CONSOLIDATED STATEMENT OF CONDITION

June 30, 2026

Oregon Pacific Bancorp

Oregon Pacific Bank is a wholly owned subsidiary of Oregon Pacific Bancorp. Our stock is traded over the counter with the ticker symbol ORPB.

Oregon Pacific Bancorp Announces Second Quarter 2026 Earnings Results

Highlights:

- Quarterly tax equivalent net interest margin of 4.19%, expansion of 0.06% over prior quarter.
- Quarterly loan growth of $11.1 million with strong production and limited payoffs.
- Second quarter net income of $2.8 million; $0.38 per diluted share.
- Quarterly return on average assets of 1.36%, increased from 1.18% prior quarter.
- Leadership succession effective July 1, 2026 of Amber White to President/CEO in conjunction with Ron Green's pending retirement and transition to Executive Advisor and Board Member

Florence, Ore., July 23, 2026 - Oregon Pacific Bancorp (ORPB), the holding company of Oregon Pacific Bank, today reported net income of $2.8 million, or $0.38 per diluted share, for the quarter ended June 30, 2026, compared to $2.4 million or $0.33 per diluted share for the quarter ended March 31, 2026.

"Our second quarter results reflect the durable foundation built through a consistent commitment to relationship banking, responsible growth, and service to our communities," said Amber White, President and CEO. "Much of that foundation was established under Ron Green's leadership during his nearly 13-year tenure leading Oregon Pacific Bank, and I am grateful for the lasting legacy he leaves with our organization."

The Bank's second quarter net interest margin increased to 4.19%, up from 4.13% reported in the first quarter of 2026. Quarterly loan production for new and renewed loans totaled $36.7 million, with a weighted average repricing life of 2.08 years as compared to $27.8 million and 2.33 years, respectively, for the prior quarter. Strong quarterly loan production in conjunction with payoffs falling from $16.7 million to $8.4 million quarter over quarter, resulted in the Bank growing outstanding loan balances $11.1 million in the second quarter. New and renewed loans had a weighted average effective yield of 6.86% versus loan payoffs at 5.58%. Despite this directional improvement on both yield and balances, quarter over quarter yield on loans fell slightly from 5.96% to 5.89%. This was driven by a combined $277 thousand of contribution to the margin from deferred fees and prepayment penalties in the first quarter that added 19 bps to loan yields, while deferred fees and prepayments were $88 thousand in the second quarter which added 5 bps to loan yields. Adjusting for these factors results in normalized first and second quarter loan yields of 5.77% and 5.84%, respectively, indicating a continuation of the positive trends within asset yields as existing loans continue to reprice above origination rates.

Period-end deposits totaled $708.7 million, reflecting quarterly growth of $2.1 million. While net growth was modest, there was significant change in deposit mix during the quarter. Interest and non-interest bearing demand accounts increased a combined $17.8 million, while money market and savings accounts declined a combined $16.3 million. This migration of deposit balances into lower rate products as of June 30, 2026, contributed to the cost of deposits falling from 1.25% to 1.19% quarter over quarter. Further, with $10 million of 5% callable brokered CDs retired late in the first quarter, the quarter ended June 30, 2026, was the first quarter to reflect the full benefit of the improved funding mix. Total interest expense for the second quarter was $2.38 million versus prior quarter of $2.47 million, reflecting a 3.3% decrease despite .30% growth in total deposits for the quarter.

Classified assets on June 30, 2026, totaled $19.5 million, and reflected an increase of $8.9 million from the first quarter of 2026. 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 increase in classified assets was attributable to downgrades for a multi-family construction project and an owner-occupied nonprofit relationship, totaling $7.4 million and $2.7 million, respectively. The multi-family construction project is approximately 85%-90% complete but has experienced significant delays and overages that are being monitored closely. Project loan-to-value ratio based on total commitment is 72% on an as-complete stabilized value based on a recent appraisal. The non-profit relationship is well secured with owner-occupied property and a loan-to-value ratio of 35%. The organization continues to be well capitalized and is actively engaged in stabilizing operations. No material losses are expected related to either relationship. Partially offsetting the downgrades was the upgrade and payoff of two owner-occupied CRE relationships totaling $889 thousand and $267 thousand, respectively. Past due loans as of June 30, 2026, were 1.30% of the total loan portfolio which represents an increase over prior quarters. The previously mentioned construction loan represents $7.0 million of $7.8 million of total past due balances outstanding. The remaining past due totals continue to be relatively low and consistent with prior quarters.

