

Financial Earnings Results



Fourth Quarter and Full Year 2024

January 22, 2025

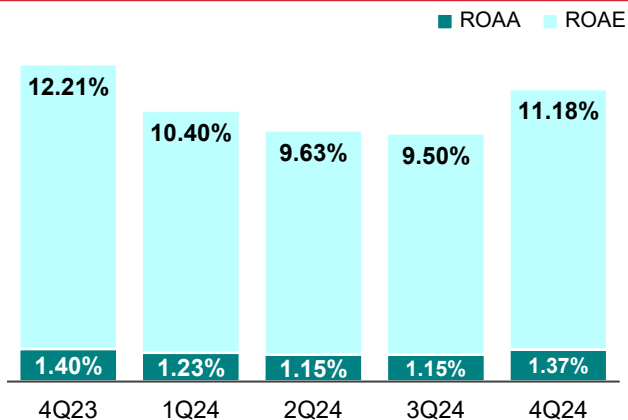
Forward Looking Statements

This presentation contains forward-looking statements about Cathay General Bancorp and its subsidiaries (collectively referred to herein as the “Company,” “we,” “us,” or “our”) within the meaning of the applicable provisions of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provision for forward-looking statements in these provisions. Statements that are not historical or current facts, including statements about beliefs, expectations and future economic performance, are “forward-looking statements” and are based on the information available to, and estimates, beliefs, projections, and assumptions made by, management as of the date on which such statements are first made. Forward-looking statements are not guarantees of future performance and are subject to inherent risks and uncertainties that could cause actual results to differ materially from those anticipated in the statements. These risks and uncertainties include, but are not limited to: local, regional, national and international business, market and economic conditions and events and the impact they may have on us, our clients and our operations, assets and liabilities; possible additional provisions for loan losses and charge-offs; credit risks of lending activities and deterioration in asset or credit quality; extensive laws and regulations and supervision that we are subject to, including potential supervisory action by bank supervisory authorities; increased costs of compliance and other risks associated with changes in regulation; compliance with the Bank Secrecy Act and other money laundering statutes and regulations; potential goodwill impairment; liquidity risk; fluctuations in interest rates; risks associated with acquisitions and the expansion of our business into new markets; inflation and deflation; real estate market conditions and the value of real estate collateral; environmental liabilities; our ability to generate anticipated returns from our investments and/or financings in certain tax advantaged-projects; our ability to compete with larger competitors; our ability to retain key personnel; successful management of reputational risk; natural disasters, public health crises and geopolitical events; failures, interruptions, or security breaches of our information systems; our ability to adapt our systems to the expanding use of technology in banking; adverse results in legal proceedings; changes in accounting standards or tax laws and regulations; market disruption and volatility; restrictions on dividends and other distributions by laws and regulations and by our regulators and our capital structure; capital level requirements and successfully raising additional capital, if needed, and the resulting dilution of interests of holders of our common stock; and the soundness of other financial institutions.

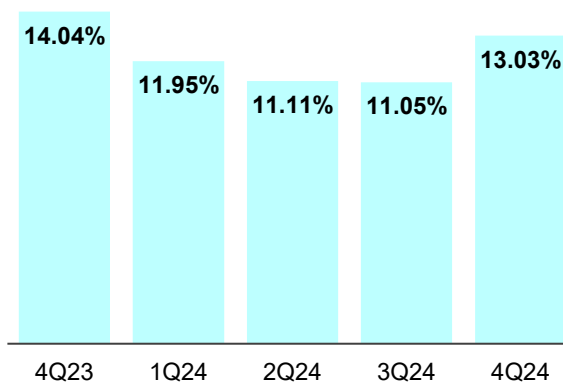
For a discussion of these and other risks that may cause actual results to differ from expectations, please see our Annual Report on Form 10-K (at Item 1A in particular) for the year ended December 31, 2023, and all subsequent reports and filings we make with the Securities and Exchange Commission under the applicable provisions of the Securities Exchange Act of 1934. Given these risks and uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements. Any forward-looking statement speaks only as of the date on which it is first made and, except as required by law, we undertake no obligation to update or review any forward-looking statements to reflect circumstances, developments or events occurring after the date on which the statement is first made or to reflect the occurrence of unanticipated events.

Financial Highlights 4Q 2024

Profitability: Return on Assets & Equity



Return on Tangible Equity *



* Refer to GAAP to non-GAAP reconciliation in Appendix.

Quarterly Results Ending December 31, 2024

\$80.2mn
Net Income

\$1.12
Diluted EPS

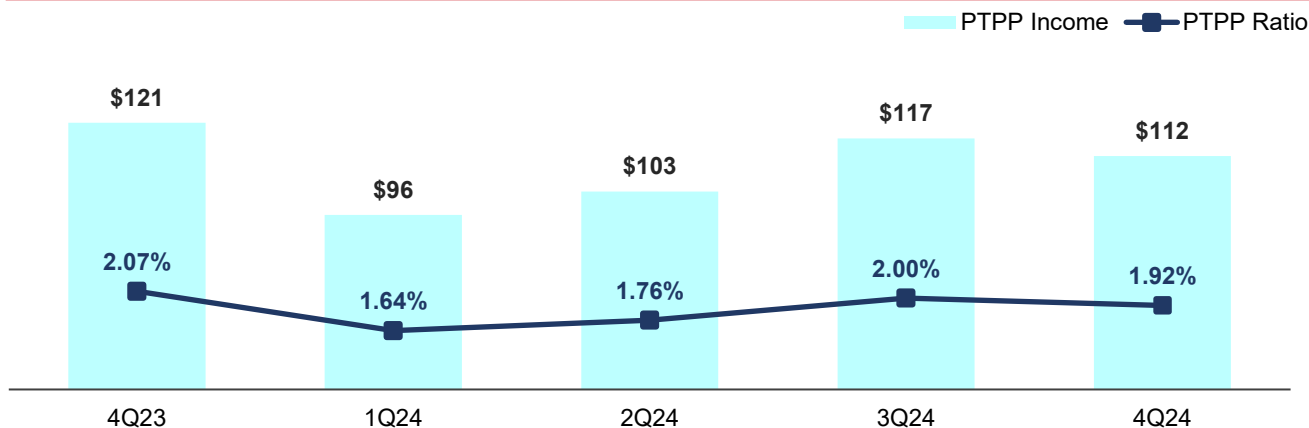
\$186.5mn
Total Revenue

\$19.4bn
Total Loans

\$19.7bn
Total Deposits

45.70%
Efficiency Ratio

Pre-Tax Pre-Provision Income Ratio (\$m)



Pre-Tax Pre-Provision, Pre-Tax Credit Amortization, and Pre-Acquisition Expense ("PTPP") Income Ratio calculation based on annualized PTPP Income divided by total average assets.

Summary Highlights: 4Q and Full Year 2024 Results

\$ in millions, except per share data	4Q24	Change 4Q24 v. 3Q24	Change 4Q24 v. 4Q23	Full Year 2024	Change YoY
Earnings					
Net Income	\$ 80.2	19%	(3)%	\$ 286.0	(19)%
Basic EPS	\$ 1.13	20%	(1)%	\$ 3.97	(19)%
Diluted EPS	\$ 1.12	19%	(1)%	\$ 3.95	(19)%
Total Revenue	\$ 186.5	(2)%	(9)%	\$ 729.7	(10)%
NII	\$ 171.0	1%	(6)%	\$ 674.1	(9)%
NIM	3.07%	3 bps	-20 bps	3.04%	-41 bps
ROAA	1.37%	22 bps	-3 bps	1.22%	-34 bps
ROAE	11.18%	168 bps	-103 bps	10.18%	-338 bps
Efficiency Ratio	45.70%	-541 bps	-814 bps	51.35%	438 bps
Balance Sheets					
Total Loans*	\$ 19,365	(0)%	(1)%	\$ 19,365	(1)%
Total Deposits	\$ 19,686	(1)%	2%	\$ 19,686	2%

Note: Information as of 12.31.24 and 9.30.24 are unaudited. Totals may not foot due to rounding.

