | <u>83,279</u> | <u>72,131</u> |
| Income before provision for income taxes | 54,892 | 49,756 |
| Provision for income taxes (Note 11) | 8,761 | 9,508 |
| Net income | <u>46,131</u> | <u>40,248</u> |
| Basic and diluted earnings per common share | <u>\$ 1.99</u> | <u>1.74</u> |

BOU BANCORP, INC.
 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 Years ended December 31, 2025 and 2024

(in thousands, except per share data)

| | 2025 | 2024 |
|---|------------------|---------------|
| Net income | \$ 46,131 | 40,248 |
| Other comprehensive income: | | |
| Net change in unrealized holding loss on securities available for sale, net of tax expense \$2,236 and \$138 as of December 31, 2025 and 2024, respectively | 6,829 | 382 |
| Reclassification adjustment for realized loss on sale of securities, net of tax | - | 41 |
| Comprehensive income | <u>\$ 52,960</u> | <u>40,671</u> |

BOU BANCORP, INC.
 CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
 Years ended December 31, 2025 and 2024

(dollars in thousands)

| | Common Stock | Amount | Paid-in capital | Accumulated other comprehensive income (loss) | Retained earnings | Total stockholders' equity |
|--|-------------------|------------------|--------------------|--|----------------------|----------------------------------|
| Balances, December 31, 2023 | 23,188,632 | \$ 23,189 | \$ 122,025 | \$ (14,630) | \$ 246,431 | \$ 377,015 |
| Net income | - | - | - | - | 40,248 | 40,248 |
| Other comprehensive income, net of tax | - | - | - | 423 | - | 423 |
| Dividends paid | - | - | - | - | (9,276) | (9,276) |
| Balances, December 31, 2024 | <u>23,188,632</u> | <u>\$ 23,189</u> | <u>\$ 122,025</u> | <u>\$ (14,207)</u> | <u>\$ 277,403</u> | <u>\$ 408,410</u> |
| Net income | - | - | - | - | 46,131 | 46,131 |
| Other comprehensive income, net of tax | - | - | - | 6,829 | - | 6,829 |
| Dividends paid | - | - | - | - | (9,276) | (9,276) |
| Balances, December 31, 2025 | <u>23,188,632</u> | <u>\$ 23,189</u> | <u>\$ 122,025</u> | <u>\$ (7,378)</u> | <u>\$ 314,258</u> | <u>\$ 452,094</u> |

BOU BANCORP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended December 31, 2025 and 2024

| <i>(in thousands)</i> | 2025 | 2024 |
|---|-------------------|------------------|
| OPERATING ACTIVITIES: | | |
| Net income | \$ 46,131 | 40,248 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization expense | 4,222 | 3,473 |
| Right-of-use asset amortization expense | 1,028 | 1,118 |
| Provision for credit losses | 3,996 | 2,593 |
| Provision (reversal) for unfunded lending commitments | (700) | 200 |
| Deferred income tax (benefit)/expense | 29 | (456) |
| Changes in fair value of equity investments | (241) | 81 |
| Net gain on other real estate sold | - | (30) |
| Increase in cash surrender value of bank owned life insurance | (979) | (1,392) |
| Net amortization of investment premiums and discounts | 75 | (502) |
| Net loss on sale of investment securities | - | 55 |
| Gain on sale of loans | (5,481) | (4,914) |
| Proceeds from sales of loans held for sale | 194,347 | 203,742 |
| Origination of loans held for sale | (197,833) | (202,949) |
| Gain on sale or disposal of premises and equipment | (76) | (25) |
| Change in accrued interest receivable and other assets | (8,736) | 15,639 |
| Change in lease liability | (1,050) | (938) |
| Change in other liabilities | 8,635 | (6,074) |
| Net cash provided by operating activities | <u>43,367</u> | <u>49,869</u> |
| INVESTING ACTIVITIES: | | |
| Proceeds from maturities of held to maturity securities | 11,157 | 10,604 |
| Proceeds from maturities of available for sale securities | 28,782 | 42,337 |
| Proceeds from sales of investment securities | - | 18,636 |
| Purchase of available for sale securities | - | (15,198) |
| Purchase of equity securities | (220) | (201) |
| Net change in loans from loan originations and principal repayments | (222,726) | (359,807) |
| Purchase of bank owned life insurance | (10,417) | - |
| Purchase of affordable housing tax credits | (5,909) | (14,252) |
| Proceeds from sale of premises and equipment | 278 | 20 |
| Proceeds from sale of other real estate | - | 30 |
| Purchase of premises and equipment | (6,516) | (6,319) |
| Net cash used in investing activities | <u>(205,571)</u> | <u>(324,150)</u> |
| FINANCING ACTIVITIES: | | |
| Net change in deposits | 287,453 | 460,905 |
| Net change in securities sold under agreement to repurchase | 21,460 | (3,554) |
| Proceeds from issuance of FHLB advances and other borrowings | 155,200 | 50,000 |
| Repayment of FHLB advances and other borrowings | (257,700) | (137,500) |
| Dividends paid to stockholders | (9,276) | (9,276) |
| Net cash provided by financing activities | <u>197,137</u> | <u>360,575</u> |
| Net change in cash and cash equivalents | 34,933 | 86,294 |
| Cash and cash equivalents, beginning of period | 215,141 | 128,847 |
| Cash and cash equivalents, end of period | <u>\$ 250,074</u> | <u>215,141</u> |
| Supplemental Disclosure of Cash Flow Information | | |
| Cash paid for interest | \$ 79,078 | 76,760 |
| Cash paid for income taxes | 7,757 | 4,530 |
| Supplemental Disclosure of Non-Cash Transactions | | |
| Lease liabilities arising from obtaining right-of-use assets | \$ - | 6,662 |

(1) DESCRIPTION OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by BOU Bancorp, Inc. (the Corporation) in the preparation of the accompanying consolidated financial statements are as follows:

Description of Business

The Corporation is a Utah state financial holding company formed in 2000. Bank of Utah (the Bank) is a Utah state-chartered commercial bank founded in 1952, which is wholly owned by the Corporation. Utah Real Estate Management Corp. (UREM) is a Utah corporation founded in 2019 to hold certain other real estate foreclosed on by the Bank and is wholly owned by the Bank. BOU Trust Company is a Utah Corporation founded in 2024 to provide additional products to our corporate trust clients and is wholly owned by the Bank. The Corporation and its wholly-owned subsidiaries are collectively referred to as the Company. The Company, whose footprint extends across the state of Utah, focuses on providing community banking services to customers in Utah, surrounding states, and to international clientele, including: 1) deposits accounts for the general public; 2) loan origination, including residential mortgage loans; 3) treasury cash management products and services; 4) personal and corporate trust management services; and 5) wealth management and advisory services.

Basis of Financial Statement Presentation

The accompanying consolidated financial statements include the accounts of BOU Bancorp, Inc., Bank of Utah, Utah Real Estate Management Corp., and BOU Trust Company. All significant intercompany balances and transactions have been eliminated in consolidation. The consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles. In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, as of the date of the balance sheet and revenues and expenses for the period. Actual results could significantly differ from those estimates. Certain prior year amounts have been reclassified to conform to the current financial statement presentation.

Material estimates that are particularly susceptible to significant change in the near-term relate to the determination of the allowance for credit losses, income taxes and the fair value of financial assets. While management uses available information to recognize losses on loans, future additions to the allowance may be necessary based on changes in economic conditions. In addition, various regulatory agencies, as an integral part of their examination process, periodically review the Company's allowance for credit losses.

Business Combinations

Business combinations are accounted for using the acquisition method of accounting, which requires that assets acquired and liabilities assumed are recorded at estimated fair value at the date of the acquisition. Any difference in purchase consideration over the fair value of assets acquired and liabilities assumed results in recognition of goodwill if purchase consideration exceeds net estimated fair values, or a bargain purchase gain if estimated fair values exceed purchase consideration. Expenses incurred in connection with a business combination are expensed as incurred. Changes in deferred tax asset valuation allowances and acquired tax uncertainties after the measurement period are recognized in net income.

Subsequent Events

Subsequent events are events or transactions that occur after the date of the consolidated statement of condition but before the consolidated financial statements are issued. The Company recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the consolidated statements of financial condition, including the estimates inherent in the process of preparing the consolidated financial statements. The Company's consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the consolidated statements of financial condition but arose after the date of the consolidated statements of financial condition and before the consolidated financial statements are available to be issued. Material events arising after the date of the consolidated statements of financial condition but before the consolidated financial statements are issued are disclosed, if any.

Subsequent events have been evaluated through March 19, 2026, the date these financial statements were available to be issued.

Cash and Cash Equivalents

Cash and cash equivalents include cash, due from banks, interest bearing deposits in banks, and fed funds sold with original maturities of three months or less, some of which may be in excess of federally insured amounts.

Interest-Bearing Deposits

Interest-bearing deposits include amounts due from the Federal Reserve Bank and other depository institutions and are carried at cost.

Debt Securities

The Company classifies its investment in debt securities in two categories: held to maturity or available for sale. The Company had no trading securities during 2025 or 2024. Premiums and discounts are amortized or accreted over the expected life of the related security and recognized in interest income using the effective-interest method. Dividend and interest income are recognized when earned. Held to maturity securities are stated at cost, net of unamortized premiums and unaccreted discounts. The Company has the intent and ability to hold such securities to maturity. Investment securities classified as available for sale are recorded at fair value. Unrealized holding gains and losses on available for sale securities are reported as a component of other comprehensive income (OCI). Gains and losses on sales are recorded on the trade date and determined using the specific identification method. Realized gains and losses on available for sale securities are reported in the consolidated statements of income as other noninterest income.

Allowance for Credit Losses for Debt Securities

The Company evaluates impairment on available for sale and held to maturity debt securities at each reporting period where there has been a decline in fair value below the amortized cost basis of a security to determine whether there is a credit loss associated with the decline in fair value. The Company considers the nature of the collateral, potential future changes in collateral values, default rates, delinquency rates, third-party guarantees, credit ratings, interest rate changes since purchase, volatility of the security's fair value and historical loss information for financial assets secured with similar collateral among other factors. For available for sale securities in an unrealized loss position, the Company first assesses whether it intends to sell, or is more likely than not to be required to sell, the security before recovery of its amortized cost basis. If either of the criteria regarding intent or requirement to sell is met, the security's amortized cost basis is written down to fair value through income. For available for sale securities that do not meet the aforementioned criteria, the Company evaluates whether the decline in fair value has resulted from credit losses or other factors. If this assessment indicates that a credit loss exists, an allowance for credit losses is recorded.

Equity Securities

Equity securities are recorded at fair value with unrealized holding gains and losses reported in net income as a component of other noninterest income. Realized gains and losses on sales are recorded on the trade date and determined using the specific identification method and are reported in the consolidated statements of income as other noninterest income.

Federal Home Loan Bank (FHLB) Stock

FHLB of Des Moines stock is a required investment for institutions that are members of the FHLB of Des Moines. The required investment in FHLB common stock is based on a predetermined formula that includes asset size and level of borrowings and is carried at par value (\$100 per share). The Company may request redemption at par value of any stock in excess of the amount the Company is required to hold. FHLB stock is restricted as to purchase, sale, and redemption. The carrying amount of FHLB stock as of December 31, 2025 and 2024 was \$10.1 million and \$11.5 million, respectively, and is reported on the consolidated statements of financial condition as a component of other assets.

The Bank views its investment in FHLB stock as a long-term investment. Accordingly, when evaluating for impairment, the value is determined based on the ultimate recovery of the par value rather than recognizing temporary declines in value.

