



BNCCORP

NEWS RELEASE

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BNCCORP, INC. REPORTS THIRD QUARTER NET INCOME OF \$2.6 MILLION, OR \$0.74 PER DILUTED SHARE

Highlights

- Net income during the third quarter of 2025 increased to \$2.6 million, or \$0.74 per diluted share, compared to \$2.2 million, or \$0.62 per diluted share, in the second quarter of 2025 and \$2.1 million, or \$0.59 per diluted share, in the third quarter of 2024.
- Return on average assets improved to 1.05% compared to 0.92% for the second quarter of 2025 and 0.89% for the third quarter of 2024.
- Return on average equity improved to 9.60% compared to 8.23% in the second quarter of 2025 and 7.21% for the third quarter of 2024.
- Loans held for investment increased \$31.1 million, or 4.9%, to \$732.8 million at September 30, 2025 from \$698.7 million at December 31, 2024.
- The efficiency ratio improved to 64.84% in the third quarter of 2025 compared to 68.83% in the second quarter of 2025 and 69.02% in the third quarter of 2024.
- Net interest margin was 3.73% for the third quarter of 2025 compared to 3.75% in the second quarter of 2025 and 3.50% for the third quarter of 2024.
- Yield on loans held for investment improved to 6.11% for the third quarter of 2025 compared to 6.04% in the second quarter of 2025 and 5.58% in the third quarter of 2024.
- Allowance for credit losses as of September 30, 2025, decreased to 1.27% of loans held for investment compared to 1.32% as of December 31, 2024.

BISMARCK, ND, October 30, 2025 – BNCCORP, INC. (BNC or the Company) (OTCQX Markets: BNCC), which operates community banking and wealth management businesses in North Dakota and Arizona, today reported financial results for the third quarter ended September 30, 2025.

Management Commentary

“Our third quarter performance reflects disciplined execution and continued progress in improving profitability,” said Daniel J. Collins, BNC’s President and Chief Executive Officer. “We delivered meaningful improvements in both return on assets and on equity. Net income increased 27% compared to the third quarter of 2024, underscoring the strength of our core operating fundamentals and our focus on balance sheet management.

“In addition to full-year loan growth of 4.9% and successful renewal of maturing loans at higher loan yields, the increase in net income was supported by careful management of expenses. Strong funding of new loans continued in the quarter, offset by several loan repayments. Significant deposit growth supported lending and enhanced cash reserves bolstered interest income. New loan funding and careful attention to deposit costs increased net interest income by \$1.2 million in the third quarter compared to the same period in 2024 and resulted in a 3.73% net interest margin for the current quarter.

“We remain confident in the quality of our portfolio and the strength of our balance sheet as we continue to navigate a complex economic and geopolitical environment. Looking ahead, we believe our strong capital position and relationship-driven approach will allow us to sustain performance and serve our customers effectively through changing market conditions.”

2025 Versus 2024 Third Quarter Comparison

The Company reported net income of \$2.6 million, or \$0.74 per diluted share, for the quarter compared to \$2.1 million, or \$0.59 per diluted share, in the third quarter of 2024.

Third quarter interest income increased \$1.7 million, or 14.8%, to \$13.4 million from \$11.6 million in the third quarter of 2024. Average yield on interest-earning assets in the quarter improved to 5.62% from 5.31% in the third quarter of 2024 driven by a \$49.6 million period-over-period increase in the average balance of loans held for investment and higher origination yields in addition to \$36.6 million higher

average cash and cash equivalent balances. Those increases were partially offset by lower yields on cash and cash equivalents and a lower average balance of debt securities during the quarter.

Interest expense in the third quarter of 2025 was \$4.5 million, an increase of \$528 thousand from the 2024 period. The cost of core deposits in the third quarter of 2025 rose to 1.94% versus 1.84% in the third quarter of 2024. The consolidated average balance of deposits increased by \$73.6 million compared to the third quarter of 2024. The cost of interest-bearing liabilities was 2.49% during the third quarter of 2025, compared to 2.45% in the same period of 2024.

Net interest income for the third quarter of 2025 was \$8.9 million, an increase of \$1.2 million, or 15.5%, from the third quarter of 2024. Net interest margin was 3.73% in the third quarter of 2025 compared to 3.50% reported in the prior year period.