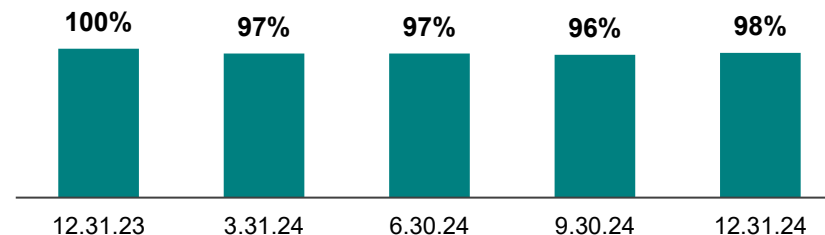
* Gross Loans, net of fees

Summary Balance Sheets

\$mn, except per share data	12.31.24	9.30.24	QoQ Change
Cash equivalents & ST investments	\$ 1,040	\$ 1,339	\$ (299)
AFS debt securities	1,547	1,508	39
Gross loans, net of fees	\$ 19,365	\$ 19,363	\$ 2
Allowance for credit losses	(162)	(164)	2
Net Loans	\$ 19,204	\$ 19,199	\$ 4
Other assets	1,264	1,228	36
Total Assets	\$ 23,055	\$ 23,274	\$ (220)
Customer deposits	\$ 19,686	\$ 19,944	(258)
FHLB borrowings	60	60	-
Debt	137	137	(0)
Other Liabilities	326	303	23
Total Liabilities	\$ 20,209	\$ 20,444	\$ (235)
Total Stockholders' Equity	\$ 2,846	\$ 2,830	\$ 16

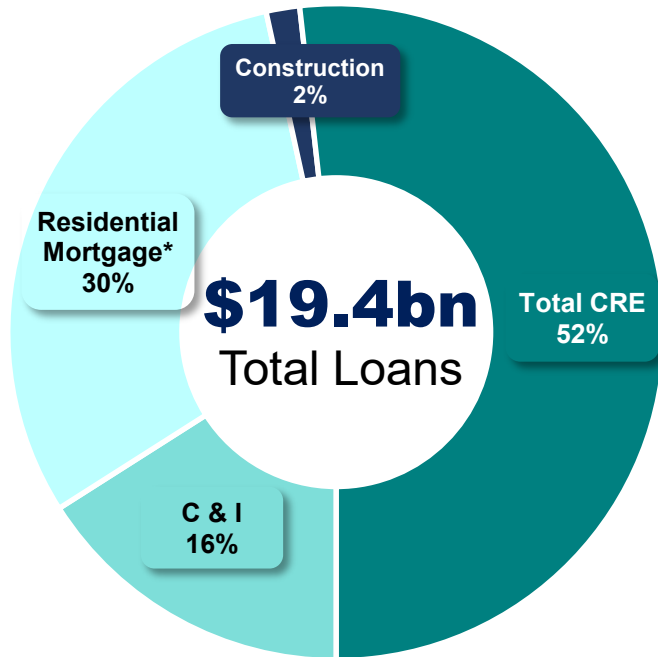
Note: Information as of 12.31.24 and 9.30.24 are unaudited. Totals may not foot due to rounding.

Net Loans-to-Deposit Ratio (end of period (EOP))



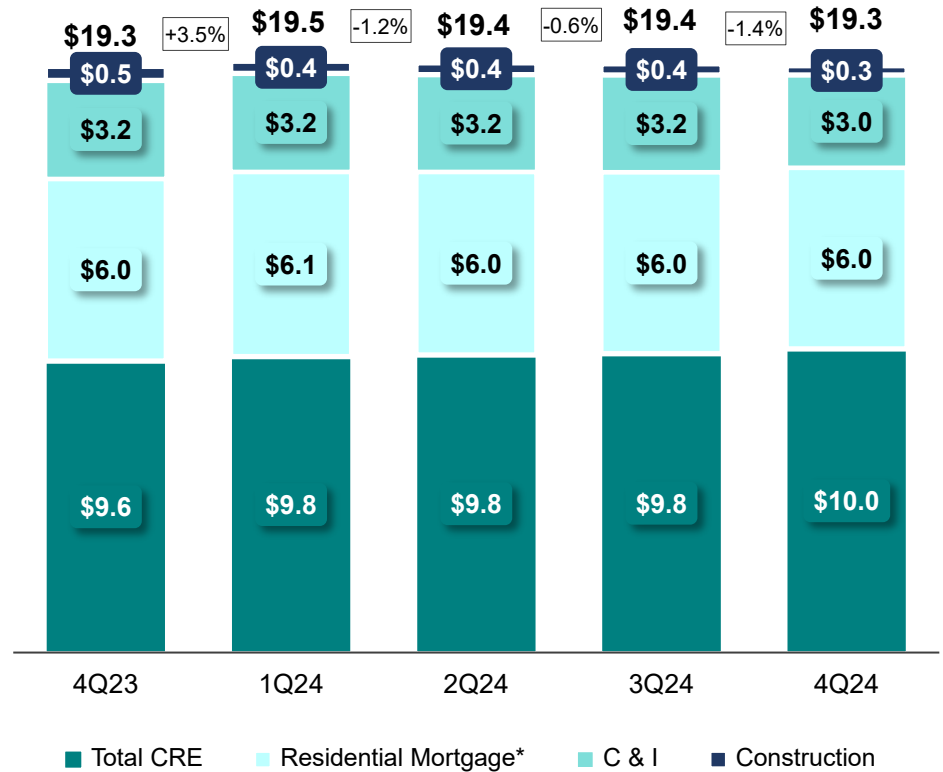
Loan Composition

Total Loan Portfolio (\$bn)



- Total CRE \$10.0bn
- Residential Mortgage* \$6.0bn
- C & I Loans \$3.1bn
- Construction Loans \$0.3bn

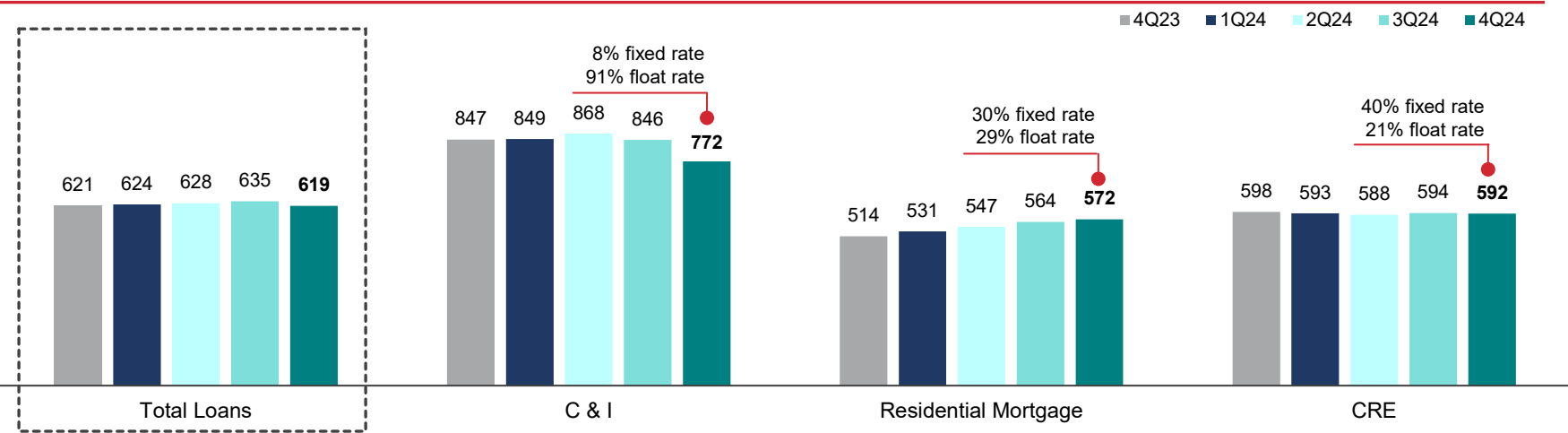
Average Loan Growth – QoQ Annualized (\$bn)