Loans Held for Sale

The Company originates mortgage loans, which are sold to investors in the secondary market, generally with servicing released. Loans held for sale are carried at the lower of cost or fair market value, as determined by outstanding commitments from investors. Net unrealized losses, if any, are recorded as a valuation allowance and charged to net income. The amount of the Company's commitments to sell loans approximated the balance of loans held for sale on December 31, 2025 and 2024. Gains and losses resulting from the sale of loans are determined on the specific-identification method and reflect the extent that the sale proceeds, based on the contractual commitment entered into by the Company and investor, exceed or are less than the Company's investment in the loans.

Mortgage Servicing Rights

When mortgage loans are sold with servicing retained, servicing rights are initially recorded in gain on sale of loans at fair value based on the present value of estimated future net servicing income and the asset is tested annually for impairment. This asset is subsequently amortized as a reduction in noninterest income over the estimated life of the servicing income. The servicing asset was \$1,300 and \$13,000 as of December 31, 2025 and 2024, respectively, and is included in the accompanying consolidated statements of financial condition as a component of other assets.

Loans

Loans are generally recorded at cost, net of premiums or discounts on acquired loans, deferred fees and certain direct origination related costs. Discounts and premiums on amortizing purchased loans are amortized using the interest method over the remaining contractual life, adjusted for actual prepayments. Discounts and premiums on non-amortizing loans are amortized using a straight-line method over the expected life of the loan.

Loan origination fees and certain direct origination costs are deferred and amortized as an adjustment of the yields of the loans over their contractual lives, adjusted for prepayment of the loans, using the interest method. In the event loans are sold, the deferred net loan origination fees or costs are recognized as a component of the gains or losses on the sales of loans.

The accrual of interest on loans is discontinued when (1) in the opinion of management, it is probable that the Company will be unable to collect principal or interest when due according to the contractual terms of the loan agreement, or (2) when loans are contractually past due 90-days or more with respect to principal or interest, unless they are adequately collateralized and are in the process of collection. Generally, interest previously accrued but not collected is reversed and charged against income when a loan is placed on nonaccrual. Thereafter, payments received are generally applied to principal. However, based on management's assessment of the ultimate collectability of a nonaccrual loan, interest income may be recognized on a cash basis.

Nonaccrual loans are returned to an accrual status when all delinquent principal and interest becomes current in accordance with the terms of the loan agreement and when management determines that circumstances have improved to the extent that there has been a sustained period of repayment performance, generally six months.

In cases where a borrower experiences financial or legal difficulty, the Company may make certain concessionary modifications to contractual terms. When principal forgiveness is provided, the amount of forgiveness is charged off against the allowance for credit losses. If a borrower on a modified accruing loan has demonstrated performance under the previous terms, is not experiencing financial difficulty and shows the capacity to continue to perform under the modified terms, the loan will remain on accrual status. Otherwise, the loan will be placed on nonaccrual status until the borrower demonstrates a sustained period of performance, which generally requires six consecutive months of payments. However, performance prior to the modification or significant events that coincide with the modification, are included in assessing whether the borrower can meet the new terms and may result in the loan being returned to accrual at the time of modification or after a shorter performance period. If the borrower's ability to meet the revised payment schedule is uncertain, the loan remains classified as a nonaccrual loan.

Loan Participations

In the normal course of business, the Company periodically sells participating interests in loans to various other banks and investors. All new participations are sold on a proportionate (pro-rata) basis with all cash flows divided proportionately among the participating interest holders in an amount subordinate to the interest of another and no party has the right to



pledge or exchange the entire financial asset without the consent of all the participating interest holders. Other than standard representations and warranties, participating interests are sold without recourse. Certain participating interests sold by the Company are guaranteed by government agencies such as the Small Business Administration and U.S. Department of Agriculture. The gain or loss on sale of the participating interest in loans is the difference between the proceeds from the sale and the basis of the assets sold. The Company recognized gains from the sale of such loans of \$1.1 million and \$1.1 million in 2025 and 2024, respectively.

The Company continues to service approximately \$455.4 million and \$401.2 million in participating interests at December 31, 2025 and 2024, respectively, that have been accounted for as transfers of assets and not included in the Company's consolidated statements of financial condition. The Company's retained portion of participated loans was \$391.4 million and \$354.2 million at December 31, 2025 and 2024, respectively. The Company recorded approximately \$1.3 million and \$1.0 million in servicing fee income during 2025 and 2024, respectively.

The Company holds purchased participating interests in loans of \$84.9 million and \$91.8 million at December 31, 2025 and 2024, respectively.

Transfer of Financial Assets

Transfers of an entire financial asset, a group of entire financial assets, or a participating interest in an entire financial asset, in which the transferor surrenders control over those financial assets, are accounted for as sales. Control over transferred assets is deemed to be surrendered when (1) the assets have been isolated from the Company, (2) the transferee obtains the right (free of conditions that constrain it from taking advantage of that right) to pledge or exchange the transferred assets, and (3) the Company does not maintain effective control over the transferred assets through an agreement to repurchase them before their maturity.

Concentration of Credit Risk

A substantial portion of the Company's general overall lending territory is focused in the counties where it maintains branch offices. However, the Company also extends credit into other areas where a branch office is not maintained. The ability of the Company's debtors to honor their loan agreements is dependent upon, among other things, the general economic conditions and the real estate values in these areas.

Allowance for Credit Losses for Loans

The allowance for credit losses for loans is a valuation account that is deducted from the amortized cost basis of loans and is based on management's estimate of expected credit losses over the contractual term of the loans. In the opinion of management, the allowance for credit losses is adequate to absorb estimated losses in the portfolio, at the balance sheet date. While management uses available information to analyze potential losses on loans, future additions to the allowance for credit losses may be necessary based on changes in economic conditions. In addition, various regulatory agencies, as an integral part of their examination process, periodically review the Bank's allowance for credit losses. In analyzing the adequacy of the allowance for credit losses, a comprehensive loan grading system to determine risk potential in loans is utilized together with the results of internal credit reviews.

To determine the adequacy of the allowance for credit losses for loans, the loan portfolio is segmented based on loan type. Historical loss experience factors by segment, adjusted for changes in trends and conditions, are used to determine an indicated allowance for each portfolio segment. These factors are evaluated and updated based on the composition of the specific loan segment and adjusted using reasonable and supportable forecast estimates. Other considerations include volumes and trends of delinquencies, nonaccrual loans, levels of bankruptcies, criticized and classified loan trends, expected losses on real estate secured loans, new credit products and policies, economic conditions, concentrations of credit risk, and the experience and abilities of the Company's lending personnel. These credit quality indicators and their impact on the adequacy of the allowance were evaluated as of December 31, 2025. Loans that do not share risk characteristics are individually evaluated based on facts and circumstances of the loan to determine if a specific allowance amount may be necessary. Individually evaluated loans are evaluated using the present value of the expected cash flows or the estimated fair value of the collateral, if the loan is collateral dependent. The fair value is determined, when possible, by an appraisal of the property less estimated costs related to liquidation of the collateral. The appraisal amount may also be adjusted for current market conditions. Adjustments to reflect the present value of the expected cash flows or the estimated fair value of collateral dependent loans are a component in determining an appropriate allowance for credit losses, and as such, may result in increases or decreases to the provision for credit losses in current and future earnings.

Allowance for Credit Losses for Unfunded Lending Commitments

The Company also estimates a reserve for potential losses associated with off-balance sheet commitments and letters of credit. It is included in other liabilities in the Company's consolidated statements of financial condition, with any related provisions to the reserve included in non-interest expense in the consolidated statements of income.

In determining the reserve for unfunded lending commitments, a process similar to the one used for the allowance for credit losses for loans is employed. Based on historical experience, loss factors, adjusted for expected funding, are applied to the Company's off-balance sheet commitments and letters of credit to estimate probable losses.

Premises and Equipment

Land is carried at cost. Other premises and equipment are stated at net depreciated cost and are depreciated over their estimated useful lives that vary in term from one year to forty years. Depreciation is provided on a straight-line basis. Leasehold improvements are stated at net amortized cost. Amortization is provided on the straight-line basis over the shorter of the asset life or the lease term. Costs for maintenance and repairs are expensed as incurred.

Leases

Leases are classified as operating or finance leases at the lease commencement date. The Company leases certain locations and equipment. The Company records leases on the consolidated statements of financial condition in the form of a lease liability for the present value of future minimum payments under the lease terms and a right-of-use (ROU) asset equal to the lease liability adjusted for items such as deferred or prepaid rent, lease incentives, and any impairment of the ROU asset. The discount rate used in determining the lease liability is based upon incremental borrowing rates the Company could obtain for similar loans as of the date of commencement or renewal. The Company does not record leases on the consolidated statements of financial condition that are classified as short-term (less than one year). At lease inception, the Company determines the lease term by considering the minimum lease term and all optional renewal periods that the Company is reasonably certain to renew. Operating lease expense consists of a single lease cost allocated over the remaining lease term on a straight-line basis, variable lease payments not included in the lease liability, and any impairment of the ROU asset. Rent expense and variable lease expense are included in occupancy and equipment expense on the consolidated statements of income.

Other Real Estate

Other real estate (ORE) includes properties acquired by the Company through foreclosure or deed in lieu of foreclosure. Properties are carried at the lower of cost or estimated fair value. The value of the underlying loan is written down to the fair value of the property acquired, as determined by a recent appraisal, less reasonable selling costs, by a charge to the allowance for credit losses. Routine holding costs (net of rental income), subsequent declines in appraised value and net losses on disposal are included in non-interest expenses. Significant costs of development and improvement of ORE are capitalized. The Company held no ORE at December 31, 2025 and 2024, respectively.

Goodwill and Other Intangible Assets

Goodwill has an indefinite useful life and is not amortized but is tested for impairment annually. The Company's goodwill totaled \$8.9 million at December 31, 2025 and 2024. As of December 31, 2025, the Company has identified its reporting unit as the Bank and has allocated goodwill accordingly. Additionally, management evaluated the carrying value of the Company's goodwill as of December 31, 2025 and 2024, and determined that it is more likely than not that no impairment existed. A core deposit intangible is recorded on acquired deposits and amortized over the estimated life of the deposits using an accelerated amortization method. The Company did not have a net core deposit intangible recorded at December 31, 2025 and 2024, respectively.

The Company recorded an intangible asset with a finite useful life during 2025 related to a multi-year strategic sponsorship. This intangible is amortized over the life of the sponsorship agreement on a straight-line basis. The carrying amount of this intangible asset was \$12.4 million at December 31, 2025. Management evaluated the carrying value of this intangible asset as of December 31, 2025, and determined that no impairment existed. Intangible assets are recorded on the balance sheet as a component of other assets.





Bank Owned Life Insurance

The Company has purchased life insurance policies on certain employees. Bank owned life insurance is recorded at the amount that can be realized under the insurance contract, which is the cash surrender value, net of surrender charges.

Qualified Affordable Housing Project Investments

The Company invests in qualified affordable housing projects through investment in limited liability entities. Investments in affordable housing tax credits are recorded at cost and included in the consolidated statements of condition. The subsequent tax benefit is recognized using the proportional amortization method over the life of the tax credit, which is included in income tax expense on the consolidated statements of income. At December 31, 2025 and 2024, the balance of the investment for qualified affordable housing projects was \$37.5 million and \$31.6 million, respectively. The total unfunded commitments related to the investments in qualified affordable housing projects was \$10.1 million and \$7.2 million at December 31, 2025 and 2024, respectively. The Company recognized tax credits and other benefits of \$3.7 million and amortization of \$2.9 million in 2025. The Company recognized tax credits and other benefits of \$2.6 million and amortization of \$2.2 million in 2024.

