

OFG Bancorp Reports 2Q25 Results

SAN JUAN, Puerto Rico, July 17, 2025 – OFG Bancorp (NYSE: OFG), the financial holding company for Oriental Bank, today reported results for the second quarter ended June 30, 2025. EPS diluted of \$1.15 compared to \$1.00 in 1Q25 and \$1.08 in 2Q24. Total core revenues of \$182.2 million compared to \$178.3 million in 1Q25 and \$179.4 million in 2Q24.

CEO Comment

José Rafael Fernández, Chief Executive Officer, said: “The second quarter reflected strong operating performance at all levels. EPS-diluted increased 6.5% year-over-year on a 1.5% increase in total core revenues. Highlights included steady core deposit flows and strong loan origination, as well as solid overall financial metrics, driven by return on average assets and equity. Credit reflected Puerto Rico’s stable economy, with both individuals and businesses holding high levels of liquidity.”

“Our omnichannel digital strategy demonstrates strong momentum, and we continue to invest in and deploy new tools to improve our customer experience to deepen relationships and drive efficiencies. In the second quarter, that included launching the Oriental Marketplace and a DGI Money Market fund. Separately, we bought back 186,024 shares.”

“We ended the quarter with record assets of \$12.2 billion, core deposits of \$9.9 billion, and loans held for investment of \$8.2 billion. Thanks to our team for making these results possible and for helping our customers achieve progress in their financial lives.”

2Q25 Highlights

Performance Metrics: Net interest margin of 5.31%, return on average assets of 1.73%, return on average tangible common stockholders’ equity of 16.96%, and efficiency ratio of 52.04%.

Total Interest Income of \$194.3 million compared to \$189.2 million in 1Q25 and \$187.7 million in 2Q24. Compared to 1Q25, 2Q25 increased \$5.1 million, reflecting higher average balances of loans and cash and \$1.5 million from one additional business day.

Total Interest Expense of \$42.4 million compared to \$40.2 million in 1Q25 and \$40.3 million in 2Q24. Compared to 1Q25, 2Q25 increased \$2.3 million, reflecting higher average balances of wholesale funding and of deposits and \$0.4 million from one additional business day.

Total Banking & Financial Service Revenues of \$30.2 million compared to \$29.2 million in 1Q25 and \$32.1 million in 2Q24. Compared to 1Q25, 2Q25 primarily reflected increases in mortgage banking activities and wealth management.

Pre-Provision Net Revenues of \$87.6 million compared to \$85.1 million in 1Q25 and \$86.8 million in 2Q24.

Total Provision for Credit Losses of \$21.7 million compared to \$25.7 million in 1Q25 and \$15.6 million in 2Q24. 2Q25 primarily reflected \$17.2 million for increased loan volume, \$3.7 million in

specific reserves on four commercial loans, and \$0.7 million due to alignment of model assumptions and risk weighting factors mainly in Puerto Rico.

Credit Quality: Net charge-offs of \$12.8 million (0.64% of average loans) compared to \$20.4 million (1.05%) in 1Q25 and \$15.0 million (0.79%) in 2Q24. 2Q25 early and total delinquency rates were 2.46% and 3.59%, respectively, and the nonperforming loan rate was 1.19%.

Total Non-Interest Expense of \$94.8 million compared to \$93.5 million in 1Q25 and \$93.0 million in 2Q24. 2Q25 reflected \$1.4 million lower payroll taxes and foreclosed real estate costs compared to 1Q25, which also benefited from a \$3.1 million volume incentive payment from a business partner.

Income Tax Expense of \$14.1 million compared to \$13.9 million in 1Q25 and \$20.1 million in 2Q24. 2Q25 ETR was 21.37%, reflecting an anticipated rate of 24.90% for the year, and the benefit of \$1.7 million in discrete items.

Loans Held for Investment (EOP) of \$8.18 billion compared to \$7.85 billion in 1Q25 and \$7.64 billion in 2Q24. 2Q25 loans increased 4.2% sequentially and 7.08% year-over-year, primarily reflecting OFG's strategy to increase commercial lending.