Second quarter noninterest income increased to $2.2 million, reflecting a $156 thousand increase compared to the prior quarter. The most significant change observed was a $141 thousand improvement in trust fee income primarily due to increased trust management revenue, which was only partially offset by a reduction in transactional revenue. As of June 30, 2026, Trust AUM decreased to $302.2 million, reflecting a quarterly outflow of $5.4 million with an annual increase of $13.2 million or 4.6% from June 30, 2025. Trust services continue to be a valuable source of noninterest income which the Bank anticipates continuing to grow throughout 2026.

In the second quarter of 2026, noninterest expense totaled $6.7 million, reflecting a decrease of $114 thousand compared to the previous quarter. The largest expense fluctuation occurred in the salaries and employee benefits category, which declined $121 thousand from the prior quarter, accounting for most of the quarterly variance. The largest fluctuation was attributable to payroll taxes, which decreased $66 thousand from the prior quarter. Payroll tax counters are generally reset on a calendar basis, so tax expense at the beginning of the year is typically higher, decreasing over the course of the year as employees reach wage caps.

In addition to delivering strong financial performance during the quarter, the Bank continued to build out its team to best serve clients and support long-term growth across its markets. Miguel M. Santos joined the Bank as Senior Trust & Business Development Officer, based in the Portland metropolitan area, providing the Bank with a dedicated Trust officer to support the continued expansion of its Trust and Wealth Management services in that market. The Bank also promoted Joe Carmichael to Senior Vice President, Commercial Lending Team Leader for Eugene, where he will oversee the market's commercial lending strategy and support the continued development of the lending team. These leadership appointments reflect the Bank's ongoing commitment to investing in experienced professionals, developing internal talent, and delivering responsive, relationship-based financial services throughout Oregon.

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.

CONSOLIDATED BALANCE SHEETS

Unaudited (dollars in thousands)

	June 30, 2026	March 31, 2026	June 30, 2025
ASSETS			
Cash and due from banks	$ 11,998	$ 9,059	$ 11,156
Interest bearing deposits	32,862	39,074	30,348
Securities	141,523	145,679	142,357
Loans, net of deferred fees and costs	609,720	598,656	591,795
Allowance for credit losses	(8,048)	(8,028)	(7,388)
Premises and equipment, net	13,718	12,888	13,187
Bank owned life insurance	10,639	10,555	10,304
Other real estate owned	157	157	157
Deferred tax asset	4,538	4,491	4,636
Other assets	8,462	8,729	8,710
Total assets	$ 825,569	$ 821,260	$ 805,262
LIABILITIES			
Deposits			
Demand - non-interest bearing	$ 159,517	$ 154,248	$ 162,426
Demand - interest bearing	305,790	293,268	280,434
Money market	129,524	143,690	133,416
Savings	65,829	67,890	66,665
Certificates of deposit	48,086	47,564	46,799
Brokered deposits	-	-	10,001
Total deposits	708,746	706,660	699,741
FHLB borrowings	7,500	7,500	7,500
Junior subordinated debenture	4,124	4,124	4,124
Subordinated debenture	14,977	14,952	14,877
Other liabilities	7,654	8,225	7,857
Total liabilities	743,001	741,461	734,099
STOCKHOLDERS' EQUITY			
Common stock	21,954	21,821	21,732
Retained earnings	65,318	62,554	55,296
Accumulated other comprehensive income, net of tax	(4,704)	(4,576)	(5,865)
Total stockholders' equity	82,568	79,799	71,163
Total liabilities & stockholders' equity	$ 825,569	$ 821,260	$ 805,262

CONSOLIDATED STATEMENTS OF INCOME

Unaudited (dollars in thousands, except per share data)