Comprehensive Income

Comprehensive income consists of net income and other comprehensive income or loss. Other comprehensive income or loss includes unrealized gains and losses on securities available for sale, net of taxes.

Financial Instruments

In the ordinary course of business, the Company has entered into off-balance-sheet financial instruments consisting of commitments to extend credit. Such financial instruments are recorded in the financial statements when they are funded or when related fees are incurred or received.

Fair values of financial instruments are estimated using relevant market information and other assumptions (Note 12). Fair value estimates involve uncertainties and matters of significant judgment regarding interest rates, credit risk, prepayments, and other factors, especially in the absence of broad markets for particular items. Changes in assumptions or in market conditions could significantly affect these estimates.

Advertising Costs

Advertising costs include marketing and business development costs and are expensed as incurred.

Income Taxes

Deferred income taxes are reported for temporary differences between items of income or expense reported in the consolidated financial statements and those reported for income tax purposes. Deferred taxes are estimated using the asset and liability approach. Under this method, a deferred tax asset or deferred tax liability is determined based on management's estimate of the enacted tax rates that will be in effect when the differences between the financial statement carrying amounts and tax basis of existing assets and liabilities are expected to be reported in the Company's income tax returns. The net deferred tax asset or liability is included in the consolidated statements of financial condition as a component of other assets or other liabilities. The deferred tax provision for the year is equal to the net change in the net deferred tax asset from the beginning of the year to the end of the year, less amounts applicable to the change in value related to investments available for sale. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date of such change in tax rates. In addition, tax benefits related to positions considered uncertain are recognized only if, based on the technical merits of the issue, the Company is more likely than not to sustain the position.

As of December 31, 2025, the Company has no recorded unrecognized tax benefits. The Company would recognize accrued interest and penalties related to unrecognized tax benefits within the consolidated statements of income as income tax expense. The Company files income tax returns in the U.S. Federal, Utah, Idaho, and Colorado state jurisdictions. The Company is no longer subject to examination for years before 2022 for U.S. Federal, Utah and Idaho and before 2021 for Colorado.

Earnings per Share

Basic and diluted earnings per common share are calculated by dividing net income by the average number of common shares outstanding during the year. During the years ended December 31, 2025 and 2024 there were no preferred shares outstanding and no potential common share equivalents, such as stock options or restricted share units. The calculation of earnings per common share is as follows:

(dollars in thousands, except share and per share data)

| | 2025 | 2024 |
|---|------------|------------|
| <i>Numerator</i> | | |
| Net income | \$ 46,131 | 40,248 |
| <i>Denominator</i> | | |
| Weighted average number of common voting shares outstanding | 17,563,021 | 17,563,021 |
| Weighted average number of common non-voting shares outstanding | 5,625,611 | 5,625,611 |
| Total weighted average number of common shares outstanding | 23,188,632 | 23,188,632 |
| Basic and diluted earnings per common share | \$ 1.99 | 1.74 |

Trust Department Assets

The Bank acts in various capacities as a trustee for customers' assets in the Trust department. Such assets are not included in the consolidated statements of financial condition. Trust fees and expenses are reported in the consolidated statements of income when earned in accordance with applicable guidance. Total fiduciary assets under management were \$1.0 billion and \$1.0 billion at December 31, 2025 and 2024, respectively.

Employee Stock Ownership Plan with 401(k) Provisions

The Company has an employee stock ownership plan with 401(k) provisions (KSOP) for eligible full-time Company employees. Eligible employees may make contributions per the IRS limits and the Company generally makes a 100 percent matching contribution up to five percent of the employee's compensation. The Company's contributions to the employee are fully vested after four years of employment and are used to purchase Company stock. KSOP participants have the right, after termination, retirement or disability, to require the Company to repurchase shares that are distributed to them by the KSOP. The participant may make a repurchase request only during a specified period each year. Such repurchase obligation payments can be made over a 5-year period, if the distribution is a total distribution of the participant's account under the KSOP. As of December 31, 2025 and 2024 the Company had fulfilled all repurchase requests as required under the terms of the KSOP. Company contributions were approximately \$1.5 million and \$1.4 million for the years ended December 31, 2025 and 2024, respectively, and were used, in addition to other cash held in the KSOP, to purchase Company stock from former employees as they requested or were required to take distributions. An independent valuation of the BOU Bancorp, Inc.'s stock held by the KSOP is obtained annually. The KSOP owns shares (5.81%) of BOU Bancorp, Inc. stock, all of which are allocated at December 31, 2025.

Recent Accounting Pronouncements

In March 2023, the FASB issued ASU 2023-02, *Investments – Equity Method and Joint Ventures (Topic 323): Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method*. The amendments in the ASU permit reporting entities to elect to account for tax equity investments, regardless of the tax credit program from which the income tax credits are received, using the proportional amortization method if certain conditions are met. This ASU also eliminates guidance specific to low income housing tax credit investments to align more closely with other equity investments in tax credit structures. The amendments in this ASU are effective for the Company for fiscal years beginning after December 15, 2024. This ASU has not had a material impact on the Company's financial condition or results of operation.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. The amendments in the ASU update the guidance for income tax related disclosures to provide more useful and transparent information to users. The amendments in this ASU are effective for the Company for fiscal years beginning after December 15, 2025. This ASU is not expected to have a material impact on the Company's financial condition or results of operation.

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*. The amendments modernize guidance to consider different methods of software development, updating the requirements for capitalization of software costs. The amendments



in this ASU are effective for fiscal years beginning after December 15, 2027, with early adoption permitted. We are currently assessing the updated guidance; however, it is not expected to have a material impact to our consolidated financial statements.

(2) INVESTMENT SECURITIES

Equity securities consist entirely of an investment in a Community Reinvestment Act (CRA) qualified mutual fund. The fair value of equity securities at December 31, 2025 and 2024 was \$7.8 million and \$7.0 million, respectively. The Company recognized gross unrealized holding gains on equity securities of approximately \$241,000 and \$136,000 during the years ended December 31, 2025 and 2024, respectively.

Debt securities as of December 31, 2025 are summarized as follows:

(in thousands)

| | Held to Maturity | | | | |
|---|------------------|-----------------|-----------------|---------------|-----------------------------|
| | Amortized cost | Unrealized gain | Unrealized loss | Fair value | Allowance for credit losses |
| U.S. government agency | \$ 12,646 | - | (603) | 12,043 | - |
| U.S. government agency mortgage backed securities | 76,677 | 2 | (9,952) | 66,727 | - |
| States and political subdivisions | 648 | - | (184) | 464 | 3 |
| U.S. treasury securities | 4,997 | - | (47) | 4,950 | - |
| Corporate bonds | - | - | - | - | - |
| | <u>\$ 94,968</u> | <u>2</u> | <u>(10,786)</u> | <u>84,184</u> | <u>3</u> |

| | Available for Sale | | | |
|---|--------------------|-----------------|-----------------|----------------|
| | Amortized cost | Unrealized gain | Unrealized loss | Fair value |
| U.S. government agency | \$ 122,842 | 135 | (6,291) | 116,686 |
| U.S. government agency mortgage backed securities | 55,753 | 24 | (3,662) | 52,115 |
| U.S. treasury securities | - | - | - | - |
| | <u>\$ 178,595</u> | <u>159</u> | <u>(9,953)</u> | <u>168,801</u> |

Debt securities as of December 31, 2024 are summarized as follows:

(in thousands)

| | Held to Maturity | | | | |
|---|-------------------|-----------------|-----------------|---------------|-----------------------------|
| | Amortized cost | Unrealized gain | Unrealized loss | Fair value | Allowance for credit losses |
| U.S. government agency | \$ 12,673 | - | (1,161) | 11,512 | - |
| U.S. government agency mortgage backed securities | 81,759 | - | (13,858) | 67,901 | - |
| States and political subdivisions | 647 | - | (200) | 447 | 1 |
| U.S. treasury securities | 4,990 | - | (217) | 4,773 | - |
| Corporate bonds | 6,002 | - | (11) | 5,991 | 6 |
| | <u>\$ 106,071</u> | <u>-</u> | <u>(15,447)</u> | <u>90,624</u> | <u>7</u> |

| | Available for Sale | | | |
|---|--------------------|-----------------|-----------------|----------------|
| | Amortized cost | Unrealized gain | Unrealized loss | Fair value |
| U.S. government agency | \$ 142,932 | - | (12,281) | 130,651 |
| U.S. government agency mortgage backed securities | 63,626 | - | (6,576) | 57,050 |
| U.S. treasury securities | 948 | - | (3) | 945 |
| | <u>\$ 207,506</u> | <u>-</u> | <u>(18,860)</u> | <u>188,646</u> |

During the year ended December 31, 2025 there were no security sales. The proceeds from the sale of securities was \$18.6 million during the year ended December 31, 2024. The gross gains on sales was \$312,000 and the gross losses on sale was \$367,000 on those sales. The tax provision related to these sales was a loss of \$55,000.

A summary of investment securities with unrealized losses as of December 31, 2025, by the amount of unrealized losses and fair value by length of time that the securities have been in an unrealized loss position, follows:

| | Held to Maturity | | | | | |
|---|---------------------|------------|-------------------|---------------|-------------------|---------------|
| | Less than 12 months | | 12 months or more | | Total | |
| | Unrealized losses | Fair value | Unrealized losses | Fair value | Unrealized losses | Fair value |
| U.S. government agency | \$ - | - | (603) | 12,043 | (603) | 12,043 |
| U.S. government agency mortgage backed securities | - | - | (9,952) | 60,851 | (9,952) | 60,851 |
| States and political subdivisions | - | - | (184) | 464 | (184) | 464 |
| U.S. treasury securities | - | - | (47) | 4,950 | (47) | 4,950 |
| Corporate bonds | - | - | - | - | - | - |
| | <u>\$ -</u> | <u>-</u> | <u>(10,786)</u> | <u>78,308</u> | <u>(10,786)</u> | <u>78,308</u> |

| | Available for Sale | | | | | |
|---|---------------------|------------|-------------------|----------------|-------------------|----------------|
| | Less than 12 months | | 12 months or more | | Total | |
| | Unrealized losses | Fair value | Unrealized losses | Fair value | Unrealized losses | Fair value |
| U.S. government agency | \$ - | - | (6,291) | 111,876 | (6,291) | 111,876 |
| U.S. government agency mortgage backed securities | - | - | (3,662) | 44,934 | (3,662) | 44,934 |
| U.S. treasury securities | - | - | - | - | - | - |
| | <u>\$ -</u> | <u>-</u> | <u>(9,953)</u> | <u>156,810</u> | <u>(9,953)</u> | <u>156,810</u> |

A summary of investment securities with unrealized losses as of December 31, 2024, by the amount of unrealized losses and fair value by length of time that the securities have been in an unrealized loss position, follows:

| | Held to Maturity | | | | | |
|---|---------------------|--------------|-------------------|---------------|-------------------|---------------|
| | Less than 12 months | | 12 months or more | | Total | |
| | Unrealized losses | Fair value | Unrealized losses | Fair value | Unrealized losses | Fair value |
| U.S. government agency | \$ - | - | (1,161) | 11,512 | (1,161) | 11,512 |
| U.S. government agency mortgage backed securities | (100) | 6,668 | (13,758) | 61,233 | (13,858) | 67,901 |
| States and political subdivisions | - | - | (200) | 447 | (200) | 447 |
| U.S. treasury securities | - | - | (217) | 4,773 | (217) | 4,773 |
| Corporate bonds | - | - | (11) | 1,991 | (11) | 1,991 |
| | <u>\$ (100)</u> | <u>6,668</u> | <u>(15,347)</u> | <u>79,956</u> | <u>(15,447)</u> | <u>86,624</u> |

| | Available for Sale | | | | | |
|---|---------------------|---------------|-------------------|----------------|-------------------|----------------|
| | Less than 12 months | | 12 months or more | | Total | |
| | Unrealized losses | Fair value | Unrealized losses | Fair value | Unrealized losses | Fair value |
| U.S. government agency | \$ (782) | 22,456 | (11,499) | 108,194 | (12,281) | 130,650 |
| U.S. government agency mortgage backed securities | (344) | 9,452 | (6,232) | 47,598 | (6,576) | 57,050 |
| U.S. treasury securities | - | - | (3) | 945 | (3) | 945 |
| | <u>\$ (1,126)</u> | <u>31,908</u> | <u>(17,734)</u> | <u>156,737</u> | <u>(18,860)</u> | <u>188,645</u> |

Unrealized losses on investment securities result from the current market yield on securities being higher than the book yield on the securities. Based on past experience with these types of investments and the Company's financial performance, the Company does not intend to sell the securities and it is not more likely than not that the Company will be required to sell the securities before recovery of its amortized cost basis. The Company reviews these investment securities on an ongoing basis according to the policy described in Note 1. As of December 31, 2025 there was no credit adjustment for available for sale securities and the allowance for credit losses for held to maturity securities was \$3,000.