Non-interest income during the third quarter of 2025 was \$1.4 million, relatively unchanged from the third quarter of 2024. Bank charges and service fees were \$15 thousand lower quarter-over-quarter due to lower fees on lines of credit and reduced fee income from deposits held in one-way sell positions. Those reductions were partially offset by higher servicing revenue and overdraft charges. Using an associated banking network, the Company generates fee income on deposits not otherwise deployed by placing those deposits with other financial institutions to meet their liquidity needs. The deposits can be reclaimed for liquidity use by the Company at any time. Fees derived from the movement of deposits off the balance sheet can fluctuate significantly based on our customers' excess funding needs. As of September 30, 2025, off-balance sheet deposits were \$20.5 million compared to \$18.5 million as of December 31, 2024. Other income during the third quarter of 2025 was lower than the prior period due to reduced revenues from SBIC investments and losses on sales of repossessed assets.

Non-interest expense during the third quarter of 2025 increased \$373 thousand, or 5.9%, period-over-period, primarily due to a \$104 thousand increase in professional services expense, a \$191 thousand increase in salary and employee benefit expenses, and an increase in other expense of \$114 thousand. The increase in professional services expense is due to higher legal and consulting fees. The Company reported a modest increase in salary and employee benefits on a period-over-period basis. Merit-based and inflationary increases in salaries and employee benefits were partially offset by lower headcount. The increase in other expense is primarily due to the write-off of a servicing asset of \$76 thousand due to an early loan payoff, a \$30 thousand lower reversal of mortgage reserves, and higher correspondent bank

charges, along with other increases, which were partially offset by lower director fees.

In the third quarter of 2025, consolidated income tax expense was \$809 thousand, compared to \$636 thousand in the third quarter of 2024. The Company maintained an effective tax rate of 23.5% for both periods presented.

Tangible book value per common share on September 30, 2025 was \$29.44, compared to \$26.60 at December 31, 2024. The Company's tangible common equity capital ratio increased to 10.34% as of September 30, 2025, compared to 9.68% on December 31, 2024.

2025 Versus 2024 First Nine Months Comparison

The Company reported net income of \$6.6 million, or \$1.86 per diluted share, for the first nine months of 2025 compared to \$5.7 million, or \$1.60 per diluted share, in the first nine months of 2024.

Interest income increased \$3.3 million, or 9.6%, to \$37.9 million in the first nine months of 2025 from \$34.6 million in the first nine months of 2024. Average yield on interest-earning assets in the first nine months improved to 5.51% from 5.28% in the first nine months of 2024 driven by a \$37.1 million period-over-period increase in the average balance of loans held for investment and higher origination yields and higher balances of cash and cash equivalents. Those increases were partially offset by lower yields on cash and cash equivalents and a lower average balance and yields on debt securities during the period.

Interest expense in the first nine months of 2025 was \$12.7 million, an increase of \$1.3 million from the 2024 period. The cost of core deposits in the first nine months of 2025 rose to 1.89% versus 1.77% in the first nine months of 2024. The consolidated average balance of deposits increased by \$50.5 million compared to the first nine months of 2024. The cost of interest-bearing liabilities was 2.44% during the first nine months of 2025, compared to 2.38% in the same period of 2024.

Net interest income for the first nine months of 2025 was \$25.2 million, an increase of \$2.0 million, or 8.8%, from the first nine months of 2024. Net interest margin was 3.66% in the 2025 nine-month period compared to 3.53% reported in the prior year period.

Non-interest income in the first nine months of 2025 was \$4.2 million compared to \$4.4 million in the 2024 first nine months. Bank charges and service fees were \$228 thousand lower period-over-period primarily due to lower letter of credit fees and interchange income, and a reduction in deposits held in one-way sell positions. During 2025, the Company recorded a one-time gain of \$114 thousand on the sale of loans. Gains on sales of loans can vary period-over-period. Other income is lower than the prior period due to reduced revenues from SBIC investments and other miscellaneous items that were partially offset by higher gains on the sale of repossessed assets.

