

OFG Bancorp Reports 1Q26 Results

SAN JUAN, Puerto Rico, April 21, 2026 – OFG Bancorp (NYSE: OFG), the financial holding company for Oriental Bank, today reported results for the first quarter ended March 31, 2026. EPS diluted of \$1.26 compared to \$1.27 in 4Q25 and \$1.00 in 1Q25. Total core revenues of \$185.8 million compared to \$185.4 million in 4Q25 and \$178.3 million in 1Q25.

CEO Comment

José Rafael Fernández, Chief Executive Officer, said: “Business momentum and disciplined strategy execution drove strong first quarter results, supported by proactive balance sheet management and core deposit strength. Our operating model continues to deliver, with ongoing loan growth, high quality credit performance, and consistent execution across the franchise. During the quarter, we repurchased \$44.5 million of common shares and increased our dividend by 17%, reinforcing our commitment to capital management and shareholder returns.”

“Our positioning as a digital bank that values personal connections continues to deliver tangible results. Increased use of our Libre and Elite retail products, as well as My Biz commercial accounts, contributed to deposit expansion and greater customer engagement and growth. This progress has enabled us to further optimize our funding mix and reduce reliance on wholesale funding, even amid the normalization of government deposits.”

“Puerto Rico’s economy is stable, with federal reconstruction funds and private investment supporting continued activity, particularly in manufacturing and onshoring. This environment, combined with our focus on operational excellence, positions us well to continue to deliver solid financial performance and to take advantage of long-term growth prospects.”

1Q26 Highlights

Performance Metrics: Net interest margin of 5.36%, return on average assets of 1.78%, return on average tangible common stockholders’ equity of 16.43%, and efficiency ratio of 50.97%.

Total Interest Income of \$194.1 million compared to \$197.2 million in 4Q25 and \$189.2 million in 1Q25. Compared to 4Q25, 1Q26 decreased \$3.1 million, reflecting lower average balances of cash and investment securities at lower average rates, partially offset by higher average balances of loans at higher average rates. 1Q26 included \$3.3 million from a paid in full PCD loan. Compared to 4Q25, 1Q26 also reflected two fewer business days, which negatively affected interest income by approximately \$3.1 million.

Total Interest Expense of \$40.3 million compared to \$44.5 million in 4Q25 and \$40.2 million in 1Q25. Compared to 4Q25, 1Q26 decreased \$4.2 million, reflecting lower average balances of deposits at lower average rates, partially offset by higher average balances of borrowings at lower average rates. Compared to 4Q25, 1Q26 also reflected two fewer business days, which reduced interest expense by approximately \$1.0 million.

Total Banking & Financial Service Revenues of \$32.0 million compared to \$32.6 million in 4Q25 and \$29.2 million in 1Q25. 1Q26 included favorable MSR valuation of approximately \$1.3 million, while 4Q25 included \$2.3 million in annual insurance commission recognition.

Pre-Provision Net Revenues of \$91.3 million compared to \$79.3 million in 4Q25 and \$85.1 million in 1Q25.

Other Income was \$0.2 million compared to a loss of \$1.1 million in 4Q25. 1Q26 increased \$1.3 million, reflecting the absence of previously reported items in 4Q25.

Total Provision for Credit Losses of \$22.5 million compared to \$31.9 million in 4Q25 and \$25.7 million in 1Q25. 1Q26 primarily reflected \$17.5 million for increased loan volume and increased allowance of \$3.7 million for a previously reserved commercial loan and \$1.0 million related to newly classified small commercial loans.

Credit Quality: Net charge-offs of \$21.4 million (1.05% of average loans) compared to \$26.9 million (1.32%) in 4Q25 and \$20.4 million (1.05%) in 1Q25. 1Q26 NCOs decreased \$5.5 million from 4Q25. 1Q26 reflected \$3.9 million for a previously reserved U.S. loan and improved auto and commercial NCOs, while 4Q25 included \$4.8 million from a sale of non-performing loans. 1Q26 early and total delinquency rates at 2.21% and 3.40%, respectively, declined from 4Q25, as well as the nonperforming loan rate at 1.47%.

Total Non-Interest Expense of \$94.7 million compared to \$105.0 million in 4Q25 and \$93.5 million in 1Q25. 1Q26 included \$1.0 million in merit raises, \$0.7 million in seasonal FICA costs, \$1.0 million costs related to a capital markets readiness and registration process, \$3.6 million in business related volume incentive payment (compared to \$3.1 million in 1Q25), and \$2.5 million in planned cost-savings. 4Q25 included a net \$6.8 million in previously reported expense items.

Income Tax Expense was \$14.9 million compared to a benefit of \$8.5 million in 4Q25 and an expense of \$13.9 million in 1Q25. 1Q26 ETR was 21.60%, reflecting an anticipated rate of 22.34% for the year, the benefit of some discrete items, and the absence of \$16.8 million in previously reported tax benefits in 4Q25.

Loans Held for Investment (EOP) of \$8.24 billion compared to \$8.20 billion in 4Q25 and \$7.85 billion in 1Q25. 1Q26 loans increased \$34.0 million or 0.4% sequentially, reflecting increases in U.S. and Puerto Rico commercial loans, partially offset by lower balances in residential mortgage, auto and consumer.

New Loan Production of \$608.9 million compared to \$605.6 million in 4Q25 and \$558.9 million in 1Q25. Compared to 4Q25, 1Q26 increased marginally, mainly due to auto. Year-over-year, production increased 8.9%, primarily reflecting increases in commercial while auto moderated as anticipated.

Total Investments (EOP) of \$2.79 billion compared to \$2.84 billion in 4Q25 and \$2.79 billion in 1Q25. Compared to 4Q25, 1Q26 reflected principal paydowns and maturities, partially offset primarily by \$49.2 million in mortgage-backed securities purchases and \$23.5 million in residential mortgage securitizations.

Customer Deposits (EOP) of \$9.66 billion compared to \$9.92 billion in 4Q25 and \$9.76 billion in 1Q25. Deposits decreased \$263.4 million sequentially, reflecting the previously announced \$500 million transfer of a government demand deposit into a wealth management account in early 1Q26, which was partially offset by retail and commercial deposit growth.

Total Borrowings & Brokered Deposits (EOP) of \$746.6 million compared to \$897.3 million in 4Q25 and \$421.5 million in 1Q25. Compared to 4Q25, 1Q26 total borrowings and brokered deposits declined \$150.7 million, reflecting maturities.

Cash & Cash Equivalents (EOP) of \$636.5 million compared to \$1.04 billion in 4Q25 and \$710.6 million in 1Q25. Compared to 4Q25, 1Q26 cash declined \$403.8 million primarily due to the previously mentioned government deposit transfer to wealth management.

Capital: CET1 ratio was 13.75% compared to 13.97% in 4Q25 and 14.27% in 1Q25. Tangible Common Equity ratio was 10.66% compared to 10.47% in 4Q25 and 10.30% in 1Q25. Tangible Book Value per share was \$30.14 compared to \$29.96 in 4Q25 and \$26.66 in 1Q25.

Conference Call, Financial Supplement & Presentation

A conference call to discuss 1Q26 results, outlook and related matters will be held today at 10:00 AM ET. Phone (800) 579-2543 or (785) 424-1789. Conference ID: OFGQ126. 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 March 31, 2026, and the 1Q26 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, 2025, 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 62nd 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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