The number of investment securities in an unrealized loss position for securities held to maturity was 33 and 36 at December 31, 2025, and 2024, respectively. The number of investment securities in an unrealized loss position for securities available for sale at December 31, 2025, and 2024 was 48 and 61, respectively.

A summary of the amortized cost and fair value of investment securities as of December 31, 2025, by contractual maturity, follows:

(in thousands)

| | Held to Maturity | |
|---|------------------|---------------|
| | Amortized cost | Fair value |
| Due in one year or less | \$ 10,044 | 9,889 |
| Due after one year through five years | 7,599 | 7,104 |
| Due after five years through ten years | - | - |
| Due after ten years | 648 | 464 |
| U.S. government agency mortgage backed securities | 76,677 | 66,727 |
| | <u>\$ 94,968</u> | <u>84,184</u> |

| | Available for Sale | |
|---|--------------------|----------------|
| | Amortized cost | Fair value |
| Due in one year or less | \$ - | - |
| Due after one year through five years | 58,006 | 54,777 |
| Due after five years through ten years | 64,836 | 61,909 |
| Due after ten years | - | - |
| U.S. government agency mortgage backed securities | 55,753 | 52,115 |
| | <u>\$ 178,595</u> | <u>168,801</u> |

U.S. government agency securities with a book value of \$243.8 and \$273.2 million at December 31, 2025 and 2024, respectively, were pledged to collateralize securities sold under agreements to repurchase and other borrowings. The fair value of such securities was \$225.4 and \$242.2 million at December 31, 2025 and 2024, respectively. (See Note 9.)

The activity in the allowance for credit losses for held to maturity securities is summarized as follows:

(in thousands)

| | Balance, beginning of year | Provision for (reversal of) credit losses | Securities charged off | Recoveries on securities previously charged off | Balance, end of year |
|---|----------------------------|---|------------------------|---|----------------------|
| As of December 31, 2025: | | | | | |
| Allowance for credit losses: | | | | | |
| U.S. government agency | \$ - | - | - | - | - |
| U.S. government agency mortgage backed securities | - | - | - | - | - |
| States and political subdivisions | 1 | 2 | - | - | 3 |
| U.S. treasury securities | - | - | - | - | - |
| Corporate bonds | 6 | (6) | - | - | - |
| | <u>\$ 7</u> | <u>(4)</u> | <u>-</u> | <u>-</u> | <u>3</u> |
| As of December 31, 2024: | | | | | |
| Allowance for credit losses: | | | | | |
| U.S. government agency | \$ - | - | - | - | - |
| U.S. government agency mortgage backed securities | - | - | - | - | - |
| States and political subdivisions | 1 | - | - | - | 1 |
| U.S. treasury securities | - | - | - | - | - |
| Corporate bonds | 13 | (7) | - | - | 6 |
| | <u>\$ 14</u> | <u>(7)</u> | <u>-</u> | <u>-</u> | <u>7</u> |

The Company monitors the credit quality of held to maturity securities through the use of credit ratings. As of December 31, 2025, all held to maturity securities were rated AAA/AA/A or were guaranteed by the U.S. government.

(3) LOANS

The following table summarizes the composition of the loan portfolio, excluding loans held for sale, as of December 31:

(in thousands)

| | 2025 | 2024 |
|---------------------------------|---------------------|------------------|
| Construction & development | \$ 446,488 | 418,276 |
| 1-4 family real estate | 278,310 | 260,166 |
| Commercial real estate | 1,033,656 | 902,002 |
| Commercial & industrial | 234,055 | 195,081 |
| States & political subdivisions | 784,692 | 786,224 |
| Other | 94,020 | 86,793 |
| | <u>2,871,221</u> | <u>2,648,542</u> |
| Less unearned fees, net | 4,242 | 4,311 |
| | <u>\$ 2,866,979</u> | <u>2,644,231</u> |

The following is a summary of each of the Company's loan classes:

Construction & development: Loans for the construction of, and secured by, commercial real estate, residential real estate, and tracts of land for development.

1-4 family real estate: Loans secured by mortgages on one-to-four-family residences, including home equity lines of credit.

Commercial real estate: Loans secured by commercial real estate, including both owner occupied and non-owner occupied properties.



Commercial & industrial: Loans to businesses that are secured primarily by accounts receivable, inventory, or personal property, plant and equipment.

States & political subdivisions: Loans made to municipalities, generally within the State of Utah.

Other: Loan classes individually insignificant for disclosure, including multifamily, agriculture, and loans to individuals.

Loans are made by the Company in the normal course of business to directors, executive officers and principal shareholders of the Company. The terms of these loans, including interest rates and collateral, are similar to those prevailing for comparable transactions and do not involve more than a normal risk of collectability. A summary of the activity of such loans follows:

(in thousands)

| | | 2025 | 2024 |
|----------------------------|----|------------|------------|
| Balance, beginning of year | \$ | 200 | 304 |
| New loans and advances | | - | - |
| Payments | | (17) | (104) |
| Balance, end of year | \$ | <u>183</u> | <u>200</u> |

(4) ALLOWANCE FOR CREDIT LOSSES FOR LOANS AND UNFUNDED LENDING COMMITMENTS

The activity in the allowance for credit losses for loans is summarized as follows:

(in thousands)

| As of December 31, 2025: | Balance, beginning of year | Provision for (reversal of) credit losses | Loans charged off | Recoveries on loans previously charged off | Balance, end of year |
|--|----------------------------|---|-------------------|--|----------------------|
| Allowance for credit losses: | | | | | |
| Construction & development | \$ 6,829 | 870 | - | - | 7,699 |
| 1-4 family real estate | 4,378 | (1,810) | - | 1 | 2,569 |
| Commercial real estate | 12,947 | (1,474) | - | - | 11,473 |
| Commercial & industrial | 5,763 | 1,028 | - | - | 6,791 |
| States & political subdivisions | 1,744 | 5,483 | - | - | 7,227 |
| Other | 1,074 | (97) | (48) | 70 | 999 |
| Total allowance for credit losses on financing receivables | <u>\$ 32,735</u> | <u>4,000</u> | <u>(48)</u> | <u>71</u> | <u>36,758</u> |
| Unfunded lending commitments | 2,700 | (700) | - | - | 2,000 |
| Total allowance for credit losses | <u>\$ 35,435</u> | <u>3,300</u> | <u>(48)</u> | <u>71</u> | <u>38,758</u> |

| As of December 31, 2024: | Balance, beginning of year | Provision for (reversal of) credit losses | Loans charged off | Recoveries on loans previously charged off | Balance, end of year |
|--|----------------------------|---|-------------------|--|----------------------|
| Allowance for credit losses: | | | | | |
| Construction & development | \$ 6,230 | 599 | - | - | 6,829 |
| 1-4 family real estate | 3,900 | 477 | - | 1 | 4,378 |
| Commercial real estate | 16,104 | (3,144) | (13) | - | 12,947 |
| Commercial & industrial | 2,846 | 4,391 | (1,474) | - | 5,763 |
| States & political subdivisions | 1,023 | 721 | - | - | 1,744 |
| Other | 1,614 | (444) | (100) | 4 | 1,074 |
| Total allowance for credit losses on financing receivables | <u>\$ 31,717</u> | <u>2,600</u> | <u>(1,587)</u> | <u>5</u> | <u>32,735</u> |
| Unfunded lending commitments | 2,500 | 200 | - | - | 2,700 |
| Total allowance for credit losses | <u>\$ 34,217</u> | <u>2,800</u> | <u>(1,587)</u> | <u>5</u> | <u>35,435</u> |

Loans are placed in nonaccrual status when it is determined that collection of all contractually owed amounts, including principal and interest, is unlikely. For nonaccrual loans, the Company performs an individual evaluation to determine the need for a specific reserve. The specific reserve is equal to the difference between the book value of the loan and the present value of discounted cash flows, the observable market price of the loan, or the fair value of the loan's underlying collateral, less cost to sell. Payments received on nonaccrual loans are not recognized in interest income, but are applied as a reduction to the principal outstanding.

Loans on nonaccrual totaled \$8.2 million at December 31, 2025. The allowance for credit losses on nonaccrual loans totaled \$3.4 million at December 31, 2025. There were no nonaccrual loans as of December 31, 2024.

The following tables present an aging analysis of loans as of December 31, 2025 and 2024, respectively. There were no loans past due more than 89 days still accruing interest as of December 31, 2025. There was one loan past due more than 89 days still accruing interest as of December 31, 2024, respectively.

(in thousands)

| As of December 31, 2025: | Accruing loans 30-59 days past due | Accruing loans 60-89 days past due | Total nonaccrual loans | Total past due and nonaccrual loans | Current | Total loans |
|---------------------------------|------------------------------------|------------------------------------|------------------------|-------------------------------------|------------------|------------------|
| Construction & development | \$ - | - | 3,290 | 3,290 | 443,198 | 446,488 |
| 1-4 family real estate | - | 350 | 117 | 467 | 277,843 | 278,310 |
| Commercial real estate | 289 | - | 1,527 | 1,816 | 1,031,840 | 1,033,656 |
| Commercial & industrial | - | 9,503 | 3,273 | 12,776 | 221,279 | 234,055 |
| States & political subdivisions | - | - | - | - | 784,692 | 784,692 |
| Other | 3 | 4 | - | 7 | 94,013 | 94,020 |
| | <u>\$ 292</u> | <u>9,857</u> | <u>8,207</u> | <u>18,356</u> | <u>2,852,865</u> | <u>2,871,221</u> |

| As of December 31, 2024: | Accruing loans 30-59 days past due | Accruing loans 60-89 days past due | Total nonaccrual loans and loans 90 plus day past due | Total past due and nonaccrual loans | Current | Total loans |
|---------------------------------|------------------------------------|------------------------------------|---|-------------------------------------|------------------|------------------|
| Construction & development | \$ - | - | 60 | 60 | 418,216 | 418,276 |
| 1-4 family real estate | 455 | - | 247 | 702 | 259,464 | 260,166 |
| Commercial real estate | - | - | - | - | 902,002 | 902,002 |
| Commercial & industrial | - | - | - | - | 195,081 | 195,081 |
| States & political subdivisions | - | - | - | - | 786,224 | 786,224 |
| Other | 134 | 1 | - | 135 | 86,658 | 86,793 |
| | <u>\$ 589</u> | <u>1</u> | <u>307</u> | <u>897</u> | <u>2,647,645</u> | <u>2,648,542</u> |

In addition to the past due and nonaccrual criteria, the Company also evaluates loans according to its internal risk grading system. Loans are segregated between pass, special mention, substandard accruing, and substandard non-accruing categories. The definitions of those categories are as follows:

Pass: Loans that do not fit any of the other categories listed below and for which likelihood of loss is considered to be remote.

