

CONSOLIDATED STATEMENT OF CONDITION

December 31, 2025





Oregon Pacific Bancorp Announces Fourth Quarter 2025 Earnings Results

Highlights:

- Fourth quarter net income of \$2.7 million; \$0.37 per diluted share.
- Quarterly tax equivalent net interest margin of 3.96%, expansion of 0.08% over prior quarter.
- Quarterly return on average assets of 1.27%.
- Annual net income of \$8.6 million; \$1.19 per diluted share.
- Annual loan growth of \$28.1 million or 4.91%.
- Annual deposit growth of \$22.7 million or 3.36%.
- Named one of the 100 Best Companies to Work for in Oregon for 2026 by *Oregon Business Magazine*.

Florence, Ore., January 27, 2026 - Oregon Pacific Bancorp (ORPB), the holding company of Oregon Pacific Bank, today reported net income of \$2.7 million, or \$0.37 per diluted share, for the quarter ended December 31, 2025, compared to \$2.2 million or \$0.31 per diluted share for the quarter ended September 30, 2025. On an annual basis the Bank reported 2025 net income of \$8.6 million, or \$1.19 per diluted share, compared to \$7.5 million or \$1.05 per diluted share for the year ending December 31, 2024.

"We are very pleased with the Bank's 2025 financial results," said Ron Green, President and CEO. "Throughout 2025 the Bank remained dedicated to our mission of supporting local business and nonprofit clients. Through this focus the Bank achieved annual loan and deposit growth, which contributed to an increase in overall Bank profitability."

The Bank's fourth quarter net interest margin increased to 3.96%, up from 3.88% reported in the third quarter of 2025. The expansion was attributable to both an increase in yield on loans and a reduction in the cost of funds. Despite a 0.50% reduction in the prime rate occurring during the quarter, the reduction in yield on variable loans and securities was more than offset by the increase in yield due to new loan production. The overall yield on loans increased to 5.80%, up from 5.73% in the third quarter of 2025. Quarterly loan production for new and renewed loans totaled \$40.5 million, with a weighted average effective rate of 6.69%.

Period-end deposits totaled \$699.4 million, reflecting quarterly contraction of \$29.0 million. A portion of this reduction was due to deposit activity related to a terminating trust. Trust Assets Under Management (AUM) are typically invested in securities or real estate and do not appear on the Bank's balance sheet. However, depending on beneficiaries' cash requirements and the timing of final distributions, some trust assets may be held in cash. Currently, the cash portion of all trust client balances is held at Oregon Pacific Bank and protected by FDIC insurance through IntraFi's Insured Cash Sweep (ICS) product. These cash balances are included in the Bank's total interest-bearing demand deposits. At September 30, 2025, a terminating trust held \$9.0 million in cash pending final distribution. During the fourth quarter these funds were paid to trust beneficiaries, and this reduced Bank deposits by \$9.0 million. Additional deposit migration occurred at year end following the Bank's typical seasonal deposit fluctuations, primarily attributable to year-end distributions for large business clients.

Classified assets on December 31, 2025, totaled \$13.1 million, and reflected a decrease of \$1.3 million from the third quarter of 2025. Classified assets are defined as loans and loan contingent liabilities internally graded substandard or worse, impaired loans, adversely classified securities and other real estate owned. The reduction in classified assets was primarily attributable to a paydown on a substandard owner-occupied property and an

upgrade of a multifamily loan. At December 31, 2025, nonperforming loans totaled \$2.3 million, representing a quarterly increase of \$1.8 million. The increase was attributable to the migration of two credits to nonaccrual status. The larger of the two non-accrual loans is a \$1.6 million term loan fully secured with various pieces of equipment. The Bank is working on a resolution plan and currently does not anticipate any losses. The other loan is a \$246 thousand commercial line of credit, which has a specific reserve of 100% in the December 31, 2025 allowance for credit losses, while the Bank evaluates potential impairment of the underlying collateral. Fourth quarter provision for credit losses totaled \$346 thousand, while the provision for unfunded commitments reflected a credit of \$15 thousand. The increase in provision was driven by the quarterly loan growth and a specific reserve associated with a nonaccrual loan.