	THREE MONTHS ENDED			SIX MONTHS ENDED	
	June 30, 2026	**March 31, 2026**	**June 30, 2025**	**June 30, 2026**	**June 30, 2025**
INTEREST INCOME					
Loans	$ 8,849	$ 8,792	$ 8,286	$ 17,641	$ 16,145
Securities	1,369	1,360	1,262	2,729	2,541
Other interest income	314	273	199	587	460
Total interest income	10,532	10,425	9,747	20,957	19,146
INTEREST EXPENSE					
Deposits	2,083	2,166	2,228	4,249	4,534
Borrowed funds	301	299	325	600	629
Total interest expense	2,384	2,465	2,553	4,849	5,163
NET INTEREST INCOME	8,148	7,960	7,194	16,108	13,983
Provision for credit losses on loans	-	37	164	37	164
Provision (credit) for unfunded commitments	-	30	-	30	-
Net interest income after provision for credit losses	8,148	7,893	7,030	16,041	13,819
NONINTEREST INCOME					
Trust fee income	1,221	1,080	1,093	2,301	2,291
Service charges	412	398	390	810	763
Mortgage loan sales	-	1	1	1	8
Merchant card services	140	126	123	266	240
Oregon Pacific Wealth Management income	333	345	356	678	695
Other income	120	120	123	240	232
Total noninterest income	2,226	2,070	2,086	4,296	4,229
NONINTEREST EXPENSE					
Salaries and employee benefits	3,797	3,918	3,852	7,715	7,845
Outside services	764	804	791	1,568	1,493
Occupancy & equipment	539	557	490	1,096	1,007
Trust expense	823	716	678	1,539	1,420
Loan and collection, OREO expense	24	23	18	47	32
Advertising	118	107	124	225	215
Supplies and postage	64	68	65	132	135
Other operating expenses	534	584	472	1,118	1,041
Total noninterest expense	6,663	6,777	6,490	13,440	13,188
Income before taxes	3,711	3,186	2,626	6,897	4,860
Provision for income taxes	947	808	617	1,755	1,167
NET INCOME	$ 2,764	$ 2,378	$ 2,009	$ 5,142	$ 3,693

Quarterly Highlights

	2nd Quarter 2026	1st Quarter 2026	4th Quarter 2025	3rd Quarter 2025	2nd Quarter 2025
Earnings					
Interest income	$ 10,532	$ 10,425	$ 10,531	$ 10,405	$ 9,747
Interest expense	2,384	2,465	2,598	2,685	2,553
Net interest income	$ 8,148	$ 7,960	$ 7,933	$ 7,720	$ 7,194
Provision for credit losses on loans	-	37	346	505	164
Provision (credit) for unfunded commitments	-	30	(15)	123	-
Noninterest income	2,226	2,070	2,291	2,185	2,086
Noninterest expense	6,663	6,777	6,306	6,313	6,490
Provision for income taxes	947	808	921	752	617
Net income	$ 2,764	$ 2,378	$ 2,666	$ 2,212	$ 2,009
Average shares outstanding	7,179,876	7,171,523	7,163,160	7,163,503	7,164,363
Average diluted shares outstanding	7,201,765	7,196,169	7,188,902	7,189,245	7,190,105
Period end shares outstanding	7,179,876	7,179,876	7,162,985	7,163,503	7,164,144
Period end diluted shares outstanding	7,201,765	7,203,449	7,188,727	7,189,245	7,189,886
Earnings per share	$ 0.38	$ 0.33	$ 0.37	$ 0.31	$ 0.28
Diluted earnings per share	$ 0.38	$ 0.33	$ 0.37	$ 0.31	$ 0.28
Performance Ratios					
Return on average assets	1.36%	1.18%	1.27%	1.06%	1.02%
Return on average equity	14.29%	12.65%	14.90%	12.58%	11.85%
Net interest margin - tax equivalent	4.19%	4.13%	3.96%	3.88%	3.85%
Yield on loans	5.89%	5.96%	5.80%	5.73%	5.65%
Yield on securities	3.68%	3.59%	3.46%	3.45%	3.39%
Cost of deposits	1.19%	1.25%	1.26%	1.31%	1.31%
Cost of interest-bearing liabilities	1.67%	1.73%	1.76%	1.83%	1.86%
Efficiency ratio	64.24%	67.57%	61.68%	63.73%	69.94%
Full-time equivalent employees	144	144	149	146	146
Capital					
Tier 1 capital	$ 91,847	$ 91,689	$ 91,828	$ 91,563	$ 91,437
Leverage ratio	11.18%	11.16%	10.96%	10.99%	11.52%
Common equity tier 1 ratio	14.42%	14.65%	14.69%	14.65%	14.82%
Tier 1 risk based ratio	14.42%	14.65%	14.69%	14.65%	14.82%
Total risk based ratio	15.67%	15.90%	15.94%	15.91%	16.07%
Book value per share	$ 11.50	$ 11.13	$ 10.86	$ 10.39	$ 9.93