Special mention: Loans with potential for deteriorating into a substandard classification without close supervision and monitoring. Loans remain in this category on a temporary basis and should be reclassified, depending on improvement or continued deterioration.

Substandard accruing: Loans not adequately protected by sound current net worth or adequate repayment capacity of the borrower and/or of the collateral pledged. Substandard loans have well defined weaknesses that jeopardize the



liquidation of the classified debt. A potential for loss exists if the deficiencies or weaknesses are not recognized and corrected.

Substandard non-accruing: Loans where an element of loss is present and collection is considered questionable.

Loss: Loans that are considered uncollectible and of such little value that their continuance as an active bank-owned asset is not warranted. These loans are immediately charged off.

Outstanding loan balances categorized by internal risk grades as of December 31, 2025 are summarized as follows:

(in thousands)

| | Pass | Special mention | Substandard accruing | Substandard non-accruing | Total |
|--------------------------------|---------------------|--------------------|-------------------------|-----------------------------|------------------|
| Construction & development | \$ 428,435 | 7,975 | 6,788 | 3,290 | 446,488 |
| 1-4 family real estate | 277,427 | 50 | 716 | 117 | 278,310 |
| Commercial real estate | 1,000,493 | 15,575 | 16,061 | 1,527 | 1,033,656 |
| Commercial & industrial | 203,629 | 14,390 | 12,763 | 3,273 | 234,055 |
| State & political subdivisions | 784,692 | - | - | - | 784,692 |
| Other | 93,905 | - | 115 | - | 94,020 |
| | <u>\$ 2,788,581</u> | <u>37,990</u> | <u>36,443</u> | <u>8,207</u> | <u>2,871,221</u> |

Outstanding loan balances categorized by internal risk grades as of December 31, 2024 are summarized as follows:

(in thousands)

| | Pass | Special mention | Substandard accruing | Substandard non-accruing | Total |
|--------------------------------|---------------------|--------------------|-------------------------|-----------------------------|------------------|
| Construction & development | \$ 415,034 | - | 3,242 | - | 418,276 |
| 1-4 family real estate | 259,677 | - | 489 | - | 260,166 |
| Commercial real estate | 899,075 | 1,099 | 1,828 | - | 902,002 |
| Commercial & industrial | 186,762 | 2,126 | 6,193 | - | 195,081 |
| State & political subdivisions | 786,218 | - | 3 | 3 | 786,224 |
| Other | 86,738 | - | 55 | - | 86,793 |
| | <u>\$ 2,633,504</u> | <u>3,225</u> | <u>11,810</u> | <u>3</u> | <u>2,648,542</u> |

The amount of collateral-dependent loans as of December 31, 2025 was \$4.8 million. There were no collateral-dependent loans as of December 31, 2024. The following table presents the amortized cost basis of collateral-dependent loans by internal risk grades as of December 31, 2025.

(in thousands)

| | Allowance for Credit Losses | Collateral Type | | |
|--------------------------------|--------------------------------|-----------------|----------------------|--------------|
| | | Real Estate | Personal Property | Total |
| Construction & development | \$ - | 3,290 | - | 3,290 |
| 1-4 family real estate | - | - | - | - |
| Commercial real estate | - | 1,527 | - | 1,527 |
| Commercial & industrial | - | - | - | - |
| State & political subdivisions | - | - | - | - |
| Other | - | - | - | - |
| | <u>\$ -</u> | <u>4,817</u> | <u>-</u> | <u>4,817</u> |

There were no loans modified for borrowers experiencing financial difficulties during 2025. During 2024, the Company modified loans for borrowers experiencing financial difficulties by providing principal forgiveness. The amount of forgiveness totaled \$1.5 million in 2024, which was charged-off against the allowance for credit losses. At December 31, 2024 the remaining amortized cost of such loans was \$3.4 million.

(5) GOODWILL AND INTANGIBLES

The following table summarizes the changes in the Company's goodwill and intangible assets as of December 31:

(in thousands)

| | 2025 | | | 2024 | | |
|----------------------------|-----------------|----------------------------|--------------------------|--------------|----------------------------|--------------------------|
| | Goodwill | Core deposit intangible | Strategic Sponsorship | Goodwill | Core deposit intangible | Strategic Sponsorship |
| Balance, beginning of year | \$ 8,903 | - | - | 8,903 | 46 | - |
| Additions | - | - | 15,763 | - | - | - |
| Amortization | - | - | (3,378) | - | (46) | - |
| Balance, end of year | <u>\$ 8,903</u> | <u>-</u> | <u>12,385</u> | <u>8,903</u> | <u>-</u> | <u>-</u> |

(6) OTHER REAL ESTATE OWNED

During the years ended December 31, 2025 and 2024, there were no loans transferred to OREO.

(7) LEASES, PREMISES AND EQUIPMENT

The following table summarizes premises and equipment as of December 31:

(in thousands)

| | 2025 | 2024 |
|---|------------------|---------------|
| Land | \$ 9,178 | 9,178 |
| Buildings and leasehold improvements | 37,797 | 34,362 |
| Furniture and equipment | 19,824 | 17,091 |
| Total premises and Equipment | 66,799 | 60,631 |
| Accumulated depreciation and amortization | (28,236) | (24,160) |
| Net book value | <u>38,563</u> | <u>36,471</u> |
| Total right-of-use-assets | 10,831 | 11,858 |
| Total fixed assets and leases | <u>\$ 49,394</u> | <u>48,329</u> |

The Company had operating leases at December 31, 2025 and December 31, 2024 and has recorded a right-of-use asset and lease liability at December 31:

| | 2025 | 2024 |
|-------------------------|-----------|--------|
| Total lease liabilities | \$ 11,138 | 12,189 |

As of December 31, 2025 the weighted average discount rate and the weighted average term for right of use asset was 4.40% and 121 months, respectively.

The Company is obligated under certain operating lease agreements for the rental of buildings that vary in terms from one to ten years. As of December 31, 2025, the minimum annual lease commitments under noncancellable operating leases are as follows:

(in thousands)

| | |
|------------------------------|------------------|
| Year ended December 31: | |
| 2026 | \$ 1,377 |
| 2027 | 1,340 |
| 2028 | 1,326 |
| 2029 | 1,348 |
| 2030 | 1,372 |
| Thereafter | 8,174 |
| Total cash flows | <u>\$ 14,937</u> |
| Less: present value discount | (3,799) |
| Total Lease Liabilities | <u>11,138</u> |

The Company recorded lease expense under these agreements of approximately \$0.9 million and \$1.0 million in the year ended December 31, 2025 and 2024, respectively. Of these amounts, \$14,000 was paid to related parties in both 2025 and 2024.

(8) INTEREST-BEARING DEPOSITS

The following table summarizes interest-bearing deposits as of December 31:

| <i>(in thousands)</i> | 2025 | 2024 |
|---------------------------|---------------------|------------------|
| Interest-bearing checking | \$ 317,238 | 327,226 |
| Insured money market | 691,602 | 485,040 |
| Savings accounts | 289,257 | 306,727 |
| Certificates of deposit | 834,876 | 819,752 |
| | <u>\$ 2,132,973</u> | <u>1,938,745</u> |

The aggregate amount of time deposits with balances of \$250,000 or more was \$243.5 million and \$234.3 million as of December 31, 2025 and 2024, respectively.

As of December 31, 2025 and 2024 overdraft deposits totaling \$68,000 and \$6,000, respectively, were reclassified as loans.

A summary of the maturity of certificates of deposit as of December 31, 2025 follows:

| <i>(in thousands)</i> | | |
|-------------------------|----|----------------|
| Year ended December 31: | | |
| 2026 | \$ | 706,322 |
| 2027 | | 110,123 |
| 2028 | | 11,237 |
| 2029 | | 6,817 |
| 2030 | | 377 |
| Total | \$ | <u>834,876</u> |

The Company accepts deposits from its executive officers, directors, and affiliated companies on substantially the same terms for comparable transactions with unrelated parties. The aggregate dollar amounts of these deposits were \$21.9 million and \$10.8 million at December 31, 2025 and 2024, respectively.

(9) SECURITIES SOLD UNDER AGREEMENTS TO REPURCHASE

Securities sold under agreements to repurchase consists of sweep repurchase agreements that mature in less than 30 days with a weighted average interest rate of 2.47 percent and 4.09 percent at December 31, 2025 and 2024, respectively. The daily average borrowings and maximum borrowings outstanding at any month-end during 2025 did not significantly fluctuate from year-end balances.

The U.S. government securities transferred under agreements to repurchase are book entry securities delivered on behalf of depositors into the Company's pledged safekeeping account maintained at a correspondent bank. The carrying value of securities that have been sold under agreements to repurchase were \$243.8 million and \$273.2 million at December 31, 2025 and 2024, respectively. The fair value of the underlying pledged securities was \$225.4 million and \$242.2 million at December 31, 2025 and 2024, respectively.

(10) FEDERAL HOME LOAN BANK ADVANCES AND OTHER BORROWINGS

The following table summarizes Federal Home Loan Bank advances as of December 31:

| <i>(in thousands)</i> | 2025 | 2024 |
|--|------------------|----------------|
| Overnight advance | \$ - | - |
| Maturities as of December 31, 2025 from March 2026 through November 2028, fixed rate at rates from 4.13% to 5.05%, weighted average rate of 4.63% | 95,000 | 147,500 |
| Total | <u>\$ 95,000</u> | <u>147,500</u> |

Each advance is payable at its maturity date, with a prepayment penalty for fixed rate advances. The advances were collateralized by \$529.5 million and \$538.1 million of real estate loans under a blanket lien arrangement at year-end 2025 and 2024. Based on this collateral and the Company's holdings of FHLB stock, the Company is eligible to borrow up to a total of \$271.0 million at year-end 2025.

The Company did not have overnight outstanding advances from unsecured correspondent bank lines of credit at December 31, 2025. The Company had overnight outstanding advances from unsecured correspondent bank lines of credit of \$50 million with Pacific Coast Bankers Banks as of December 31, 2024.