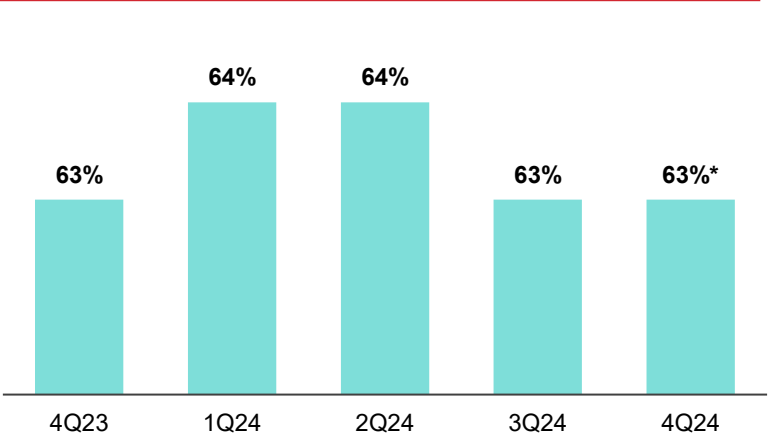
* Residential Mortgage includes equity lines, installment and other loans.

Loan Yields

Average Loan Yield by Type (in bps)

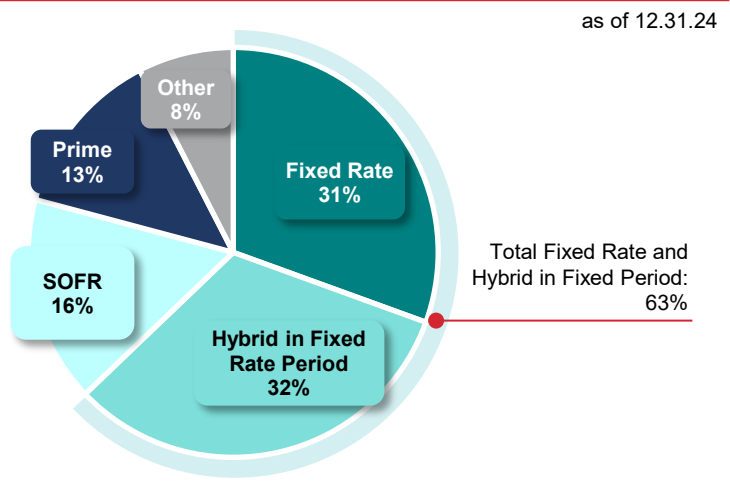


Fix Rate & Hybrid in Fixed Rate Period (% of total loans)



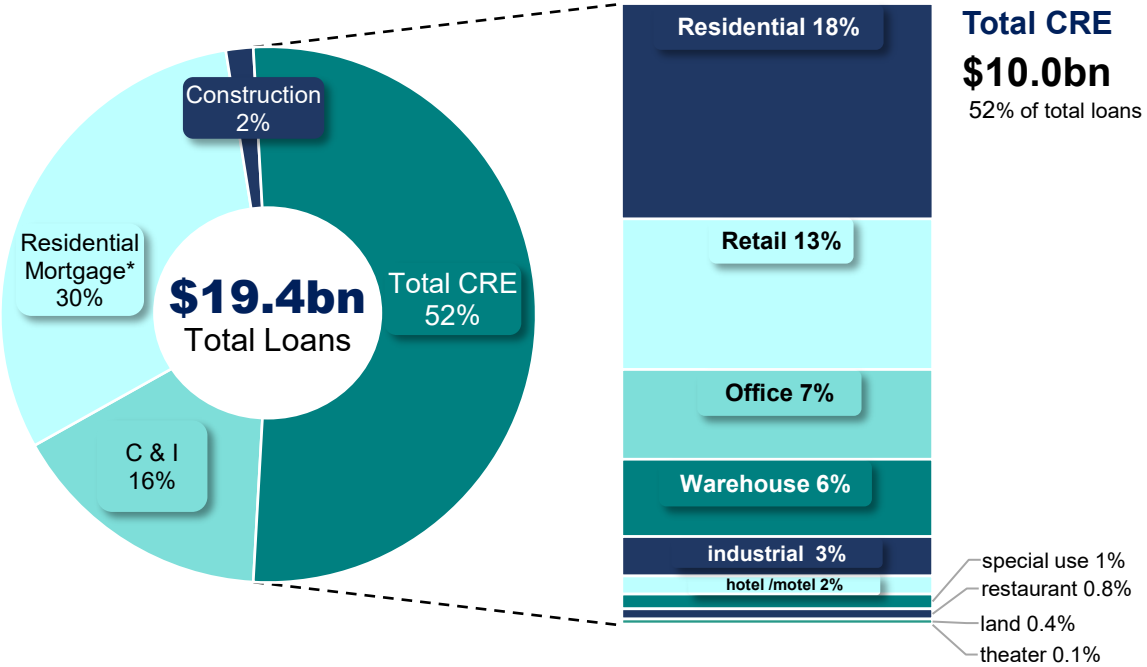
* Excludes fixed to float interest rate swaps of 4.1%.

Loan Portfolio By Index Rate



Commercial Real Estate Portfolio

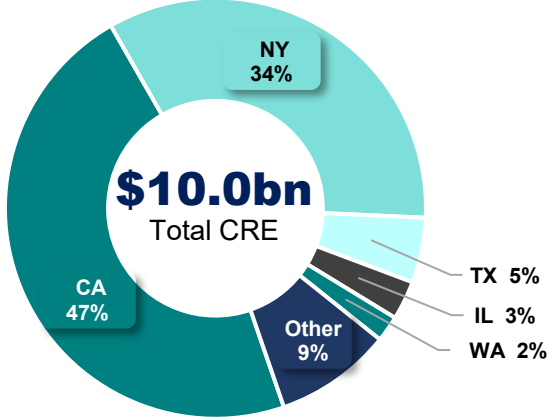
CRE Portfolio Breakdown



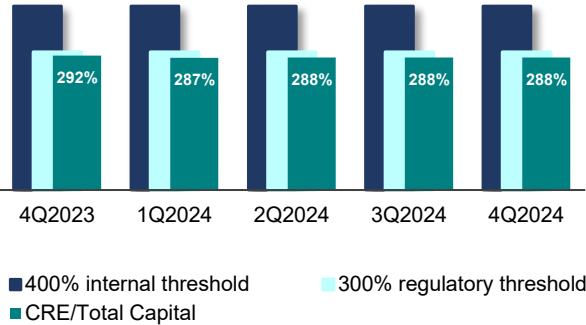
Of \$10.0bn in total CRE loans, it included a notional amount of \$794mn of interest rate swaps or 4.1% of total loans.

* Residential Mortgage includes equity lines, installment and other loans.