Non-interest expense during the first nine months of 2025 increased \$493 thousand, or 2.5%, year-over-year, primarily due to a \$239 thousand increase in professional services expense and higher salary and employee benefit expense. The Company reported a modest increase in salary and employee benefits of \$335 thousand, or 2.9% year-over-year. Merit-based and inflationary increases in salaries and employee benefits were partially offset by lower headcount.

During the nine months ended September 30, 2025, consolidated income tax expense was \$2.0 million, compared to \$1.7 million in the first nine months of 2024. The Company maintained an effective tax rate of 23.5% for both periods presented.

Assets and Liabilities

Total assets were \$1.0 billion at September 30, 2025 versus \$966.7 million at December 31, 2024. Total loans held for investment were \$732.8 million on September 30, 2025 compared to \$698.7 million on December 31, 2024. Debt securities decreased \$11.1 million from year-end 2024, primarily due to normal amortization, while cash and cash equivalent balances totaled \$115.6 million on September 30, 2025 compared to \$100.8 million on December 31, 2024.

Total deposits increased \$41.0 million to \$878.5 million as of September 30, 2025, from a balance of \$837.5 million on December 31, 2024. The Company also maintains off-balance sheet transactional deposit accounts and off-balance sheet time deposit accounts. Off-balance sheet deposits can fluctuate significantly as customers' cash sources or uses change. The Company remains committed to cultivating new deposit relationships and prioritizing liquidity.

The following table provides additional detail on the Company's total deposit relationships:

(In thousands)	As of		
	September 30, 2025	December 31, 2024	September 30, 2024
Deposits:			
Non-interest-bearing	\$ 178,027	\$ 172,456	\$ 174,620
Interest-bearing –			
Savings, interest checking and money market	591,166	579,608	540,910
Time deposits	109,342	85,436	80,297
Total on balance sheet deposits	878,535	837,500	795,827
Off-balance sheet deposits (1)	20,478	18,531	20,087
Total available deposits	\$ 899,013	\$ 856,031	\$ 815,914

(1) The off-balance sheet deposits above do not include off-balance sheet time deposits that can be brought back on the balance sheet at various future maturity dates. As of September 30, 2025, the Company managed off-balance sheet time deposit balances of \$250 thousand, compared to \$13.9 million time deposit balances as of December 31, 2024 and \$20.1 million time deposit balances as of September 30, 2024.

The Company remains highly focused on meeting the needs of its customers and ensuring deposit rates reflect changing market conditions. The Company estimates that deposit insurance and other deposit protection programs secure approximately 75% of its customers' deposit balances. This fact, combined with the Company's strong balance sheet and management's sustained focus on fostering a relationship-focused culture, has allowed the Company to maintain a significant deposit base.

Trust assets under administration increased 9.3%, or \$39.7 million, to \$467.7 million at September 30, 2025, from \$428.0 million at December 31, 2024. The Company has experienced elevated distributions during the first nine months of 2025, but has benefitted by significant increases in the market value of financial assets.

Asset Quality

The allowance for credit losses was \$9.3 million as of September 30, 2025 and \$9.2 million as of December 31, 2024. The allowance for credit losses as a percentage of loans held for investment on September 30, 2025 decreased from 1.32% as of December 31, 2024 to 1.27% at the current quarter end. The decrease in the allowance to loans ratio was largely due to gross charge-offs of \$497 thousand in the first nine months of 2025. The charge-offs were taken against reserves on longer-term non-performing loans.

Past due loans of 31-89 days increased to \$1.4 million as of September 30, 2025, compared to \$1.2 million as of December 31, 2024. Nonperforming assets were \$8.1 million on September 30, 2025, compared to

\$6.3 million on December 31, 2024. The ratio of nonperforming assets-to-total-assets was 0.80% at September 30, 2025 compared to 0.65% as of December 31, 2024. As of September 30, 2025, \$4.7 million, or 58%, of the \$8.1 million in nonperforming loans were SBA loans supported by material government guarantees. When excluding the loan balances covered by government guarantees, the Company's nonperforming assets-to-total-assets ratio was 0.44% on September 30, 2025.