Payments over the next five years are as follows:

| <i>(in thousands)</i> | | |
|-------------------------|----|---------------|
| Year ended December 31: | | |
| 2026 | \$ | 52,500 |
| 2027 | | 7,500 |
| 2028 | | 35,000 |
| 2029 | | - |
| 2030 and thereafter | | - |
| Total | \$ | <u>95,000</u> |

(11) INCOME TAXES

The following table summarizes the provision for income tax expense for the years ended December 31:

| <i>(in thousands)</i> | 2025 | 2024 |
|----------------------------|-----------------|--------------|
| Current: | | |
| Federal | \$ 6,907 | 7,149 |
| State | 1,825 | 2,815 |
| Deferred: | | |
| Federal | 24 | (370) |
| State | 5 | (86) |
| Provision for income taxes | <u>\$ 8,761</u> | <u>9,508</u> |

The following table presents a reconciliation of expected tax expense to actual income tax expense, based on the federal rate of 21 percent for the years ended December 31:

(in thousands)

| | 2025 | 2024 |
|--|-----------------|--------------|
| Expected federal tax expense | \$ 11,528 | 10,449 |
| Increases (decreases) in taxes resulting from: | | |
| Tax-exempt interest income | (5,808) | (5,079) |
| State taxes, net of federal benefit | 1,417 | 2,232 |
| Captive insurance | | - |
| Bank owned life insurance | (422) | (292) |
| Non-deductible interest expense | 2,891 | 2,689 |
| Other | (845) | (491) |
| Provision for income taxes | <u>\$ 8,761</u> | <u>9,508</u> |

Temporary differences between the amounts reported in the financial statements and the tax bases of liabilities and assets result in deferred taxes. The following table summarizes deferred tax assets and deferred tax liabilities at December 31:

(in thousands)

| | 2025 | 2024 |
|---|-----------------|---------------|
| Deferred tax assets | | |
| Allowance for credit losses | \$ 9,562 | 8,744 |
| Deferred compensation | 1,594 | 1,642 |
| Net unrealized loss on investment securities available for sale | 2,416 | 4,653 |
| Lease liability | 2,748 | 3,007 |
| Other | 881 | 805 |
| | <u>17,201</u> | <u>18,851</u> |
| Deferred tax liabilities | | |
| Premises and equipment | 3,435 | 2,686 |
| Deferred loan costs | 2,042 | 1,857 |
| Deferred income on FHLB stock | 137 | 137 |
| Intangible assets | - | 3 |
| Right of use asset | 2,672 | 2,926 |
| Other | 57 | 118 |
| | <u>8,343</u> | <u>7,727</u> |
| Net deferred tax asset | <u>\$ 8,858</u> | <u>11,124</u> |

Management believes that it is more likely than not that the results of future operations will generate sufficient taxable income to realize the deferred tax asset. The net deferred tax asset is included on the consolidated statements of financial condition as a component of other assets.

(12) FAIR VALUE

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. To measure fair value, a hierarchy has been established which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. This hierarchy uses three levels of inputs to measure the fair value of assets and liabilities as follows:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following is a description of the valuation methodologies used for instruments measured at fair value, as well as the general classification of such instruments pursuant to valuation methodology:

Investment securities, available for sale: The Company evaluates the fair value of investment securities, available for sale on a monthly basis. Where quoted prices are available in an active market, securities are classified within level 1 of the hierarchy. Level 1 includes securities that have quoted prices in an active market for identical assets. If quoted market prices are not available, then fair values are estimated using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. The Company has categorized its investment in US Treasuries as Level 1 and all other investments is securities, available for sale as Level 2.

Equity securities: The Company evaluates the fair value of equity securities on a monthly basis. Where quoted prices are available in an active market, equity securities are classified within level 1 of the hierarchy. Level 1 includes equity securities that have quoted prices in an active market for identical assets. If quoted market prices are not available, then fair values are estimated using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. The Company has categorized its equity securities as Level 2.

There were no transfers between Level 2 and Level 3 during 2025 or 2024.

The following table summarizes financial assets measured at fair value on a recurring basis as of December 31:

(in thousands)

| Description of Financial Instrument | Fair Value | 2025 | | |
|---|------------|---------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Recurring: | | | | |
| Investment securities, available for sale | | | | |
| U.S. government agency | \$ 116,686 | - | 116,686 | - |
| U.S. government agency mortgage backed securities | 52,115 | - | 52,115 | - |
| U.S. treasury | - | - | - | - |
| Equity securities | 7,787 | - | 7,787 | - |
| | | 2024 | | |
| Description of Financial Instrument | Fair Value | Level 1 | Level 2 | Level 3 |
| Recurring: | | | | |
| Investment securities, available for sale | | | | |
| U.S. government agency | \$ 130,650 | - | 130,650 | - |
| U.S. government agency mortgage backed securities | 57,051 | - | 57,051 | - |
| U.S. treasury | 945 | 945 | - | - |
| Equity securities | 6,965 | - | 6,965 | - |

(13) COMMITMENTS AND CONTINGENT LIABILITIES

The Company is party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and letters of credit, and involve, to varying degrees, elements of credit risk. The Company's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit is represented by the contractual amount of those instruments. The Company uses the same credit policies in making commitments and conditional obligations as it does for on-balance-sheet instruments. The reserve for unfunded lending commitments was \$2.0 million and \$2.7 million at December 31, 2025 and 2024, respectively.



In the normal course of business, the Company enters into commitments and contingent liabilities to extend credit under various lending agreements. Off balance-sheet loan commitments and letters of credit, upon which the reserve for unfunded lending commitments is calculated, was \$578.0 million and \$639.4 million as of December 31, 2025 and 2024, respectively. Commitments on letters of credit totaled \$5.1 million and \$3.8 million as of December 31, 2025 and 2024, respectively, and \$572.9 million and \$635.6 million respectively, on all other loan commitments.

The Company has lines of credit established with the FHLB of Des Moines for \$367.7 million (10.3 percent of total bank assets), Federal Reserve Bank through the Discount Window for \$611.7 million, Zions First National Bank for \$15 million, JP Morgan Chase for \$10 million, and Pacific Coast Bankers' Bank for \$50 million. The FHLB credit line is limited to the amount of pledged collateral, which was \$529.5 million as of December 31, 2025. The lines of credit are reviewed on an annual basis and market interest rates are set at the time funds are borrowed. At December 31, 2025, the Company's credit enhancement obligation as part of our participation in the FHLB Mortgage Partnership Finance program was approximately \$1.8 million, which reduces the available line of credit with the FHLB by that amount. The Federal Reserve credit lines are limited to the assessed value of pledged collateral which was \$896.4 million at December 31, 2025. The Company did not have any outstanding borrowings from unaffiliated banks at December 31, 2025 or 2024.

In the normal course of its business, the Company becomes involved in litigation. In the opinion of management, based upon discussion with legal counsel, liabilities, if any, arising from these proceedings are not estimable as of the date the financials are available to be issued.

(14) REGULATORY CAPITAL REQUIREMENTS

The Company is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain actions by regulators that, if undertaken, could have a direct material effect on the Company's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company must meet specific capital guidelines that involve quantitative measures of the Company's assets, liabilities, and certain off-balance sheet items as calculated under regulatory accounting practices. The Company's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

As of December 31, 2025, the most recent notification from the Federal Deposit Insurance Corporation categorized the Bank as well capitalized under the regulatory framework for prompt corrective action. To be categorized as well capitalized, the Bank must maintain certain Total, Tier 1, and CET1 capital to risk-weighted assets and Tier 1 capital to quarterly average asset ratios. There are no conditions or events since that notification that management believes have changed the Bank's category.

Dividends declared by the Company in any calendar year may not, without the approval of the federal regulatory agencies, exceed net income for that year combined with net income less dividends paid for the preceding two years. At December 31, 2025, the Company had approximately \$99.2 million available for payment of dividends under the aforementioned restrictions.

Capital amounts and ratios as of December 31, 2025 are summarized as follows:

(in thousands)

| | Actual | | Minimum capital requirement including CET1 capital conservation buffer | | Minimum to be well capitalized under prompt corrective action provisions | |
|--|------------|--------|--|--------|--|--------|
| | Amount | Ratio | Amount | Ratio | Amount | Ratio |
| Total Capital (to risk weighted assets) | | | | | | |
| Consolidated | \$ 484,600 | 17.83% | | 10.50% | N/A | N/A |
| Bank of Utah | 479,978 | 17.66% | | 10.50% | | 10.00% |
| Tier 1 Capital (to risk weighted assets) | | | | | | |
| Consolidated | 450,569 | 16.58% | | 8.50% | N/A | N/A |
| Bank of Utah | 445,947 | 16.41% | | 8.50% | | 8.00% |
| Common Equity Tier 1 Capital (to risk weighted assets) | | | | | | |
| Consolidated | 450,569 | 16.58% | | 7.00% | N/A | N/A |
| Bank of Utah | 445,947 | 16.41% | | 7.00% | | 6.50% |
| Tier 1 Capital (to quarterly average assets) | | | | | | |
| Consolidated | 450,569 | 12.38% | | 6.50% | N/A | N/A |
| Bank of Utah | 445,947 | 12.25% | | 6.50% | | 5.00% |

Capital amounts and ratios as of December 31, 2024 are summarized as follows:

(in thousands)

| | Actual | | Minimum capital requirement including CET1 capital conservation buffer | | Minimum to be well capitalized under prompt corrective action provisions | |
|--|------------|--------|--|--------|--|--------|
| | Amount | Ratio | Amount | Ratio | Amount | Ratio |
| Total Capital (to risk weighted assets) | | | | | | |
| Consolidated | \$ 445,374 | 17.63% | 265,271 | 10.50% | N/A | N/A |
| Bank of Utah | 441,201 | 17.45% | 265,549 | 10.50% | 252,903 | 10.00% |
| Tier 1 Capital (to risk weighted assets) | | | | | | |
| Consolidated | 413,714 | 16.38% | 214,743 | 8.50% | N/A | N/A |
| Bank of Utah | 409,541 | 16.19% | 214,968 | 8.50% | 202,323 | 8.00% |
| Common Equity Tier 1 Capital (to risk weighted assets) | | | | | | |
| Consolidated | 413,714 | 16.38% | 176,847 | 7.00% | N/A | N/A |
| Bank of Utah | 409,541 | 16.19% | 177,032 | 7.00% | 164,387 | 6.50% |
| Tier 1 Capital (to quarterly average assets) | | | | | | |
| Consolidated | 413,714 | 12.28% | 219,046 | 6.50% | N/A | N/A |
| Bank of Utah | 409,541 | 12.15% | 219,046 | 6.50% | 168,497 | 5.00% |



Schedule 1

BOU BANCORP, INC.
CONSOLIDATING SCHEDULE – STATEMENT OF FINANCIAL CONDITION
December 31, 2025

(in thousands)

| | BOU Bancorp, Inc. | Bank of Utah | Eliminations | Consolidated |
|---|----------------------|--------------|--------------|--------------|
| ASSETS | | | | |
| Cash and due from banks | \$ - | 15,406 | - | 15,406 |
| Interest-bearing deposits in banks | 5,152 | 234,103 | (5,152) | 234,103 |
| Federal funds sold | - | 565 | - | 565 |
| Investment securities: | | | | |
| Equity securities, at fair value | - | 7,787 | - | 7,787 |
| Available for sale, at fair value | - | 168,801 | - | 168,801 |
| Held to maturity, at amortized cost | - | 94,968 | - | 94,968 |
| Less allowance for credit losses | - | 3 | - | 3 |
| Total investment securities | - | 271,553 | - | 271,553 |
| Loans held for sale | - | 16,770 | - | 16,770 |
| Loans | - | 2,866,979 | - | 2,866,979 |
| Less allowance for credit losses | - | (36,758) | - | (36,758) |
| Net loans | - | 2,830,221 | - | 2,830,221 |
| Investment in Bank of Utah | 447,472 | - | (447,472) | - |
| Accrued interest receivable | - | 14,770 | - | 14,770 |
| Bank owned life insurance | - | 55,944 | - | 55,944 |
| Investment in affordable housing tax credits, net | - | 37,456 | - | 37,456 |
| Goodwill | - | 8,903 | - | 8,903 |
| Premises and equipment, net | - | 49,394 | - | 49,394 |
| Other assets | 432 | 40,117 | (179) | 40,370 |
| Total assets | \$ 453,056 | 3,575,202 | (452,803) | 3,575,455 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | |
| Deposits: | | | | |
| Noninterest-bearing | \$ - | 724,332 | - | 724,332 |
| Interest-bearing | - | 2,138,125 | (5,152) | 2,132,973 |
| Total deposits | - | 2,862,457 | (5,152) | 2,857,305 |
| Securities sold under agreements to repurchase | - | 116,987 | - | 116,987 |
| FHLB advances and other borrowings | - | 95,000 | - | 95,000 |
| Other liabilities | 962 | 53,286 | (179) | 54,069 |
| Total liabilities | 962 | 3,127,730 | (5,331) | 3,123,361 |
| Common stock | 23,189 | 3,656 | (3,656) | 23,189 |
| Paid-in capital | 122,025 | 117,706 | (117,706) | 122,025 |
| Accumulated other comprehensive loss, net of tax | (7,378) | (7,378) | 7,378 | (7,378) |
| Retained earnings | 314,258 | 333,488 | (333,488) | 314,258 |
| Total stockholders' equity | 452,094 | 447,472 | (447,472) | 452,094 |
| | \$ 453,056 | 3,575,202 | (452,803) | 3,575,455 |