CRE Geographic Distribution

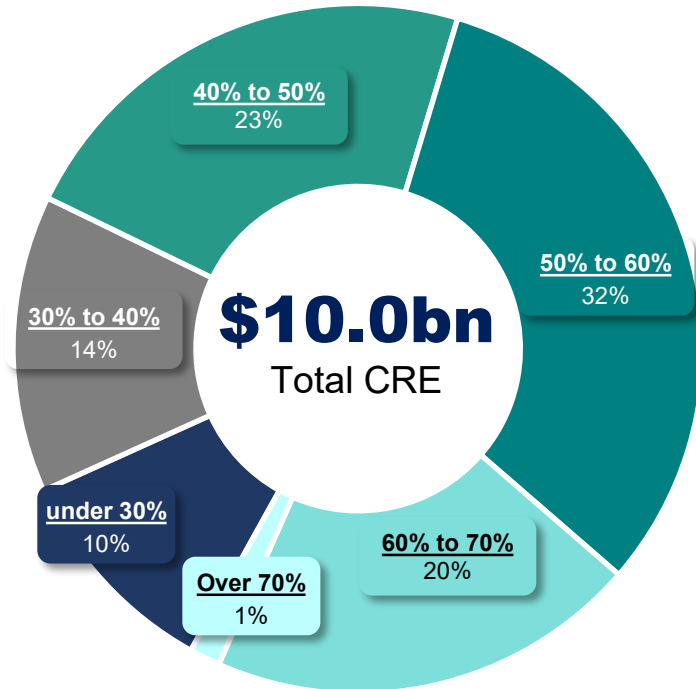


Total CRE Concentration



Commercial Real Estate Portfolio (cont'd)

Total CRE LTV Distribution



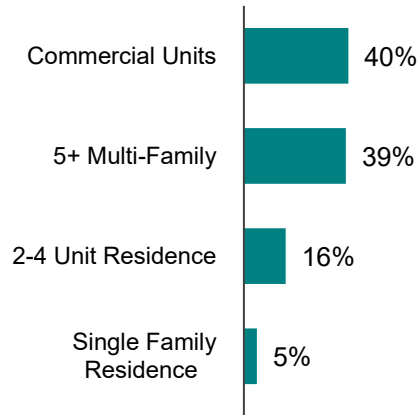
Total CRE LTV and Size by Property Type

	Total CRE Loan Portfolio (\$mn)	Avg. Loan Size (\$mn)	Total CRE Weighted Avg. LTV
Residential	\$3,471	\$1.3	53%
Retail	\$2,432	\$2.1	48%
Office	\$1,449	\$2.2	47%
Warehouse	\$1,248	\$2.7	46%
Industrial	\$636	\$3.0	49%
Hotel / Motel	\$293	\$5.6	46%
Special Use	\$238	\$2.5	44%
Restaurant	\$164	\$0.9	44%
Land	\$83	\$3.6	47%
Theater	\$20	\$6.6	54%
Total CRE	\$10,034	\$1.8	49%

Selected CRE and Construction Loan Portfolios

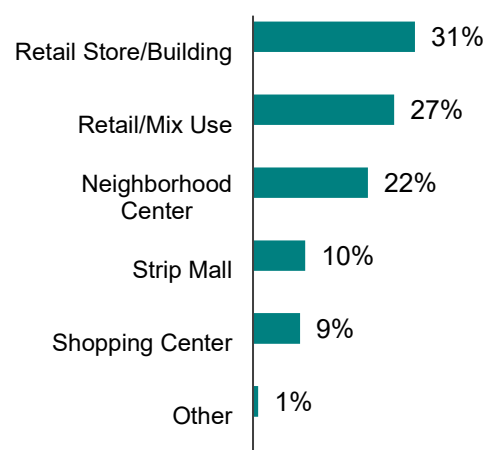
Residential CRE Portfolio

% based on \$3.5bn loans outstanding



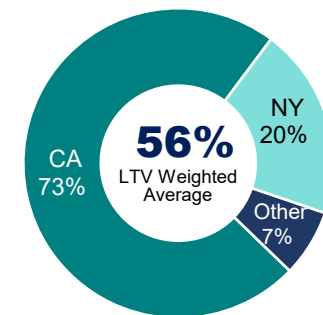
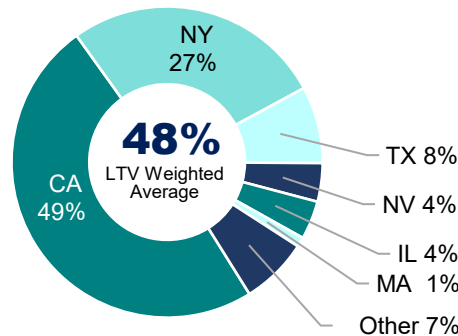
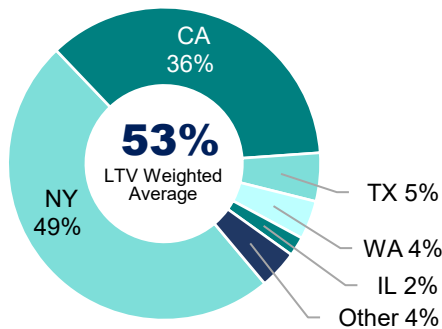
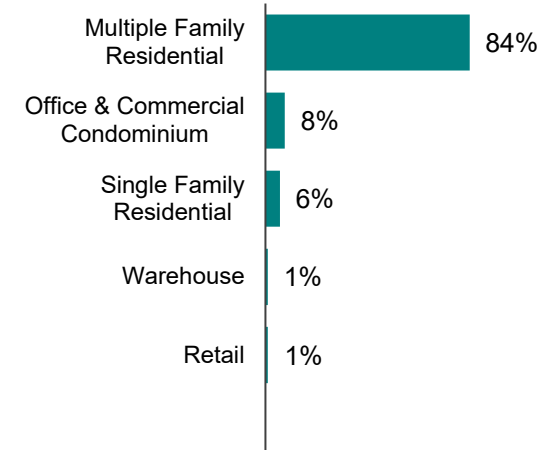
Retail CRE Portfolio

% based on \$2.4bn loans outstanding



Construction Portfolio

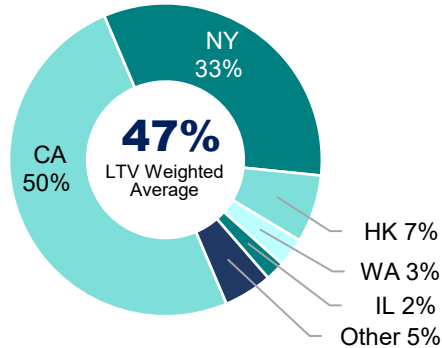
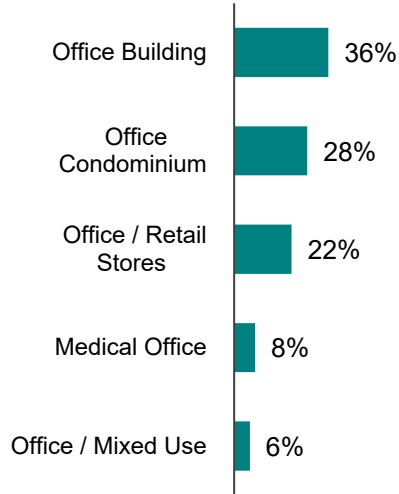
% based on \$0.3bn loans outstanding