The Company continues to monitor the evolving macroeconomic and geopolitical environment for possible impacts to the loan portfolio. As of September 30, 2025, classified loans increased to \$6.9 million from \$4.7 million as of December 31, 2024. During the third quarter of 2025, the Company experienced an increase in classified loans related to the trucking industry. While the Company's overall exposure to the trucking industry is estimated to be \$11.9 million, the Company does not believe that our remaining trucking portfolio is currently exposed to further credit deterioration. As of September 30, 2025 and December 31, 2024, the Company had \$7.5 million and \$12.2 million, respectively, of potentially problematic loans, which are risk-rated as "special mention". As of September 30, 2025, \$3.9 million of the special mention loan balances are secured by hotels, compared to \$3.7 million as of June 30, 2025. While the Company has experienced elevated levels of special mention loans for this industry, the loans are not concentrated in a geographical location or specific property type. The remainder of the loans within the hotel industry are pass rated as of September 30, 2025.

BNC's loans held for investment are geographically concentrated in North Dakota and Arizona, comprising 54% and 24%, respectively, of the Company's total loans held for investment portfolio.

The North Dakota economy is influenced by the energy and agriculture industries. Changes in energy supply and demand, along with market sentiment have recently caused a decrease in oil prices that, if prolonged, could have a negative impact on the oil industry and ancillary services. Potential risks to North Dakota's energy and agriculture industries include the possibility of adverse national legislation, potential effects of trade policy, and changes in economic conditions. Depending on the severity of their impact, these factors could present potential challenges to credit quality in North Dakota.

The Arizona economy continues to diversify but remains influenced by the leisure and travel industries. Positive trends in both industries have been noted, but an extended slowdown in these industries could negatively impact credit quality in Arizona. While the Company's portfolio includes various sized loans spread over a large number of industry sectors, it has meaningful concentrations of loans to the hospitality

and commercial real estate industries.

The following table approximately describes the Company's concentrations by industry:

Loans Held for Investment by Industry Sector

(in thousands)

	September 30, 2025			December 31, 2024		
Non-owner Occupied Commercial Real Estate – not otherwise categorized	\$ 190,738	26	%	\$ 192,741	28	%
Consumer, not otherwise categorized	100,003	14		99,243	14	
Hotels	94,590	13		86,863	12	
Agriculture, forestry, fishing and hunting	39,332	5		36,763	5	
Healthcare and social assistance	39,160	5		32,447	5	
Retail trade	30,588	4		34,186	5	
Non-hotel accommodation and food service	28,426	4		27,288	4	
Transportation and warehousing	28,113	4		31,124	5	
Art, entertainment and recreation	27,679	4		27,747	4	
Construction contractors	22,474	3		13,938	2	
Mining, oil and gas extraction	20,141	3		23,685	4	
Manufacturing	17,960	3		15,333	2	
Real estate and rental and leasing support services	16,647	2		15,385	2	
Other service	16,523	2		14,325	2	
Utilities	13,965	2		720	-	
Professional, scientific, and technical services	11,251	2		9,854	1	
Educational services	10,019	1		13,595	2	
Finance and insurance	8,407	1		8,586	1	
Public administration	6,939	1		7,357	1	
All other	9,155	1		6,602	1	
Total gross loans held for investment	<u>\$ 732,110</u>	<u>100</u>	<u>%</u>	<u>\$ 697,782</u>	<u>100</u>	<u>%</u>

Capital

Banks and bank holding companies operate under separate regulatory capital requirements. As of September 30, 2025, the Company's capital ratios exceeded all regulatory capital thresholds, including the capital conservation buffer.

A summary of the Company's and the Bank's capital ratios is presented below:

	September 30, 2025	December 31, 2024
BNCCORP, INC. (Consolidated)		
Tier 1 leverage	12.65%	12.75%
Common equity tier 1 risk based capital	12.76%	12.36%
Tier 1 risk based capital	14.55%	14.22%
Total risk based capital	15.65%	15.35%
Tangible common equity	10.34%	9.68%
BNC National Bank		
Tier 1 leverage	11.91%	11.89%
Common equity tier 1 risk based capital	13.70%	13.25%
Tier 1 risk based capital	13.70%	13.25%
Total risk based capital	14.79%	14.38%
Tangible common equity	11.19%	10.49%

The Common Equity Tier 1 ratio, which is generally a comparison of a bank's core equity capital to its total risk weighted assets, is a measure of the current risk profile of the Bank's asset base from a regulatory perspective. The Tier 1 leverage ratio, which is based on average assets, does not consider the mix of risk-weighted assets.