Fourth quarter noninterest income grew to \$2.3 million, reflecting a \$106 thousand increase compared to the prior quarter. The most significant change was observed in trust fee income due to continued growth of trust AUM. Despite the terminating trust distribution, at December 31, 2025, trust AUM reached \$297.7 million, reflecting quarterly growth of \$16.4 million and an annual increase of \$26.7 million or 9.83% from December 31, 2024. Trust services continue to be a valuable source of noninterest income which the Bank anticipates continuing to grow throughout 2026.

In the fourth quarter of 2025, noninterest expense totaled \$6.3 million, reflecting a decrease of \$7 thousand compared to the previous quarter. On a linked quarter basis, salaries and employee benefits declined by \$89 thousand primarily driven by a decrease in the officer bonus accrual, following a true-up process that aligned the accrual with updated year-end payout projections. Offsetting a reduction in salaries and benefit expense, trust expense grew \$30 thousand during the quarter. The increase in trust expense was partially attributable to an overlap in trust accounting software as the Bank completed a core conversion of the trust accounting system effective November 1, 2025. As part of the conversion, the Bank continued to incur the cost of the prior trust software through December 31st which contributed to additional non-recurring expense of \$41 thousand.

Forward-Looking Statement Safe Harbor

This release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 ("PSLRA"). These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "anticipates," "targets," "expects," "estimates," "intends," "plans," "goals," "believes" and other similar expressions or future or conditional verbs such as "will," "should," "would" and "could." The forward-looking statements made represent Oregon Pacific Bank's current estimates, projections, expectations, plans or forecasts of its future results and revenues, including but not limited to statements about performance, loan or deposit growth, loan prepayments, investment purchases, investment yields, strategic focus, capital position, liquidity, credit quality, special asset liquidation, noninterest income, noninterest expense and credit quality trends. These statements are not guarantees of future results or performance and involve certain risks, uncertainties and assumptions that are difficult to predict and are often beyond Oregon Pacific Bank's control. Actual outcomes and results may differ materially from those expressed in, or implied by, any of these forward-looking statements. You should not place undue reliance on any forward-looking statement and should consider all of the following uncertainties and risks. Oregon Pacific Bancorp undertakes no obligation to publicly revise or update any forward-looking statement to reflect the impact of events or circumstances that arise after the date of this release. This statement is included for the express purpose of invoking the PSLRA's safe harbor provisions.



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CONSOLIDATED BALANCE SHEETS

Unaudited (dollars in thousands)

	December 31, 2025	September 30, 2025	December 31, 2024
ASSETS			
Cash and due from banks	\$ 11,722	\$ 9,713	\$ 9,521
Interest bearing deposits	16,663	42,274	10,921
Securities	155,159	162,012	155,258
Loans, net of deferred fees and costs	599,636	594,695	571,565
Allowance for credit losses	(8,237)	(7,891)	(7,400)
Premises and equipment, net	13,022	13,156	13,279
Bank owned life insurance	10,472	10,388	9,142
Other real estate owned	157	157	-
Deferred tax asset	4,384	4,271	5,398
Other assets	9,238	8,866	8,764
Total assets	\$ 812,216	\$ 837,641	\$ 776,448
LIABILITIES			
Deposits			
Demand - non-interest bearing	\$ 152,937	\$ 167,010	\$ 141,719
Demand - interest bearing	279,014	298,089	277,932
Money market	142,499	139,513	135,255
Savings	66,534	66,901	66,194
Certificates of deposit	48,366	46,882	45,516
Brokered deposits	10,001	10,001	10,001
Total deposits	699,351	728,396	676,617
FHLB borrowings	7,500	7,500	7,500
Junior subordinated debenture	4,124	4,124	4,124
Subordinated debenture	14,927	14,902	14,827
Other liabilities	8,502	8,280	8,090
Total liabilities	734,404	763,202	711,158
STOCKHOLDERS' EQUITY			
Common stock	21,923	21,809	21,612
Retained earnings	60,176	57,508	51,603
Accumulated other comprehensive income, net of tax	(4,287)	(4,878)	(7,925)
Total stockholders' equity	77,812	74,439	65,290
Total liabilities & stockholders' equity	\$ 812,216	\$ 837,641	\$ 776,448