CRE Office Portfolio

Office CRE Portfolio

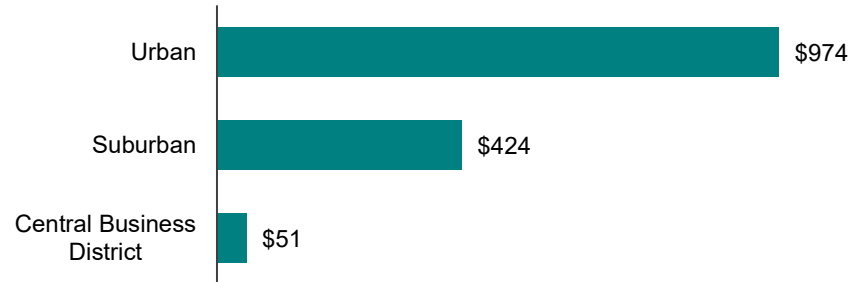
% based on \$1.4bn loans outstanding



Office CRE Distribution

Property Type	Office CRE Loan Portfolio (\$mn)	Total CRE Weighted Avg. LTV (\$mn)
Office Building	\$518	46%
Office Condominium	\$401	46%
Office / Retail Stores	\$318	33%
Medical Office	\$116	45%
Office / Mixed Use	\$96	40%
Total Office CRE	\$1,449	
Avg. Outstanding Size	\$2.2	
Avg. Property Size (sq ft)	14,598	

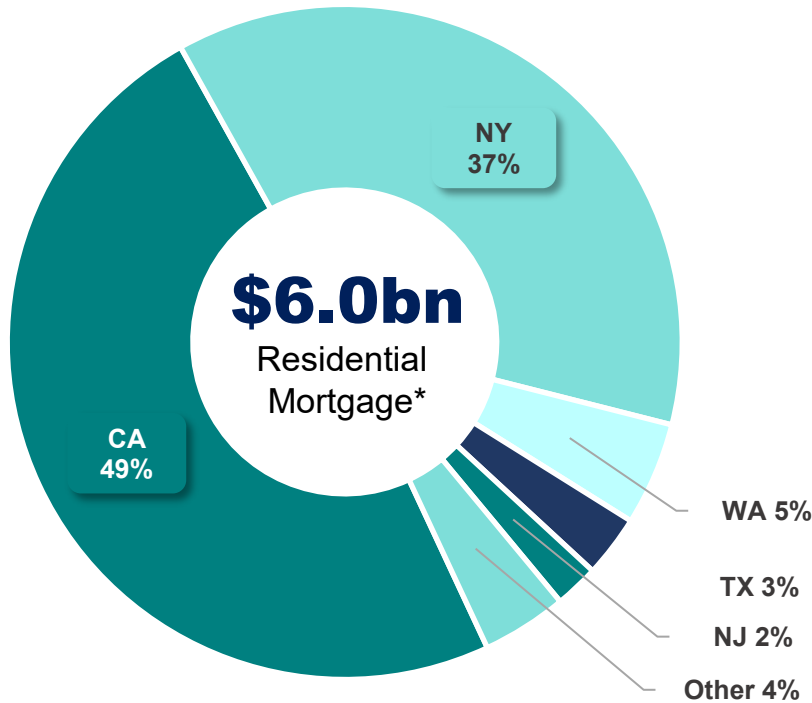
Office CRE Collateral Distribution (\$mn)



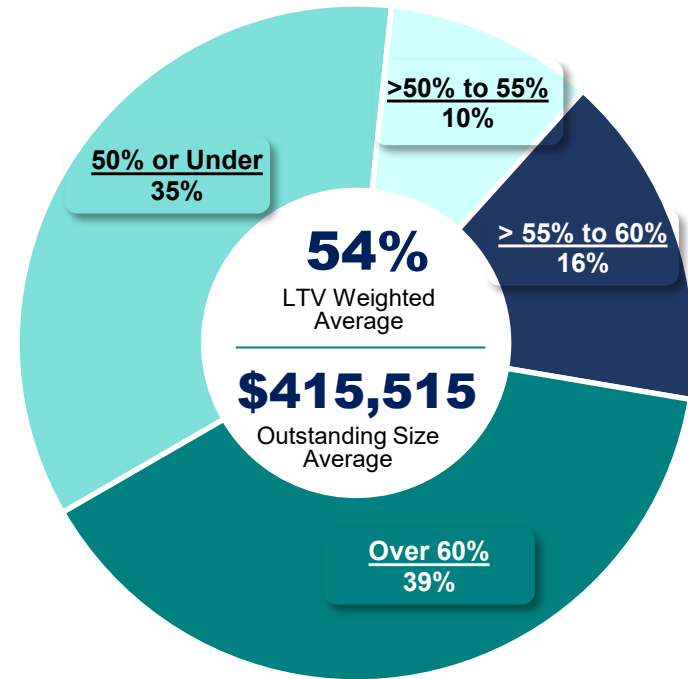
Central Business District (CBD) – Central Business/Financial Centers (mainly city downtowns)
 Urban – City and metropolitan areas
 Suburban – Outside of the city/metropolitan area

Residential Mortgage Portfolio

Resi. Mortgage Geographic Distribution



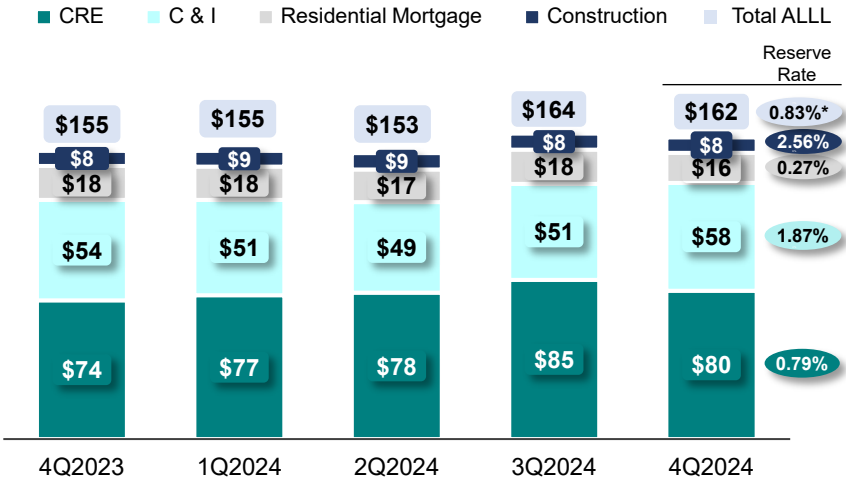
Single-Family Resi. LTV Distribution



* Residential Mortgage includes equity lines, installment and other loans.

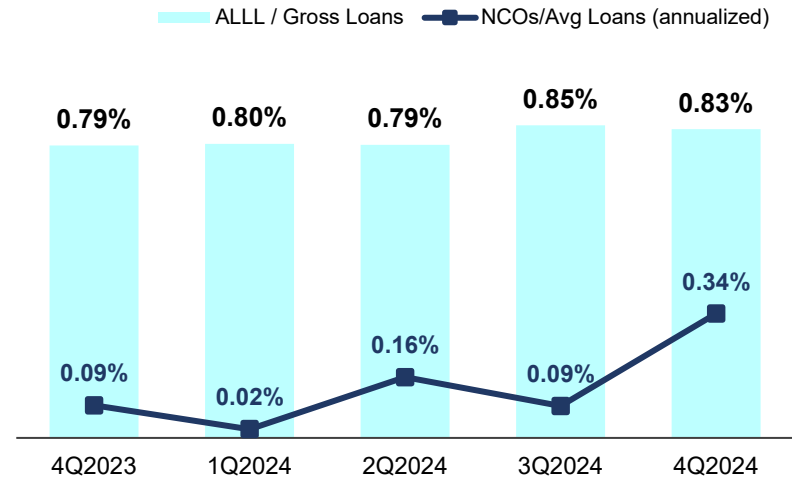
Asset Quality Metrics

ALLL Composition (\$mn)