The Company regularly evaluates the sufficiency of its capital to ensure compliance with regulatory capital standards and to serve as a source of strength for the Bank. The Company manages capital by assessing the composition of capital and the amounts available for growth, risk, or other purposes.

The Company made an election at the adoption of BASEL III to exclude changes in accumulated other comprehensive income from the calculation of regulatory ratios.

Share Repurchases

In December 2020, the Company's Board of Directors approved a share repurchase program authorizing the repurchase of up to 175,000 shares of BNCCORP, INC. outstanding common stock. During the first quarter of 2024, the Company repurchased 50,000 shares of common stock for a total cost of \$1.2 million, or approximately \$23.25 per share. The Company has made no other share repurchases of common stock. As of September 30, 2025, there was 125,000 shares remaining under the current authorized share repurchase program.

About BNCCORP, INC.

BNCCORP, INC., headquartered in Bismarck, ND, is a registered bank holding company dedicated to providing banking and wealth management services to businesses and consumers in its local markets. The Company operates community banking and wealth management businesses in North Dakota and Arizona from 11 locations.

This news release may contain "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, plans, objectives, future performance and business of BNC. Forward-looking statements, which may be based upon beliefs, expectations and assumptions of our management and on information currently available to management are generally identifiable by the use of words such as "expect", "believe", "anticipate", "at the present time", "plan", "optimistic", "intend", "estimate", "may", "will", "would", "could", "should", "future" and other expressions relating to future periods. Examples of forward-looking statements include, among others, statements we make regarding our expectations regarding future market conditions and our ability to capture opportunities and pursue growth strategies, our expected operating results such as revenue growth and earnings and our expectations of the effects of the regulatory environment or future pandemics on our earnings for the foreseeable future. Forward-looking statements are neither historical facts nor assurances of future performance. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, but are not limited to: the impact of current and future regulation; the risks of loans and investments, including dependence on local and regional economic conditions; competition for our customers from other providers of financial services; possible adverse effects of changes in interest rates; risks associated with our acquisition and growth strategies; and other risks, including the potential impact of the imposition of tariffs or retaliatory tariffs, which are difficult to predict and many of which are beyond our control. In addition, all statements in this news release, including forward-looking statements, speak only of the date they are made, and the Company undertakes no obligation to update any statement in light of new information or future events.

This press release contains references to financial measures, which are not defined in GAAP. Such non-GAAP financial measures include tangible common equity to total period end assets ratio. These non-

GAAP financial measures have been included as the Company believes they are helpful for investors to analyze and evaluate the Company's financial condition.

(Financial tables attached)

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BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands, except per share data)	For the Quarter Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
INCOME STATEMENT				
Interest income	\$ 13,362	\$ 11,644	\$ 37,896	\$ 34,572
Interest expense	4,493	3,965	12,724	11,437
Net interest income	8,869	7,679	25,172	23,135
Provision for credit losses	165	110	490	355
Net interest income after provision for credit losses	8,704	7,569	24,682	22,780
Non-interest income				
Bank charges and service fees	713	728	2,067	2,295
Wealth management revenues	534	510	1,547	1,510
Gains on sales of loans, net	3	7	116	10
Other	137	169	471	605
Total non-interest income	1,387	1,414	4,201	4,420
Non-interest expense				
Salaries and employee benefits	3,760	3,569	11,716	11,381
Professional services	368	264	1,021	782
Data processing fees	874	898	2,545	2,605
Marketing and promotion	243	212	607	594
Occupancy	347	387	1,152	1,155
Regulatory costs	136	137	401	409
Depreciation and amortization	271	276	815	815
Office supplies and postage	86	83	282	281
Other	564	450	1,741	1,765
Total non-interest expense	6,649	6,276	20,280	19,787
Income before taxes	3,442	2,707	8,603	7,413
Income tax expense	809	636	2,022	1,742
Net income	<u>\$ 2,633</u>	<u>\$ 2,071</u>	<u>\$ 6,581</u>	<u>\$ 5,671</u>
WEIGHTED AVERAGE SHARES				
Common shares outstanding (a)	3,541,774	3,533,413	3,541,215	3,547,895
Dilutive effect of share-based compensation	1,401	1,193	1,174	4,167
Adjusted weighted average shares (b)	3,543,175	3,534,606	3,542,389	3,552,062
EARNINGS PER SHARE DATA				
Basic earnings per common share	\$ 0.74	\$ 0.59	\$ 1.86	\$ 1.60
Diluted earnings per common share	\$ 0.74	\$ 0.59	\$ 1.86	\$ 1.60