CONSOLIDATED STATEMENTS OF INCOME

Unaudited (dollars in thousands, except per share data)

	THREE MONTHS ENDED			TWELVE MONTHS ENDED	
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024
INTEREST INCOME					
Loans	\$ 8,704	\$ 8,552	\$ 7,941	\$ 33,400	\$ 30,378
Securities	1,441	1,353	1,376	5,335	5,906
Other interest income	386	500	282	1,347	1,018
Total interest income	<u>10,531</u>	<u>10,405</u>	<u>9,599</u>	<u>40,082</u>	<u>37,302</u>
INTEREST EXPENSE					
Deposits	2,290	2,377	2,357	9,200	9,023
Borrowed funds	308	308	318	1,246	1,344
Total interest expense	<u>2,598</u>	<u>2,685</u>	<u>2,675</u>	<u>10,446</u>	<u>10,367</u>
NET INTEREST INCOME	7,933	7,720	6,924	29,636	26,935
Provision for credit losses on loans	346	505	-	1,015	331
Provision (credit) for unfunded commitments	(15)	123	(30)	108	(25)
Net interest income after provision for credit losses	<u>7,602</u>	<u>7,092</u>	<u>6,954</u>	<u>28,513</u>	<u>26,629</u>
NONINTEREST INCOME					
Trust fee income	1,276	1,137	1,135	4,704	4,001
Service charges	396	394	378	1,553	1,457
Mortgage loan sales	1	1	72	9	204
Merchant card services	144	172	125	556	519
Oregon Pacific Wealth Management income	358	366	349	1,420	1,301
Other income	116	115	96	463	457
Total noninterest income	<u>2,291</u>	<u>2,185</u>	<u>2,155</u>	<u>8,705</u>	<u>7,939</u>
NONINTEREST EXPENSE					
Salaries and employee benefits	3,612	3,701	3,418	15,158	14,337
Outside services	727	709	787	2,929	2,814
Occupancy & equipment	547	533	485	2,087	1,985
Trust expense	716	686	724	2,825	2,589
Loan and collection, OREO expense	19	18	16	63	70
Advertising	96	102	89	414	328
Supplies and postage	60	70	76	265	299
Other operating expenses	529	494	552	2,066	2,201
Total noninterest expense	<u>6,306</u>	<u>6,313</u>	<u>6,147</u>	<u>25,807</u>	<u>24,623</u>
Income before taxes	3,587	2,964	2,962	11,411	9,945
Provision for income taxes	<u>921</u>	<u>752</u>	<u>744</u>	<u>2,840</u>	<u>2,424</u>
NET INCOME	<u>\$ 2,666</u>	<u>\$ 2,212</u>	<u>\$ 2,218</u>	<u>\$ 8,571</u>	<u>\$ 7,521</u>

