

Dear Fellow Shareholders:

In 1974 a group of local farmers, business owners, and community leaders came together with a simple but powerful belief: that a local bank, grounded in relationships, sound judgment, and service to community, could create lasting value. That belief has guided Tri Counties Bank for more than five decades, and it continues to guide us today.

As we reflect on fiscal year 2025, I am proud of how TriCo Bancshares navigated an environment shaped by geopolitical uncertainty, economic transition, and rapid technological change. While these forces are largely beyond the control of any single institution, they reinforce the importance of balance sheet resilience, thoughtful decision-making, and disciplined investment. We continue to manage the Company for success across a wide range of economic scenarios, prioritizing long-term stability over short-term outcomes.

Throughout 2025, global and domestic conditions remained complex. International conflicts, shifting trade dynamics, and political transitions influenced economic markets, inflation expectations, and business confidence. Following an extended period of elevated interest rates, monetary policy in the United States began to adjust, creating both opportunities and challenges for banks and their customers. We approached these conditions with the same steady discipline that has served this Company well through multiple economic cycles.

### Financial Highlights

Despite these challenges, TriCo Bancshares delivered solid financial performance in 2025. The Company reported net income of \$121.6 million, or \$3.70 per diluted share, representing a 5.8% increase in earnings and a 6.9% increase in diluted earnings per share compared to the prior year.

Net interest income on a fully tax-equivalent basis (FTE) increased to \$351.9 million, reflecting improved funding costs and disciplined balance sheet management. Net interest margin expanded to 3.89%, benefiting from a steepening yield curve and our continued focus on deposit mix and funding efficiency.

	<b>2025</b>	<b>Chg.</b>	<b>2024</b>	<b>Chg.</b>	<b>2023</b>
Yield on Loans	5.77%	(0.02%)	5.79%	0.35%	5.44%
Cost of Total Interest-Bearing Deposits	1.97%	(0.12%)	2.09%	0.99%	1.10%
Net Interest Margin	3.89%	0.18%	3.71%	(0.25%)	3.96%
Net Interest Income (FTE, \$ millions)	\$351.9	5.83%	\$332.5	(7.17%)	\$358.2

As anticipated, 2025 marked an important inflection point in the interest-rate environment. Interest expense declined as deposit pricing normalized and higher-cost borrowings were reduced. These

results reflect the benefits of our long-standing emphasis on core deposit relationships and conservative funding strategies—an approach designed to support stable earnings and protect shareholder value across interest-rate cycles.

Credit performance during the year remained consistent with our expectations as economic conditions continued to normalize. While the provision for credit losses increased modestly, overall credit metrics reflect sound underwriting, portfolio diversification, and resilient borrower performance. Strong earnings and ongoing capital generation further reinforced our capacity to support customers, communities, and growth opportunities across a wide range of economic conditions.

Total assets ended the year at approximately \$9.8 billion, supported by deposits of approximately \$8.3 billion. These results are the outcome of disciplined decision-making, conservative credit underwriting, and a continued focus earnings growth and capital strength. Our relationship-based approach—grounded in local knowledge, prudent risk assessment, and long-term partnerships—remains central to how we create sustainable value for shareholders.

### **Our Impact in Our Communities**

As California's Local Bank, our success is inseparable from the strength of the communities we serve. In 2025, we continued to make meaningful investments across the state—investments grounded in long-standing relationships, local decision-making, and a commitment to expanding opportunity. That approach was reaffirmed during the year through our most recent Community Reinvestment Act examination, which resulted in an Outstanding rating, the FDIC's highest designation. This recognition reflects years of consistent performance and a disciplined focus on meeting community needs in a safe and fiscally responsible way.

During the year, Tri Counties Bank provided more than \$1.6 million in donations and sponsorships, supporting over 500 nonprofit organizations across California. These partnerships—combined with more than 10,000 employee volunteer hours—support financial education, fraud prevention, tax preparation assistance, workforce development, and essential services in urban, suburban, and rural communities alike. The programs and partnerships we support also play a meaningful role in advancing homeownership and economic mobility for minority and low- and moderate-income households throughout the state.

Affordable homeownership remains a core priority for all of us. In 2025, we partnered with the Federal Home Loan Bank of San Francisco through its Empowering Homeownership program, helping secure \$180,000 in grants for HUD-approved housing counseling agencies that prepare individuals and families for successful, sustainable homeownership. We complemented these efforts with direct investment, committing \$26.7 million to the creation, rehabilitation, and preservation of 760 affordable housing units across our footprint—projects that support long-term community stability and economic inclusion.

Being a community bank also means being present. While larger institutions continue to consolidate and retreat from smaller markets, we remain committed to serving businesses and households throughout California with local bankers and local decision-making. In 2025, we originated more than \$307 million in small business loans, including significant lending in majority-minority and low- and moderate-income communities. We take pride in our roots and in the responsibility that comes with them—helping create jobs, strengthen communities, and ensure that California’s local economies continue to grow and thrive.

### **Adapting to Change**

Technology and innovation continue to play an important role in our strategy as customer expectations and risk management requirements evolve. During 2025, we invested further in our digital banking platforms, data infrastructure, cybersecurity capabilities, and process automation. These investments are intended to enhance customer experience, improve operating efficiency, and strengthen our ability to manage risk—while preserving the personal service and local decision-making that defines Tri Counties Bank.

We are selectively incorporating advanced analytics and artificial intelligence into areas such as fraud detection, operational monitoring, and customer engagement. We recognize both the opportunities and the risks associated with emerging technologies, and our approach remains deliberate and grounded in strong governance, transparency, and alignment with regulatory expectations. When deployed responsibly, these tools can enhance service quality while reinforcing safety and soundness.

We also continued to invest in how we serve California businesses by expanding specialized coverage and industry expertise. During the year, we restructured our business and commercial banking leadership to provide streamlined access to specialized lending capabilities across business banking, commercial banking, and middle-market and specialty banking. Our physical presence remains an important complement to our digital capabilities, reflected in the opening of our new West Portal branch in San Francisco—designed around relationship-based service and local engagement.

### **Recognizing Our Employees**

Our employees are the foundation of our success. Throughout 2025, our teams adapted to change, embraced innovation, and upheld our culture of integrity, accountability, and service. I remain deeply grateful to our 1,200 employees who bring our values to life every day and serve our customers and communities with professionalism and care.

### **Looking Ahead and Gratitude**

As we look ahead, we do so with confidence and humility. The banking industry will continue to evolve, shaped by economic cycles, regulatory developments, technological advancement, and global events. Our strategy remains grounded in disciplined growth, strong capital, responsible innovation, and an enduring commitment to community banking.

On behalf of our Board of Directors and our entire Tri Counties Bank family, thank you for your continued trust and support. We are proud to have you as partners in TriCo Bancshares and remain committed to earning that trust every day.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard P. Smith". The signature is fluid and cursive, with a prominent initial "R" and a long, sweeping underline.

Richard P. Smith

Chairman, President, and Chief Executive Officer