(a) Denominator for basic earnings per common share

(b) Denominator for diluted earnings per common share

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands, except share, per-share and full-time equivalent data)	As of		
	September 30, 2025	December 31, 2024	September 30, 2024
BALANCE SHEET DATA			
Cash and cash equivalents	\$ 115,611	\$ 100,815	\$ 69,210
Debt securities available for sale	118,415	129,522	135,594
FRB and FHLB stock	2,386	2,387	2,387
Loans held for investment	732,833	698,724	683,201
Allowance for credit losses	(9,313)	(9,223)	(9,531)
Net loans held for investment	723,520	689,501	673,670
Premises and equipment, net	10,312	10,893	10,893
Operating lease right of use asset	607	618	708
Accrued interest receivable	4,444	4,108	3,951
Other	28,182	28,837	27,994
Total assets	<u>\$ 1,003,477</u>	<u>\$ 966,681</u>	<u>\$ 924,407</u>
Deposits:			
Non-interest-bearing	\$ 178,027	\$ 172,456	\$ 174,620
Interest-bearing –			
Savings, interest checking and money market	591,166	579,608	540,910
Time deposits	109,342	85,436	80,297
Total deposits	878,535	837,500	795,827
Guaranteed preferred beneficial interest in Company's subordinated debentures	15,464	15,464	15,464
Accrued interest payable	1,611	1,248	1,236
Accrued expenses	2,455	2,832	2,503
Operating lease liabilities	673	700	799
Dividends payable	-	14,304	-
Other	1,002	966	824
Total liabilities	899,740	873,014	816,653
Common stock	37	36	35
Capital surplus – common stock	27,150	26,904	26,882
Retained earnings	85,248	78,667	90,714
Treasury stock	(2,666)	(2,696)	(2,687)
Accumulated other comprehensive income, net	(6,032)	(9,244)	(7,190)
Total stockholders' equity	103,737	93,667	107,754
Total liabilities and stockholders' equity	<u>\$ 1,003,477</u>	<u>\$ 966,681</u>	<u>\$ 924,407</u>
OTHER SELECTED DATA			
Trust assets under administration	\$ 467,677	\$ 427,994	\$ 426,639
Core deposits (1)	\$ 878,535	\$ 837,500	\$ 795,827
Tangible book value per common share (2)	\$ 29.44	\$ 26.60	\$ 30.60
Tangible book value per common share excluding accumulated other comprehensive income, net	\$ 31.15	\$ 29.22	\$ 32.64
Full time equivalent employees	135	136	137
Common shares outstanding	3,523,875	3,521,375	3,521,710

(1) Core deposits consist of all deposits with customers.

(2) Tangible book value per common share is equal to book value per common share.

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

**AVERAGE BALANCE,
YIELD EARNED, AND
COST PAID**

(dollars in thousands)