Quarterly Highlights

	2nd Quarter 2026	1st Quarter 2026	4th Quarter 2025	3rd Quarter 2025	2nd Quarter 2025
Asset quality					
Allowance for credit losses (ACL)	$ 8,048	$ 8,028	$ 8,237	$ 7,891	$ 7,388
Nonperforming loans (NPLs)	$ 2,092	$ 2,092	$ 2,338	$ 495	$ 495
Nonperforming assets (NPAs)	$ 2,248	$ 2,248	$ 2,494	$ 652	$ 652
Classified Assets [1]	$ 19,505	$ 10,635	$ 13,119	$ 14,391	$ 11,271
Net loan charge offs (recoveries)	$ (19)	$ 246	$ -	$ 1	$ 176
ACL as a percentage of net loans	1.32%	1.34%	1.37%	1.33%	1.25%
ACL as a percentage of NPLs	384.77%	383.81%	352.31%	1594.14%	1492.53%
Net charge offs (recoveries) to average loans	0.00%	0.04%	0.00%	0.00%	0.03%
Net NPLs as a percentage of total loans	0.35%	0.35%	0.40%	0.08%	0.08%
Nonperforming assets as a percentage of total assets	0.27%	0.27%	0.31%	0.08%	0.08%
Classified Asset Ratio [2]	19.53%	10.67%	13.11%	14.47%	11.53%
Past due as a percentage of total loans	1.30%	0.13%	0.17%	0.12%	0.08%
Off-balance sheet figures					
Unused credit commitments	$ 94,499	$ 96,198	$ 98,660	$ 108,753	$ 103,063
Trust assets under management (AUM)	$ 302,182	$ 307,597	$ 297,701	$ 281,281	$ 288,935
Oregon Pacific Wealth Management AUM	$ 162,550	$ 148,443	$ 154,137	$ 181,349	$ 174,724
End of period balances					
Total securities	$ 141,523	$ 145,679	$ 155,159	$ 162,012	$ 142,357
Total short term deposits	$ 32,862	$ 39,074	$ 16,663	$ 42,274	$ 30,348
Total loans net of allowance	$ 601,672	$ 590,628	$ 591,399	$ 586,804	$ 584,407
Total earning assets	$ 786,078	$ 785,385	$ 773,409	$ 800,930	$ 766,445
Total assets	$ 825,569	$ 821,260	$ 812,216	$ 837,641	$ 805,262
Total noninterest bearing deposits	$ 159,517	$ 154,248	$ 152,937	$ 167,010	$ 162,426
Total brokered deposits	$ -	$ -	$ 10,001	$ 10,001	$ 10,001
Total core deposits	$ 708,746	$ 706,660	$ 689,350	$ 718,395	$ 689,740
Total deposits	$ 708,746	$ 706,660	$ 699,351	$ 728,396	$ 699,741
Average balances					
Total securities	$ 143,819	$ 151,912	$ 159,462	$ 153,603	$ 143,627
Total short term deposits	$ 33,393	$ 30,441	$ 40,352	$ 44,423	$ 18,044
Total loans net of allowance	$ 594,094	$ 590,420	$ 587,209	$ 584,102	$ 580,377
Total earning assets	$ 781,321	$ 782,984	$ 796,948	$ 791,637	$ 751,538
Total assets	$ 816,865	$ 817,928	$ 833,972	$ 827,823	$ 787,506
Total noninterest bearing deposits	$ 156,537	$ 152,699	$ 164,736	$ 166,857	$ 158,985
Total brokered deposits	$ -	$ 9,445	$ 10,001	$ 10,001	$ 10,001
Total core deposits	$ 701,368	$ 694,145	$ 712,607	$ 710,376	$ 672,711
Total deposits	$ 701,368	$ 703,590	$ 722,608	$ 720,377	$ 682,712

[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 guarantees), adversely classified securities, and other real estate owned, divided by bank Tier 1 capital, plus the allowance for credit losses.

LEADERSHIP

OUR EXECUTIVE TEAM

Amber White
President and CEO

John Raleigh
EVP, Chief Lending Officer

Matt Baker
EVP, Chief Financial Officer

James Atwood
EVP, Chief Credit Officer

Lance Rudge
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.

BOARD OF DIRECTORS

Jon Thompson
Board Chair
Business Owner, Coast Broadcasting

Kerrie Johnson
Vice Chair
Owner, Loan Originator at Blue-inc. Capital

Joe Benetti
Director
Business Owner, Benetti's Italian Fine Foods

Tim Campbell
Director
Partner and Owner of Campbell Commercial Real Estate

Ron Green
Director
Executive Advisor and Board Member

Jason Hall
Director
CPA Partner at Hoffman, Stewart & Schmidt, PC (HSS)

Bob Mans, OD
Director
Co-Owner of Florence Eye Clinic

Amber White
Director
President and CEO, Oregon Pacific Bank

Robbie Wright
Director
President, Hyak Oregon Holdings


Oregon
Pacific Bank
Oregon's Bank for What Matters Most.