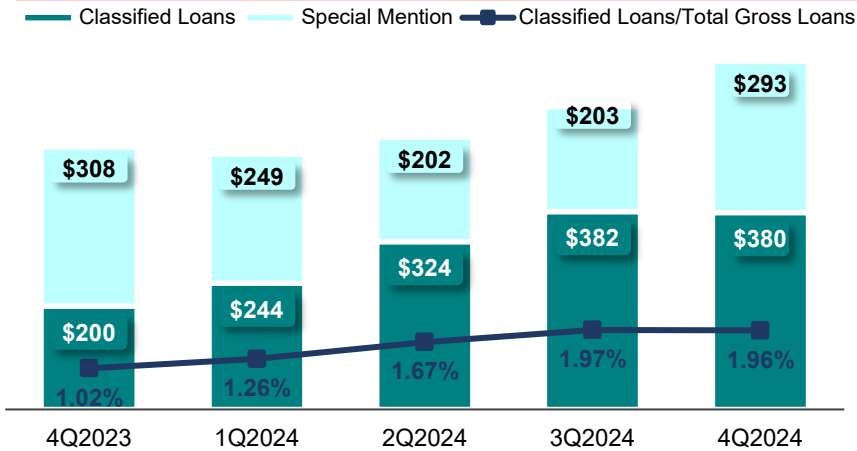


* Excluding residential mortgage portfolio, the total reserve rate would be 1.08%.

Reserves and Net Charge-Offs (%)

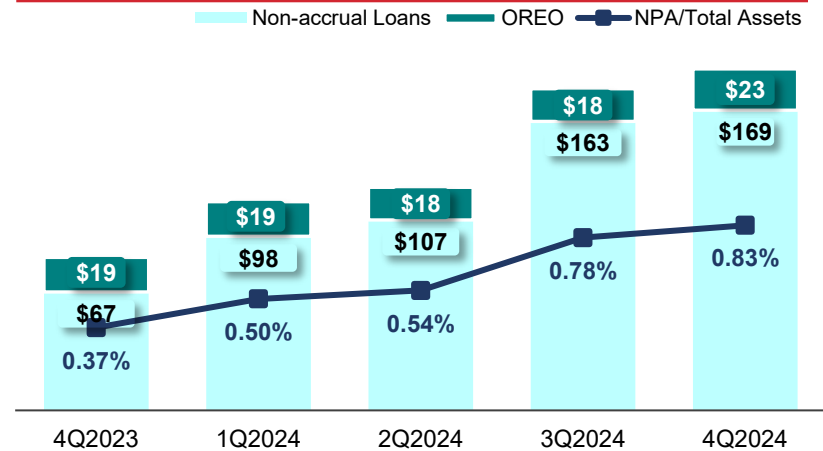


Classified Loans Ratio (\$mn)



Classified Loans are loans classified as substandard and doubtful.

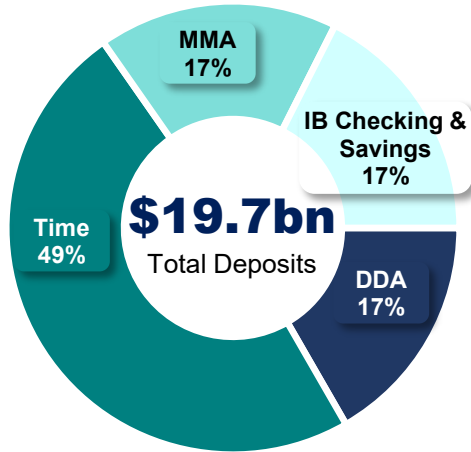
Non-Performing Assets Ratio (\$mn)



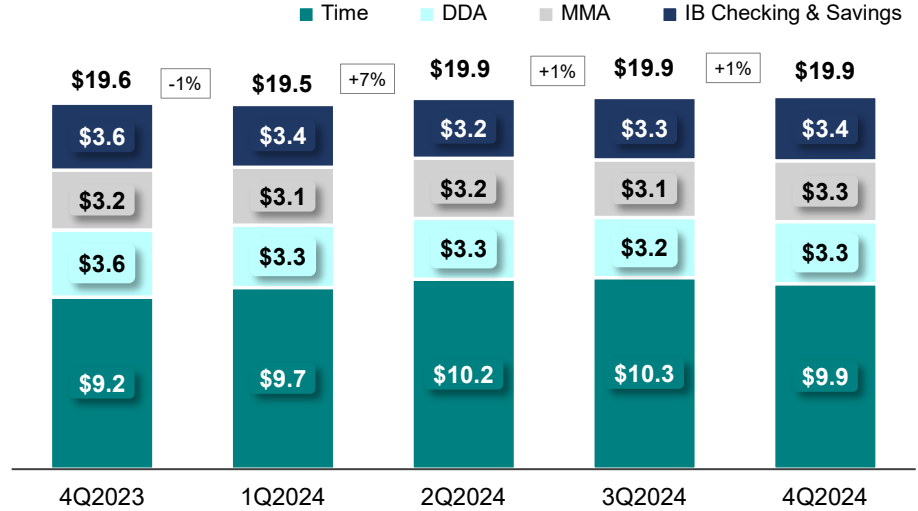
Non-Performing Assets (NPA) = Non-accrual Loans + OREO

Deposit Mix

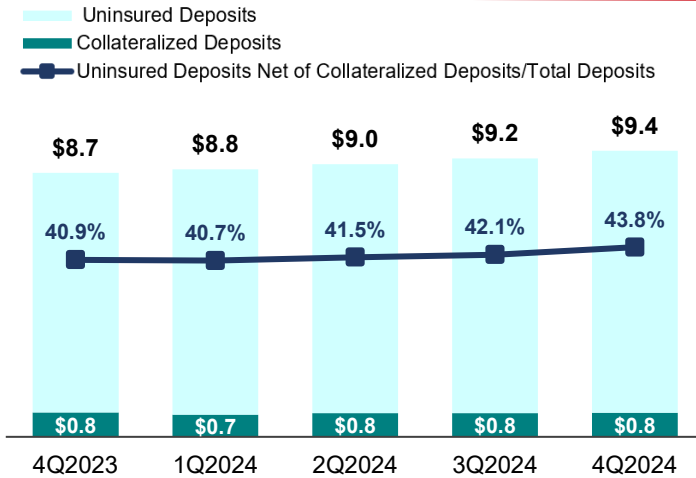
Total Deposits (\$bn)



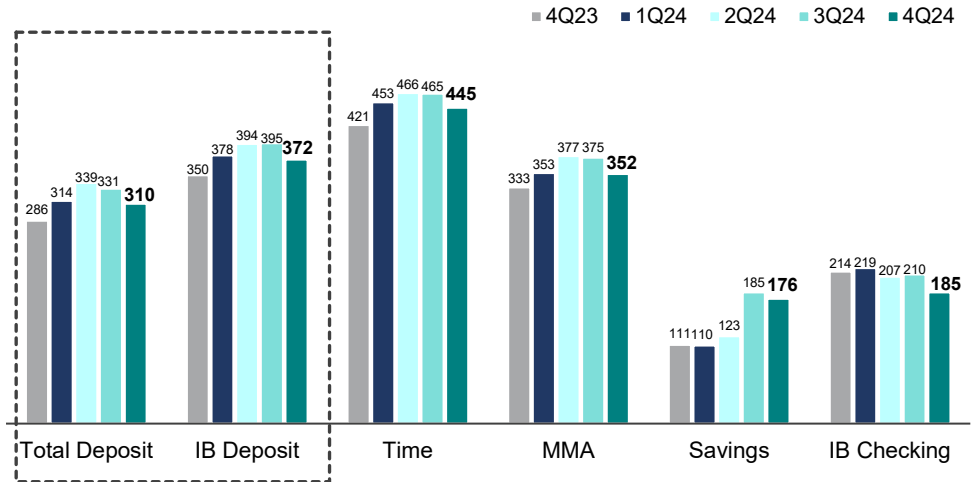
Average Deposit Growth – QoQ Annualized (\$bn)