	For the Quarter Ended September 30, 2025			For the Quarter Ended September 30, 2024			Quarter-Over-Quarter Comparison		
	Average Balance	Interest Earned or Paid	Average Yield or Cost	Average Balance	Interest Earned or Paid	Average Yield or Cost	Change Due to		
							Rate	Volume	Total
Assets									
Interest-bearing due from banks	\$ 95,483	\$ 1,062	4.41%	\$ 58,888	\$ 800	5.40%	\$ (164)	\$ 426	\$ 262
FRB and FHLB stock	2,386	37	6.15%	2,387	38	6.33%	(1)	-	(1)
Debt securities available for sale	119,686	934	3.10%	134,947	1,157	3.41%	(100)	(123)	(223)
Loans held for investment	735,614	11,329	6.11%	686,015	9,649	5.58%	954	726	1,680
Allowance for credit losses	(9,174)	-	0.00%	(9,441)	-	0.00%	-	-	-
Total	<u>\$ 943,995</u>	<u>\$ 13,362</u>	<u>5.62%</u>	<u>\$ 872,796</u>	<u>\$ 11,644</u>	<u>5.31%</u>	<u>\$ 689</u>	<u>\$ 1,029</u>	<u>\$ 1,718</u>
Liabilities									
Interest checking and money market	\$ 551,712	\$ 3,317	2.39%	\$ 506,218	\$ 2,979	2.33%	\$ (46)	\$ 384	\$ 338
Savings	41,073	11	0.11%	43,480	12	0.11%	-	(1)	(1)
Time deposits	106,400	938	3.50%	77,851	706	3.61%	(26)	258	232
Short-term borrowings	3	-	4.98%	3	-	6.00%	-	-	-
Subordinated debentures	15,464	227	5.82%	15,464	268	6.90%	(41)	-	(41)
Total	<u>\$ 714,652</u>	<u>\$ 4,493</u>	<u>2.49%</u>	<u>\$ 643,016</u>	<u>\$ 3,965</u>	<u>2.45%</u>	<u>\$ (113)</u>	<u>\$ 641</u>	<u>\$ 528</u>
Net Interest Income		<u>\$ 8,869</u>			<u>\$ 7,679</u>				
Net Interest Spread			<u>3.12%</u>			<u>2.85%</u>			
Net Interest Margin			<u>3.73%</u>			<u>3.50%</u>			

**AVERAGE BALANCE,
YIELD EARNED, AND
COST PAID**

(dollars in thousands)

	For the Nine Months Ended September 30, 2025			For the Nine Months Ended September 30, 2024			Nine Month Comparison		
	Average Balance	Interest Earned or Paid	Average Yield or Cost	Average Balance	Interest Earned or Paid	Average Yield or Cost	Change Due to		
							Rate	Volume	Total
Assets									
Interest-bearing due from banks	\$ 86,616	\$ 2,880	4.45%	\$ 63,543	\$ 2,596	5.46%	\$ (540)	\$ 824	\$ 284
FRB and FHLB stock	2,386	108	6.05%	2,383	109	6.11%	(1)	-	(1)
Debt securities available for sale	124,369	2,901	3.12%	139,848	3,594	3.43%	(314)	(379)	(693)
Loans held for investment	715,671	32,007	5.98%	678,529	28,273	5.55%	2,182	1,552	3,734
Allowance for credit losses	(9,204)	-	0.00%	(9,385)	-	0.00%	-	-	-
Total	<u>\$ 919,838</u>	<u>\$ 37,896</u>	<u>5.51%</u>	<u>\$ 874,918</u>	<u>\$ 34,572</u>	<u>5.28%</u>	<u>\$ 1,327</u>	<u>\$ 1,997</u>	<u>\$ 3,324</u>
Liabilities									
Interest checking and money market	\$ 540,249	\$ 9,423	2.33%	\$ 511,758	\$ 8,817	2.30%	\$ (74)	\$ 680	\$ 606
Savings	42,425	33	0.10%	43,277	35	0.11%	(1)	(1)	(2)
Time deposits	99,914	2,593	3.47%	72,653	1,791	3.29%	84	718	802
Short-term borrowings	3	-	4.98%	2	-	6.00%	-	-	-
Subordinated debentures	15,464	675	5.84%	15,464	794	6.86%	(119)	-	(119)
Total	<u>\$ 698,055</u>	<u>\$ 12,724</u>	<u>2.44%</u>	<u>\$ 643,154</u>	<u>\$ 11,437</u>	<u>2.38%</u>	<u>\$ (110)</u>	<u>\$ 1,397</u>	<u>\$ 1,287</u>
Net Interest Income		<u>\$ 25,172</u>			<u>\$ 23,135</u>				
Net Interest Spread			<u>3.07%</u>			<u>2.90%</u>			
Net Interest Margin			<u>3.66%</u>			<u>3.53%</u>			

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	For the Quarter Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
OTHER AVERAGE BALANCES				
Total assets	\$ 996,822	\$ 926,066	\$ 973,191	\$ 928,579
Core deposits	873,119	799,556	852,553	802,058
Total equity	101,940	104,871	98,651	103,243
KEY RATIOS				
Return on average common stockholders' equity (a)	9.60%	7.21%	8.26%	6.67%
Return on average assets (b)	1.05%	0.89%	0.90%	0.82%
Efficiency ratio (Consolidated)	64.84%	69.02%	69.05%	71.81%
Efficiency ratio (Bank)	62.18%	66.09%	65.87%	68.31%

(a) Return on average common stockholders' equity is calculated by using net income as the numerator and average common equity (less accumulated other comprehensive income (loss)) as the denominator.