New Loan Production of \$783.7 million compared to \$558.9 million in 1Q25 and \$589.0 million in 2Q24. Compared to 1Q25, 2Q25 reflected production increases in all lending channels in both Puerto Rico and the U.S.

Total Investments (EOP) of \$2.78 billion compared to \$2.79 billion in 1Q25 and \$2.48 billion in 2Q24. Compared to 1Q25, 2Q25 reflected repayments mostly offset by purchases of \$50 million of mortgage-backed securities yielding 5.55% and the securitization of our conforming mortgage lending production.

Customer Deposits (EOP) of \$9.90 billion increased \$138.7 million from \$9.76 billion in 1Q25 and \$291.0 million from \$9.60 billion in 2Q24. Compared to 1Q25, 2Q25 reflected higher time and savings deposit balances, partially offset by lower demand deposit balances. Deposits also reflected higher commercial and government balances, partially offset by lower retail balances.

Total Borrowings & Brokered Deposits (EOP) of \$732.3 million compared to \$421.5 million in 1Q25 and \$201.2 million in 2Q24. 2Q25 primarily reflected \$200 million in a new two-year FHLB advance at 4.13% and \$82.5 million in additional brokered deposits to increase liquidity and fund strategic growth in commercial loans.

Cash & Cash Equivalents (EOP) of \$851.8 million compared to \$710.6 million in 1Q25 and \$740.4 million in 2Q24. 2Q25 included cash from the above-mentioned wholesale funding.

Capital: CET1 ratio was 13.99% compared to 14.27% in 1Q25 and 14.29% in 2Q24. Tangible Common Equity ratio was 10.20% compared to 10.30% in 1Q25 and 10.09% in 2Q24. Tangible Book Value per share was \$27.67 compared to \$26.66 in 1Q25 and \$24.18 in 2Q24.

Conference Call, Financial Supplement & Presentation

A conference call to discuss 2Q25 results, outlook and related matters will be held today at 10:00 AM ET. Phone (800) 245-3047 or (203) 518-9765. Conference ID: OFGQ225. The call can also be accessed live on www.ofqbancorp.com with webcast replay shortly thereafter. OFG's Financial Supplement, with full financial tables for the quarter ended June 30, 2025, and the 2Q25 Conference Call Presentation, can be found on the Quarterly Results page on OFG's Investor Relations website at www.ofqbancorp.com.

Non-GAAP Financial Measures

In addition to our financial information presented in accordance with GAAP, management uses certain “non-GAAP financial measures” within the meaning of SEC Regulation G, to clarify and enhance understanding of past performance and prospects for the future. Please refer to Tables 8-1 and 8-2 in OFG’s above-mentioned Financial Supplement for a reconciliation of GAAP to non-GAAP measures and calculations.

Forward Looking Statements

The information included in this document contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management’s current expectations and involve certain risks and uncertainties that may cause actual results to differ materially from those expressed in the forward-looking statements. Factors that might cause such a difference include but are not limited to (i) general business and economic conditions, including changes in interest rates; (ii) cybersecurity breaches; (iii) hurricanes, earthquakes, pandemics, and other natural disasters; and (iv) competition in the financial services industry. For a discussion of such factors and certain risks and uncertainties to which OFG is subject, please refer to OFG’s annual report on Form 10-K for the year ended December 31, 2024, as well as its other filings with the U.S. Securities and Exchange Commission. Other than to the extent required by applicable law, including the requirements of applicable securities laws, OFG assumes no obligation to update any forward-looking statements to reflect occurrences or unanticipated events or circumstances after the date of such statements.

About OFG Bancorp

Now in its 61st year in business, OFG Bancorp is a diversified financial holding company that operates under U.S., Puerto Rico and U.S. Virgin Islands banking laws and regulations. Its three principal subsidiaries, Oriental Bank, Oriental Financial Services, and Oriental Insurance, provide a wide range of retail and commercial banking, lending and wealth management products, services, and technology, primarily in Puerto Rico and U.S. Virgin Islands. Our mission is to make progress possible for our customers, employees, shareholders, and the communities we serve. Visit us at www.ofqbancorp.com.

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