Total Uninsured Deposits (\$bn)



Average Cost of Deposits by Type (bps)



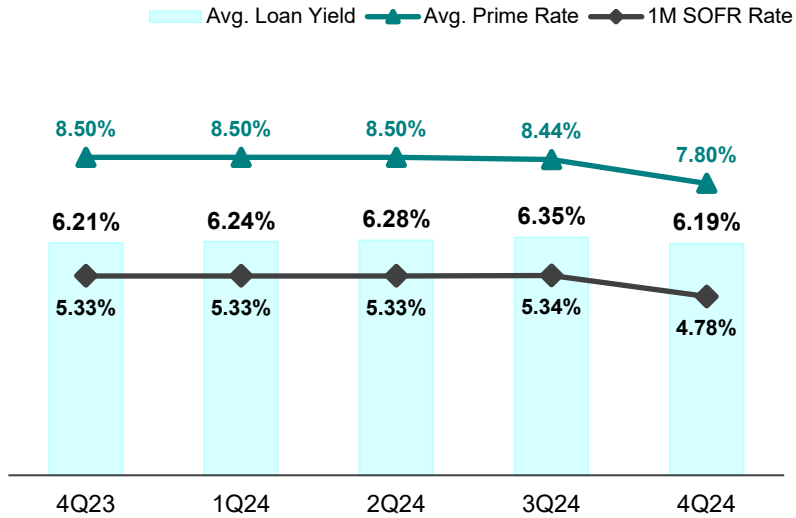
Summary Income Statements

\$mn, except per share data	12.31.24	9.30.24	\$ Change	% Change
Net Interest Income	\$ 171.0	\$ 169.2	\$ 1.9	1%
Noninterest income	16.8	16.1	0.7	4%
Net (losses) / Gains from equity securities	(1.3)	4.3	(5.6)	(131)%
Total Noninterest Income	15.5	20.4	(4.9)	(24)%
Core noninterest expense	74.9	72.0	2.9	4%
amortization of LIH and solar tax credit investments plus OREO, core deposit intangibles and FDIC special assessment	10.3	24.9	(14.6)	(58)%
Total Noninterest Expense	\$ 85.2	\$ 96.9	\$ (11.6)	(12)%
Provision for credit losses	14.5	14.5	-	0%
Income tax expense	6.6	10.6	(4.1)	(38)%
Net Income	\$ 80.2	\$ 67.5	\$ 12.7	19%
Diluted EPS	\$ 1.12	\$ 0.94	\$ 0.18	20%
Weighted avg. diluted shares (in millions)	71.5	72.0	(0.5)	(1)%

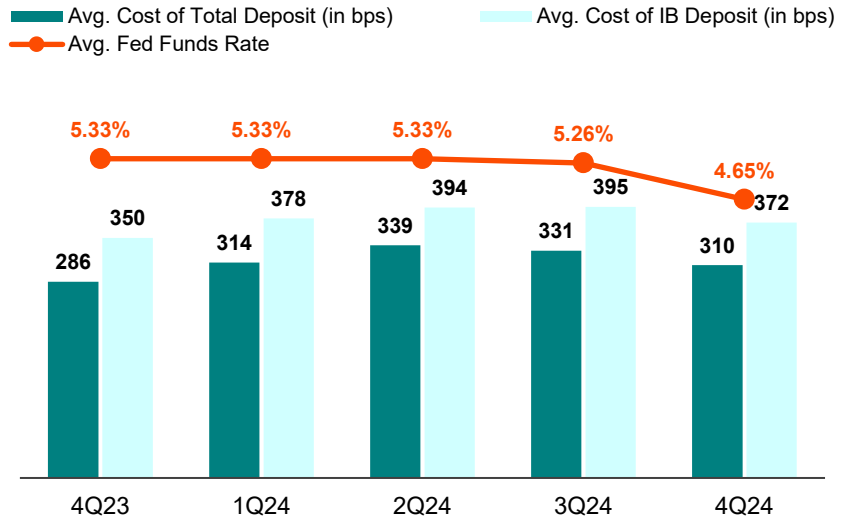
Note: Information for quarter ending 12.31.24 and 9.30.24 are unaudited. Totals may not foot due to rounding.

Loan Yields, Deposit Costs and Net Interest Income

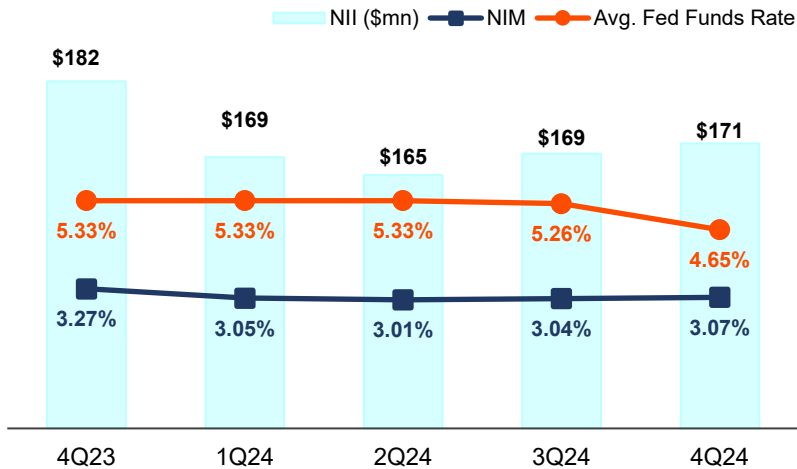
Average Loan Yield vs Prime Rate and 1M SOFR



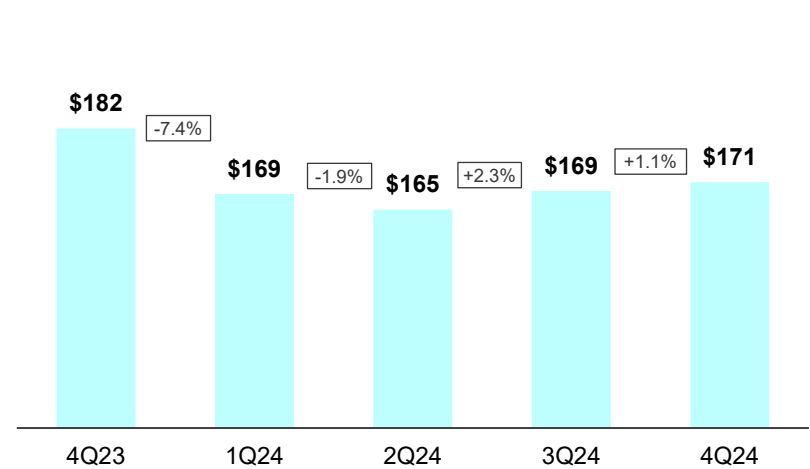
Average Cost of Deposits vs Fed Funds Rate