Schedule 1

BOU BANCORP, INC.
CONSOLIDATING SCHEDULE – STATEMENT OF FINANCIAL CONDITION
December 31, 2024

(in thousands)

| | BOU Bancorp, Inc. | Bank of Utah | Eliminations | Consolidated |
|---|-------------------------|--------------|--------------|--------------|
| ASSETS | | | | |
| Cash and due from banks | \$ - | 24,878 | - | 24,878 |
| Interest-bearing deposits in banks | 5,007 | 139,338 | (4,855) | 139,490 |
| Federal funds sold | - | 50,773 | - | 50,773 |
| Investment securities: | | | | |
| Equity securities, at fair value | - | 6,965 | - | 6,965 |
| Available for sale, at fair value | - | 188,646 | - | 188,646 |
| Held to maturity, at amortized cost | - | 106,064 | - | 106,064 |
| Total investment securities | - | 301,675 | - | 301,675 |
| Loans held for sale | - | 7,804 | - | 7,804 |
| Loans | - | 2,644,231 | - | 2,644,231 |
| Less allowance for credit losses | - | (32,735) | - | (32,735) |
| Net loans | - | 2,611,496 | - | 2,611,496 |
| Investment in Bank of Utah | 404,236 | - | (404,236) | - |
| Accrued interest receivable | - | 14,743 | - | 14,743 |
| Bank owned life insurance | - | 44,548 | - | 44,548 |
| Investment in affordable housing tax, net credits | - | 31,591 | - | 31,591 |
| Goodwill | - | 8,903 | - | 8,903 |
| Premises and equipment, net | - | 48,329 | - | 48,329 |
| Other assets | 46 | 31,322 | (46) | 31,322 |
| Total assets | \$ 409,289 | 3,315,400 | (409,137) | 3,315,552 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | |
| Deposits: | | | | |
| Noninterest-bearing | \$ - | 631,107 | - | 631,107 |
| Interest-bearing | - | 1,943,600 | (4,855) | 1,938,745 |
| Total deposits | - | 2,574,707 | (4,855) | 2,569,852 |
| Securities sold under agreements to repurchase | - | 95,527 | - | 95,527 |
| FHLB advances | - | 197,500 | - | 197,500 |
| Other liabilities | 879 | 43,430 | (46) | 44,263 |
| Total liabilities | 879 | 2,911,164 | (4,901) | 2,907,142 |
| Common stock | 23,189 | 3,656 | (3,656) | 23,189 |
| Paid-in capital | 122,025 | 117,706 | (117,706) | 122,025 |
| Accumulated other comprehensive loss, net of tax | (14,207) | (14,207) | 14,207 | (14,207) |
| Retained earnings | 277,403 | 297,081 | (297,081) | 277,403 |
| Total stockholders' equity | 408,410 | 404,236 | (404,236) | 408,410 |
| | \$ 409,289 | 3,315,400 | (409,137) | 3,315,552 |

Schedule 2

BOU BANCORP, INC.
CONSOLIDATING SCHEDULE – STATEMENT OF INCOME
Year ended December 31, 2025

(in thousands)

| | BOU Bancorp, Inc. | Bank of Utah | Eliminations | Consolidated |
|--|-------------------|--------------|--------------|--------------|
| INTEREST INCOME: | | | | |
| Interest and fees on loans | \$ - | 173,737 | - | 173,737 |
| Interest on investment securities | - | 8,476 | - | 8,476 |
| Interest on loans held for sale | - | 681 | - | 681 |
| Interest on cash and cash equivalents | 41 | 10,247 | (38) | 10,250 |
| Total interest income | 41 | 193,141 | (38) | 193,144 |
| INTEREST EXPENSE: | | | | |
| Interest on deposits | - | 69,666 | (38) | 69,628 |
| Interest on securities sold under agreement to repurchase and other borrowings | - | 9,600 | - | 9,600 |
| Total interest expense | - | 79,266 | (38) | 79,228 |
| Net interest income | 41 | 113,875 | - | 113,916 |
| Provision for credit losses | - | 3,996 | - | 3,996 |
| Net interest income after provision for credit losses | 41 | 109,879 | - | 109,920 |
| NONINTEREST INCOME: | | | | |
| Dividend from Bank of Utah | 11,149 | - | (11,149) | - |
| Equity in undistributed income of Bank of Utah | 31,251 | - | (31,251) | - |
| Service charges on deposits | - | 679 | - | 679 |
| Gain on sale of loans | - | 5,481 | - | 5,481 |
| Trust fees | - | 15,950 | - | 15,950 |
| Cash surrender value increase of bank owned life insurance | - | 2,009 | - | 2,009 |
| Other | - | 4,132 | - | 4,132 |
| | 42,400 | 28,251 | (42,400) | 28,251 |
| NONINTEREST EXPENSES: | | | | |
| Salaries and employee benefits | 1,726 | 50,288 | - | 52,014 |
| Net occupancy expense | 11 | 4,070 | - | 4,081 |
| Equipment expense | - | 10,143 | - | 10,143 |
| Professional fees and services | 43 | 4,557 | - | 4,600 |
| Advertising and business development expense | - | 6,369 | - | 6,369 |
| Office expense | - | 1,581 | - | 1,581 |
| Other | 331 | 4,160 | - | 4,491 |
| | 2,111 | 81,168 | - | 83,279 |
| Income before provision for income taxes | 40,330 | 56,962 | (42,400) | 54,892 |
| (Benefit from)/provision for income taxes | (643) | 9,404 | - | 8,761 |
| Net income | \$ 40,973 | 47,558 | (42,400) | 46,131 |

Schedule 2

BOU BANCORP, INC.
CONSOLIDATING SCHEDULE – STATEMENT OF INCOME
Year ended December 31, 2024

(in thousands)

| | BOU Bancorp, Inc. | Bank of Utah | Eliminations | Consolidated |
|--|-------------------|--------------|--------------|--------------|
| INTEREST INCOME: | | | | |
| Interest and fees on loans | \$ - | 150,935 | - | 150,935 |
| Interest on investment securities: | - | 9,009 | - | 9,009 |
| Interest on loans held for sale | - | 507 | - | 507 |
| Interest on cash and cash equivalents | 43 | 10,155 | (35) | 10,163 |
| Total interest income | 43 | 170,606 | (35) | 170,614 |
| INTEREST EXPENSE: | | | | |
| Interest on deposits | - | 61,136 | (35) | 61,101 |
| Interest on securities sold under agreement to repurchase and other borrowings | - | 11,173 | - | 11,173 |
| Total interest expense | - | 72,309 | (35) | 72,274 |
| Net interest income | 43 | 98,297 | - | 98,340 |
| Provision for credit losses | - | 2,593 | - | 2,593 |
| Net interest income after provision for credit losses | 43 | 95,704 | - | 95,747 |
| NONINTEREST INCOME: | | | | |
| Dividend from Bank of Utah | 11,149 | - | (11,149) | - |
| Equity in undistributed income of Bank of Utah | 30,483 | - | (30,483) | - |
| Service charges on deposits | - | 674 | - | 674 |
| Gain on sale of loans | - | 4,914 | - | 4,914 |
| Trust fees | - | 16,211 | - | 16,211 |
| Cash surrender value increase of bank owned life insurance | - | 1,392 | - | 1,392 |
| Other | - | 2,949 | - | 2,949 |
| | 41,632 | 26,140 | (41,632) | 26,140 |
| NONINTEREST EXPENSES: | | | | |
| Salaries and employee benefits | 1,632 | 44,859 | - | 46,491 |
| Net occupancy expense | - | 3,759 | - | 3,759 |
| Equipment expense | - | 7,780 | - | 7,780 |
| Professional fees and services | 76 | 4,737 | - | 4,813 |
| Advertising and business development expense | - | 2,482 | - | 2,482 |
| Office expense | - | 1,792 | - | 1,792 |
| Other | 349 | 4,665 | - | 5,014 |
| | 2,057 | 70,074 | - | 72,131 |
| Income before provision for income taxes | 39,618 | 51,770 | (41,632) | 49,756 |
| (Benefit from)/provision for income taxes | (630) | 10,138 | - | 9,508 |
| Net income | \$ 40,248 | 41,632 | (41,632) | 40,248 |

Board of Directors



Frank W. Browning
Chairman of the Board



Benjamin F. Browning
Vice Chairman, CEO



Branden P Hansen
President



Jonathan W. Browning
Secretary to the Board



Douglas L. DeFries
Banker, Retired



Tai S. Bright
Investment Advisory



George E. Hall
Entrepreneur



Marlin K. Jensen
Attorney, Retired



Kevin L. Johansen
Certified Public Accountant, Retired



Eugene B. Jones
Certified Public Accountant, Retired



Scott D. Nelson
Developer, Retired



Steven M. Petersen
Manufacturing, Retired



Christopher R. Sorenson
Investment Advisory

Bank of Utah Leadership



Benjamin F. Browning
Vice Chairman, CEO



Branden P Hansen
President



Colby J. Dustin
Executive Vice President,
Chief Financial Officer



M. Brady Fosmark
Executive Vice President,
Chief Lending Officer



Cari G. Fullerton
Executive Vice President,
Chief Credit Officer



Justin Nalder
Executive Vice President,
Chief Strategy &
Innovation Officer



Lacey B. Sansavera
Executive Vice President,
Chief Banking Officer



Jon W. Croasmun
Senior Vice President,
Corporate Trust



Eric D. DeFries
Senior Vice President,
Chief Consumer
Lending Officer



Cherie Hanson
Senior Vice President,
Marketing &
Communications



Sean K. Morrison
Senior Vice President,
Human Resources



Dillon L. Schmutz
Senior Vice President,
Trust Manager



Menah C. Strong
Senior Vice President,
Chief Accounting Officer



Angela Towns
Senior Vice President,
Chief of Staff

(not pictured)
Colleen Schulthies
Senior Vice President,
General Counsel

A Legacy of Service

Honoring Frank and Jon Browning

“Their leadership, compassion and dedication have made a lasting impact on our team members, our customers and the communities we serve.”

Bank of Utah was founded on a simple, enduring idea: a bank should be as strong as the community it serves. Over decades of leadership, Frank and Jon Browning carried that idea forward, helping shape the Bank into what it is today. As they step away from their day-to-day roles, we reflect on the impact of their work and the steady influence they leave behind.