Quarterly Highlights

	4th Quarter 2025	3rd Quarter 2025	2nd Quarter 2025	1st Quarter 2025	4th Quarter 2024
Earnings					
Interest income	\$ 10,531	\$ 10,405	\$ 9,747	\$ 9,399	\$ 9,599
Interest expense	2,598	2,685	2,553	2,610	2,675
Net interest income	\$ 7,933	\$ 7,720	\$ 7,194	\$ 6,789	\$ 6,924
Provision for credit losses on loans	346	505	164	-	-
Provision (credit) for unfunded commitments	(15)	123	-	-	(30)
Noninterest income	2,291	2,185	2,086	2,143	2,155
Noninterest expense	6,306	6,313	6,490	6,698	6,147
Provision for income taxes	921	752	617	550	744
Net income	\$ 2,666	\$ 2,212	\$ 2,009	\$ 1,684	\$ 2,218
Average shares outstanding	7,163,160	7,163,503	7,164,363	7,151,365	7,136,389
Average diluted shares outstanding	7,188,902	7,189,245	7,190,105	7,170,304	7,154,126
Period end shares outstanding	7,162,985	7,163,503	7,164,144	7,164,470	7,138,259
Period end diluted shares outstanding	7,188,727	7,189,245	7,189,886	7,190,212	7,155,996
Earnings per share	\$ 0.37	\$ 0.31	\$ 0.28	\$ 0.24	\$ 0.31
Diluted earnings per share	\$ 0.37	\$ 0.31	\$ 0.28	\$ 0.23	\$ 0.31
Performance Ratios					
Return on average assets	1.27%	1.06%	1.02%	0.87%	1.12%
Return on average equity	14.90%	12.58%	11.85%	10.42%	14.01%
Net interest margin - tax equivalent	3.96%	3.88%	3.85%	3.67%	3.66%
Yield on loans	5.80%	5.73%	5.65%	5.53%	5.55%
Yield on securities	3.46%	3.45%	3.39%	3.41%	3.31%
Cost of deposits	1.26%	1.31%	1.31%	1.36%	1.36%
Cost of interest-bearing liabilities	1.76%	1.83%	1.86%	1.88%	1.89%
Efficiency ratio	61.68%	63.73%	69.94%	75.24%	67.71%
Full-time equivalent employees	149	146	146	148	145
Capital					
Tier 1 capital	\$ 91,828	\$ 91,563	\$ 91,437	\$ 90,548	\$ 89,133
Leverage ratio	10.96%	10.99%	11.52%	11.40%	11.19%
Common equity tier 1 ratio	14.69%	14.65%	14.82%	14.84%	14.86%
Tier 1 risk based ratio	14.69%	14.65%	14.82%	14.84%	14.86%
Total risk based ratio	15.94%	15.91%	16.07%	16.10%	16.11%
Book value per share	\$ 10.86	\$ 10.39	\$ 9.93	\$ 9.53	\$ 9.12