(b) Return on average assets is calculated by using net income as the numerator and average total assets as the denominator.

(In thousands)	As of		
	September 30, 2025	December 31, 2024	September 30, 2024
ASSET QUALITY			
Loans 90 days or more delinquent and accruing interest	\$ 2	\$ -	\$ -
Non-accrual loans	8,059	6,275	5,873
Total nonperforming loans	\$ 8,061	\$ 6,275	\$ 5,873
Reposessed assets, net	-	33	48
Total nonperforming assets	\$ 8,061	\$ 6,308	\$ 5,921
Allowance for credit losses	\$ 9,313	\$ 9,223	\$ 9,531
Ratio of total nonperforming loans to total loans	1.10%	0.90%	0.86%
Ratio of total nonperforming assets to total assets	0.80%	0.65%	0.64%
Ratio of nonperforming loans to total assets	0.80%	0.65%	0.64%
Ratio of allowance for credit losses to total loans	1.27%	1.32%	1.40%
Ratio of allowance for credit losses to nonperforming loans	116%	147%	162%

(In thousands)	For the Quarter Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
Changes in Nonperforming Loans:				
Balance, beginning of period	\$ 5,788	\$ 3,055	\$ 6,275	\$ 3,351
Additions to nonperforming	3,245	3,279	4,358	4,862
Charge-offs	-	(42)	(417)	(44)
Reclassified back to performing	(5)	(1)	(884)	(1,716)
Principal payments received	(962)	(381)	(1,160)	(511)
Transferred to reposessed assets	(5)	(37)	(111)	(69)
Balance, end of period	\$ 8,061	\$ 5,873	\$ 8,061	\$ 5,873

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	For the Quarter Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
Changes in Allowance for Credit Losses:				
Balance, beginning of period	\$ 9,260	\$ 9,603	\$ 9,388	\$ 9,459
Provision	165	110	490	355
Loans charged off	(33)	(54)	(497)	(183)
Loan recoveries	41	7	52	35
Balance, end of period	<u>\$ 9,433</u>	<u>\$ 9,666</u>	<u>\$ 9,433</u>	<u>\$ 9,666</u>
Components:				
Allowance for loan losses	\$ 9,313	\$ 9,531	\$ 9,313	\$ 9,531
Allowance for unfunded commitments	\$ 120	\$ 135	\$ 120	\$ 135
Ratio of net recovery (charge-offs) to average total loans	0.001%	(0.007)%	(0.062)%	(0.022)%
Ratio of net recovery (charge-offs) to average total loans, annualized	0.004%	(0.027)%	(0.083)%	(0.029)%

(In thousands)	As of		
	September 30, 2025	December 31, 2024	September 30, 2024
CREDIT CONCENTRATIONS			
North Dakota			
Commercial and industrial	\$ 78,700	\$ 69,391	\$ 61,823
Construction	2,920	1,056	1,074
Agricultural	41,224	39,301	42,067
Land and land development	7,864	7,803	8,033
Owner-occupied commercial real estate	38,319	38,393	37,545
Commercial real estate	113,871	121,985	127,513
Small business administration	17,668	19,658	18,782
Consumer	94,851	92,645	91,320
Subtotal gross loans held for investment	<u>\$ 395,417</u>	<u>\$ 390,232</u>	<u>\$ 388,157</u>
Consolidated			
Commercial and industrial	\$ 123,184	\$ 107,778	\$ 98,990
Construction	8,047	5,903	4,821
Agricultural	43,924	42,103	44,834
Land and land development	9,358	11,243	10,378
Owner-occupied commercial real estate	84,693	81,560	79,991
Commercial real estate	250,639	244,364	248,737
Small business administration	91,741	84,799	76,977
Consumer	120,524	120,032	117,343
Total gross loans held for investment	<u>\$ 732,110</u>	<u>\$ 697,782</u>	<u>\$ 682,071</u>