STRATEGIC VISION AND COMMUNITY STEWARDSHIP

Frank Browning’s career touched nearly every part of the organization, giving him a deep understanding of how each piece supports the whole. As Chairman, his steady perspective and thoughtful approach helped guide Bank of Utah through decades of growth and economic change, always with a focus on long-term strength and stability. For Frank, leadership extended well beyond the Bank itself. He believed a bank succeeds when its community does. Whether

mentoring youth in Scouting or supporting the arts through the Ogden School Foundation, he treated community involvement as a natural extension of his role. His work reflected a consistent belief: As the Bank grows, the community should grow alongside it.

A CULTURE OF SERVICE AND INTERNAL LEADERSHIP

Jon Browning’s first “office” was the driver’s seat of a delivery vehicle, transporting cash and coin to branches as a high school senior. From those early days to 25 years leading the Bank’s internal appraisal department and serving as Secretary to the Board, Jon approached every role with the same mindset: No task is too small when it supports the team.

That perspective helped shape a culture where every team member’s contribution matters, and where leadership is demonstrated through action.

LEADING THE WAY FORWARD

While Frank and Jon continue to offer guidance as members of the Board of Directors, the Bank moves forward with strong leadership in place. President Branden Hansen leads our team members with a focus on progress and operational excellence, working alongside Vice Chairman and CEO Ben Browning to carry that work ahead.

“The success and strength of Bank of Utah today is a direct result of the foundation Frank and Jon helped build,” Hansen said. “Their leadership, compassion and dedication have made a lasting impact on our team members, our customers and the communities we serve.”

“Frank and Jon’s dedication has been a stabilizing force,” Ben Browning added. “They exemplify our commitment to acting with integrity and building trust. Their resolve to do the right thing has left a lasting impression on everyone who knows them.”

Bank of Utah remains grounded in those values. As we look ahead, we carry forward the consistency, care and commitment Frank and Jon demonstrated throughout their careers.



Frank Browning, Ben Browning and Jon Browning

COMMERCIAL LENDING:

Jared M. Anderson Senior Vice President, Team Leader II, Ogden Muni
Michael W. Asay Senior Vice President, Participation & Business Development
Daniel S. Boren Senior Vice President, Collections/Special Assets
Kelly D. Crane-Hale Senior Vice President, Team Leader, Business Development
M. Andrew Cunningham Senior Vice President, Lending Technology Innovation Officer
Reed W. Dixon Senior Vice President, Credit Administrator II
Larry R. Hintze Senior Vice President, Team Lead
Bryce D. Huff Senior Vice President, Team Leader City Creek
Dereck S. Jacobs Senior Vice President, Credit Administrator II
Brett Jensen Senior Vice President, SBA Team Leader & Administrator
Krista L. Lewis Senior Vice President, Team Leader II, Logan
Matthew F. Nelson Senior Vice President, Team Lead, Brigham City
Rachel L. Phillips Senior Vice President, Loan Systems and Operations Manager
Spencer R. Richins Senior Vice President, Team Leader II, Bountiful
Jared A. Sellers Senior Vice President, Team Leader, Orem
David K. Snow Senior Vice President, Team Leader II
H. Bradley Stucki Senior Vice President, Team Leader, St. George
Michael J. Wells Senior Vice President, Team Leader II, Utah Valley
Arie D. Anderson Vice President, Team Leader
Sean C. Ashby Vice President, Small Business Administration Sales Manager
Roger Barragan Vice President, SBA Business Development Officer
Eric S. Blanchard Vice President, Relationship Manager III
Jeff Cummings Vice President, SBA Business Development Officer
Jeremy B. Hubbard Vice President, Relationship Manager II
Ran D. Jones Vice President, Commercial Lending Analytics
Steven J. Longazo Vice President, Relationship Manager II
Alan P. Lunt Vice President, Team Lead
Jack K. Mangum Vice President, Relationship Manager II
Zach B. Melaney Vice President, Relationship Manager
Jeff L. Norton Vice President, Relationship Manager III
Spencer Pack Vice President, Relationship Manager III
Christopher A. Parker Vice President, Relationship Manager III
Sally K. Perry Vice President, Relationship Manager
Luke Stoddard Vice President, Relationship Manager II
Jared S. Taylor Vice President, Relationship Manager II
Michael G. Tulane Vice President, Relationship Manager
Brian G. Wahlen Vice President, Relationship Manager III
Tiffany J. Butler Assistant Vice President, Commercial Portfolio Manager I
Thelma Fonger Assistant Vice President, Loan Operations Team Lead
Jay L. Hardinger Assistant Vice President, SBA Underwriter
Todd R. Madsen Assistant Vice President, SBA Underwriter
Nicole H. Mansfield Assistant Vice President, Portfolio Manager II
Clay Martin Assistant Vice President, Relationship Manager
Adrian Molina Assistant Vice President, Portfolio Manager II

Tanner M. Olsen Assistant Vice President, Portfolio Manager
Blake W. Ostler Assistant Vice President, Portfolio Manager III
Jared R. Peterson Assistant Vice President, Portfolio Manager II
Annette Rhoades Assistant Vice President, Credit Risk Portfolio Systems Team Lead
Colton J. Spencer Assistant Vice President, Relationship Manager
John White Assistant Vice President, Portfolio Manager

RESIDENTIAL LENDING:

Kathy L. Robles Senior Vice President, Mortgage Operations
Wesley T. Barlow Vice President, Mortgage Area Manager
Michael K. Child Vice President, Mortgage Sales Manager
Jennifer H. Dee Vice President, Mortgage Branch Manager, Ogden
Cindee L. Himelright Vice President, Portfolio Manager, Residential Construction & Consumer
John P. Neil Vice President, Mortgage Loan Originator
Russell G. Piggott Vice President, Mortgage Branch Manager, Logan City Center
Timothy D. Roberts Vice President, Mortgage Branch Manager, City Creek
John R. Serfustini Vice President, Secondary Marketing Manager
Angela L. Vause Vice President, Mortgage Processing Manager
Katherine L. Davis Assistant Vice President, Consumer Lending Manager
Tiffany A. Flint Assistant Vice President, Mortgage Closing & Post Closing Manager
Cynthia Lee Assistant Vice President, Sr. Mortgage Underwriter & Mortgage LOS Admin

CORPORATE TRUST:

Michael R. Arsenault Senior Vice President, Corporate Trust Counsel
Jodie B. Curtis Senior Vice President, Senior Corporate Trust Officer
Arge Feotis Vice President, Corporate Trust Officer
Jennifer Miller Vice President, Corporate Trust Officer
Kirk G. Peterson Vice President, Corporate Trust Manager
Joseph H. Pugsley Vice President, Corporate Trust Counsel
Sharlee M. Kuch Assistant Vice President, Corporate Trust Admin Officer

PERSONAL TRUST:

David Pierce Senior Vice President, Foreign Exchange Manager
Brenda L. Lambert Vice President, Personal Trust Manager
Jodie K. Buckner Vice President, Senior Trust Officer
Michael D. Dustin Vice President, Senior Trust Officer
David A. Walker Vice President, Investment Senior Officer
Kyle R. Brown Assistant Vice President, Trust Investment Analyst

TREASURY MANAGEMENT:

Jillian L. Weadock Vice President, Treasury Management Sales Manager
Trevor L. Austin Vice President, Treasury Management Specialist
Brittany M. Heal Vice President, Treasury Management Specialist
Matthew K. Linford Vice President, Treasury Management Specialist
Jodi L. Miller Vice President, Commercial Deposit Officer & Sales & Strategy Leader

DEPOSIT OPERATIONS:

Melissa V. Bernson Vice President, Regional Retail Banking Manager
Robyn L. Currah Vice President, Banking Learning and Development
Susana K. Feightner Vice President, Central Operations Manager
Amy Hitchcock Vice President, Deposit Operations
Emma Jones Vice President, Banking Initiatives & Delivery
Christopher Nehren Vice President, Regional Retail Banking Manager
Jessica H. Orme Vice President, Payment Solutions & Online Banking Services
Haley N. Petersen Vice President, Branch Operations Manager
Ryan Shelley Vice President, Small Business Banking Leader
Ashley F. Cornejo Assistant Vice President Commercial Deposit Portfolio
Sherri A. Webb Assistant Vice President, Banking Manager IV, South Ogden

ADMINISTRATION:

Jory B. Norton Senior Vice President, Risk Management
Christopher J. Powell Senior Vice President, Internal Audit Manager
Jay D. Weaver Senior Vice President, Technology Officer
Chelsi L. Banks Vice President, Compliance Program Officer
Carl R. Behunin Vice President, BSA Officer
Ryan Filimoehala Vice President, Credit Card Manager
Megan M. Higgins Vice President, Banking Technology
Michael Leib Vice President, Contoller
Mary E. McBride Vice President, Digital Customer Experience and Sales Manager
Jonathan T. Poon Vice President, Information Security Officer
Danette Pulley Vice President, Strategic Partnerships
Ronald N. Ross Vice President, Advanced Analytics & AI
Danielle N. Wissmar Vice President, Compliance Manager
Jason A. Bergen Assistant Vice President, Network Engineer III
Randy E. Christensen Assistant Vice President, Bank Facilities
Megan M. Kenley Assistant Vice President, Communication and Marketing Manager
Sterling J. May Assistant Vice President, Talent & Compensation
Mark Purcell Assistant Vice President, Consumer Lending Compliance
Annika Smith Assistant Vice President, Lending Compliance Officer
Brady Shepherd Assistant Vice President, Fraud and Bank Security Officer
Aaron Spurlock Assistant Vice President, IT Hybrid Infrastructure Manager
Tonya Stoutenburg Assistant Vice President, Deposit Compliance

Bank of Utah Locations

BOUNTIFUL

100 South 500 West, Bountiful, UT 84010

BRIGHAM CITY

80 East 800 South, Brigham City, UT 84302

HEBER

620 West 100 South, Heber City, UT 84032

LAYTON

717 West Antelope Drive, Layton, UT 84041

LINDON

144 South State Street, Lindon, UT 84042

LOGAN

5 East 1400 North, Logan, UT 84341

LOGAN - CITY CENTER - Home Loans

45 East 200 North, Suite 102, Logan, UT 84321

OGDEN - Corporate

2605 Washington Blvd, Ogden, UT 84401

OGDEN - Ben Lomond

115 Washington Blvd, Ogden, UT 84404

OREM

1000 West 800 North, Orem, UT 84057

PRICE - Home Loans

308 East Main Street, Price, UT 84501

PROVIDENCE

121 North Gateway Drive, Providence, UT 84332

PROVO

3670 North University Avenue, Provo, UT 84604

ROY

5729 South 1900 West, Roy, UT 84067

SALT LAKE CITY - City Creek Banking Center

50 South 200 East, Salt Lake City, UT 84111

SALT LAKE CITY - Redwood Road

2309 South Redwood Road, Salt Lake City, UT 84119

SALT LAKE CITY - Corporate Trust

50 South 200 East, Salt Lake City, UT 84111

SANDY

9320 South State Street, Sandy, UT 84070

SOUTH OGDEN

4605 Harrison Blvd, South Ogden, UT 84403

ST. GEORGE

 335 East St. George Blvd, Suites 102 & 103,
 St. George, UT 84770

TREMONTON

25 North Tremont Street, Tremonton, UT 84337

NEW LOCATIONS COMING SOON

LEHI

 2292 West 1930 North Street,
 Lehi, UT 84043

SPANISH FORK

 1279 N. Canyon Creek Parkway,
 Spanish Fork, UT 84660

ST. GEORGE

 200 E. Riverside Dr. (approx),
 St. George, UT 84790



Photo Credit: Steven Howa, Mount Timpanogos
My Utah Photo Contest Finalist

www.bankofutah.com