Quarterly Highlights

	4th Quarter 2025	3rd Quarter 2025	2nd Quarter 2025	1st Quarter 2025	4th Quarter 2024
Asset quality					
Allowance for credit losses (ACL)	\$ 8,237	\$ 7,891	\$ 7,388	\$ 7,400	\$ 7,400
Nonperforming loans (NPLs)	\$ 2,338	\$ 495	\$ 495	\$ 801	\$ 798
Nonperforming assets (NPAs)	\$ 2,494	\$ 652	\$ 652	\$ 801	\$ 798
Classified Assets ⁽¹⁾	\$ 13,119	\$ 14,391	\$ 11,271	\$ 10,550	\$ 8,132
Net loan charge offs (recoveries)	\$ -	\$ 1	\$ 176	\$ -	\$ -
ACL as a percentage of net loans	1.37%	1.33%	1.25%	1.27%	1.29%
ACL as a percentage of NPLs	352.31%	1594.14%	1492.53%	923.85%	927.32%
Net charge offs (recoveries) to average loans	0.00%	0.00%	0.03%	0.00%	0.00%
Net NPLs as a percentage of total loans	0.40%	0.08%	0.08%	0.14%	0.14%
Nonperforming assets as a percentage of total assets	0.31%	0.08%	0.08%	0.10%	0.10%
Classified Asset Ratio ⁽²⁾	13.11%	14.47%	11.53%	10.77%	8.42%
Past due as a percentage of total loans	0.17%	0.12%	0.08%	0.11%	0.06%
Off-balance sheet figures					
Unused credit commitments	\$ 98,660	\$ 108,753	\$ 103,063	\$ 94,843	\$ 98,616
Trust assets under management (AUM)	\$ 297,701	\$ 281,281	\$ 288,935	\$ 267,359	\$ 271,046
Oregon Pacific Wealth Management AUM	\$ 154,137	\$ 181,349	\$ 174,724	\$ 172,729	\$ 165,045
End of period balances					
Total securities	\$ 155,159	\$ 162,012	\$ 142,357	\$ 145,610	\$ 155,258
Total short term deposits	\$ 16,663	\$ 42,274	\$ 30,348	\$ 27,625	\$ 10,921
Total loans net of allowance	\$ 591,399	\$ 586,804	\$ 584,407	\$ 575,539	\$ 564,165
Total earning assets	\$ 773,409	\$ 800,930	\$ 766,445	\$ 758,119	\$ 739,677
Total assets	\$ 812,216	\$ 837,641	\$ 805,262	\$ 797,628	\$ 776,448
Total noninterest bearing deposits	\$ 152,937	\$ 167,010	\$ 162,426	\$ 153,956	\$ 141,719
Total brokered deposits	\$ 10,001	\$ 10,001	\$ 10,001	\$ 10,001	\$ 10,001
Total core deposits	\$ 689,350	\$ 718,395	\$ 689,740	\$ 685,314	\$ 666,616
Total deposits	\$ 699,351	\$ 728,396	\$ 699,741	\$ 695,315	\$ 676,617
Average balances					
Total securities	\$ 159,462	\$ 153,603	\$ 143,627	\$ 150,197	\$ 159,587
Total short term deposits	\$ 40,352	\$ 44,423	\$ 18,044	\$ 23,766	\$ 23,654
Total loans net of allowance	\$ 587,209	\$ 584,102	\$ 580,377	\$ 568,635	\$ 561,601
Total earning assets	\$ 796,948	\$ 791,637	\$ 751,538	\$ 751,933	\$ 754,173
Total assets	\$ 833,972	\$ 827,823	\$ 787,506	\$ 787,201	\$ 789,333
Total noninterest bearing deposits	\$ 164,736	\$ 166,857	\$ 158,985	\$ 149,802	\$ 152,844
Total brokered deposits	\$ 10,001	\$ 10,001	\$ 10,001	\$ 10,001	\$ 12,610
Total core deposits	\$ 712,607	\$ 710,376	\$ 672,711	\$ 675,953	\$ 676,900
Total deposits	\$ 722,608	\$ 720,377	\$ 682,712	\$ 685,954	\$ 689,510

⁽¹⁾ Classified assets is defined as the sum of all loan-related contingent liabilities and loans internally graded substandard or worse, impaired loans (net of government guarantees), adversely classified securities, and other real estate owned.

⁽²⁾ Classified asset ratio is defined as the sum of all loan-related contingent liabilities and loans internally graded substandard or worse, impaired loans (net of government adversely classified securities, and other real estate owned, divided by bank Tier 1 capital, plus the allowance for credit losses.

ABOUT OPB

Oregon Pacific Bancorp is the holding company for Oregon Pacific Bank, a community bank deeply rooted in fostering meaningful relationships. With a dedicated focus on businesses and nonprofits, we prioritize personalized service and swift, local decision-making. Our commitment lies in cultivating authentic connections and consistently surpassing expectations. At Oregon Pacific Bank, we pride ourselves on being adept problem solvers, keenly attuned to the aspirations and challenges of our clients. We firmly believe that by empowering businesses and nonprofits to flourish, we contribute to the overall prosperity of our communities.

Since our inception on December 17, 1979, we have steadily expanded our footprint, proudly offering banking services through our full-service branches strategically located in Coos Bay, Eugene, Florence, Medford, Portland, and Roseburg.

OUR MISSION

To create value for all we serve through the delivery of meaningful and relevant financial services.

OUR VISION

To be the premier business-minded community bank whose value to the community, shareholders, clients, and employees comes from supporting business and nonprofit agencies through banking services, volunteer work, and philanthropy.



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Business Owner,
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John Raleigh

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EVP, Chief Operating
Officer



David Rice

EVP, Director of Trust
& Wealth Management

Our culture continues to be based on how we create value for those we serve, with our promise to deliver in the best interest of our shareholders, our clients, our employees, and the communities we serve.



Oregon
Pacific Bank

FDIC FDIC-Insured – Backed by the full faith and credit of the U.S. Government