Net Interest Income and Net Interest Margin

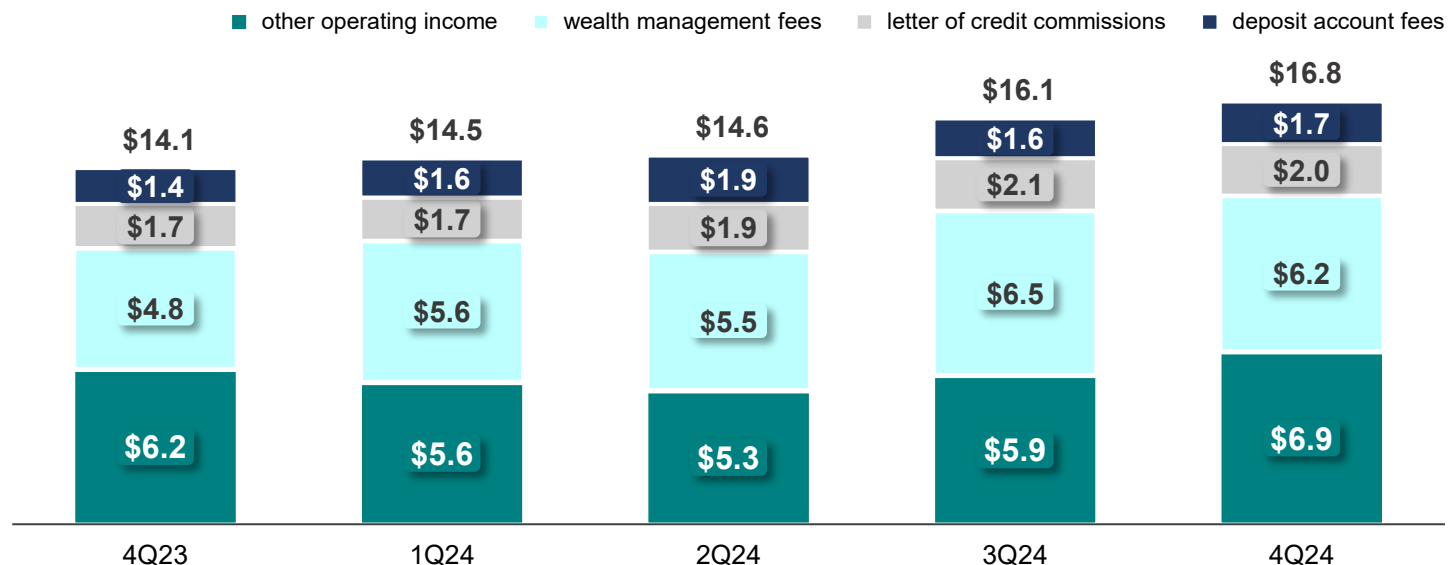


Net Interest Income Growth (\$mn)



Non-Interest Income

Non-Interest Income* (\$mn)

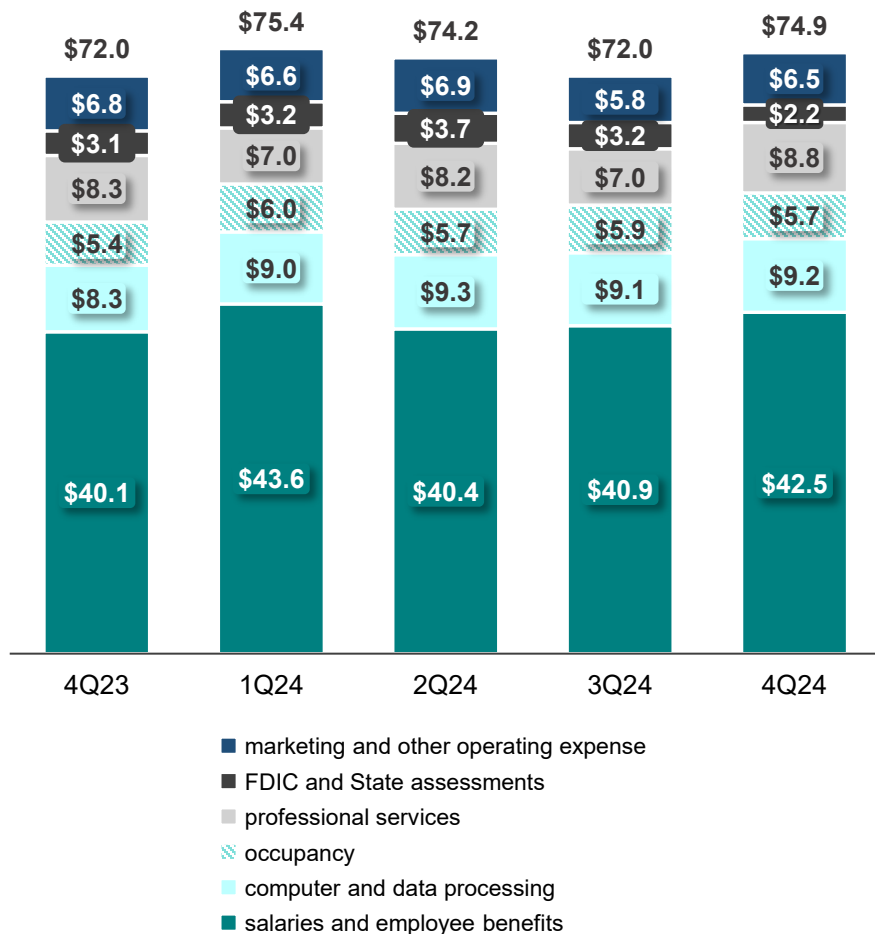


* Non-interest income excludes net gains/(losses) from equity securities.

(\$mn)	4Q2023	1Q2024	2Q2024	3Q2024	4Q2024
Non-interest income, before net gains/(losses) from equity securities					
Non-interest income*	\$14.1	\$14.5	\$14.6	\$16.1	\$16.8
net gains/(losses) from equity securities	\$9.0	(\$9.0)	(\$1.4)	\$4.3	(\$1.3)
net gains/(losses) from investment securities	-	\$1.1	-	-	-
Total Non-interest Income	\$23.1	\$6.6	\$13.2	\$20.4	\$15.5

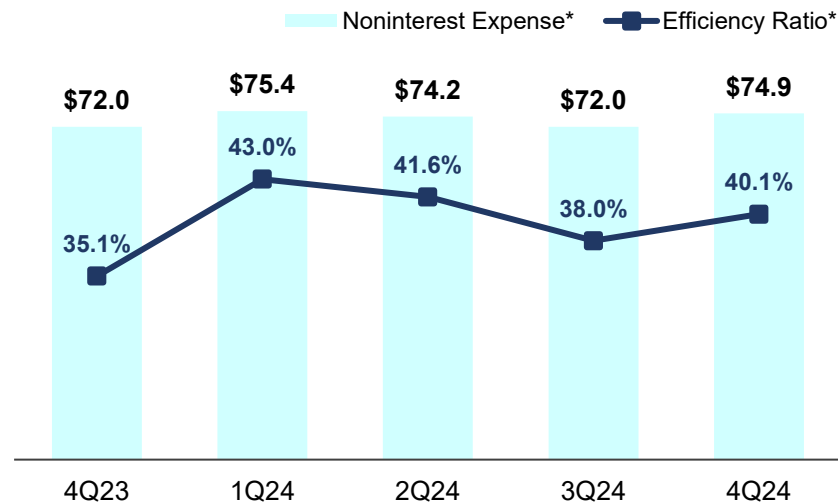
Operating Expense & Efficiency

Core Noninterest Expense* (\$mn)



* Core noninterest expense excludes amortization of investment in low income housing and alternative energy partnerships, core deposit premium, other real estate owned, and acquisition cost. Core efficiency ratio is based on core noninterest expense.

Core Noninterest Expense* & Efficiency Ratio* (\$mn)



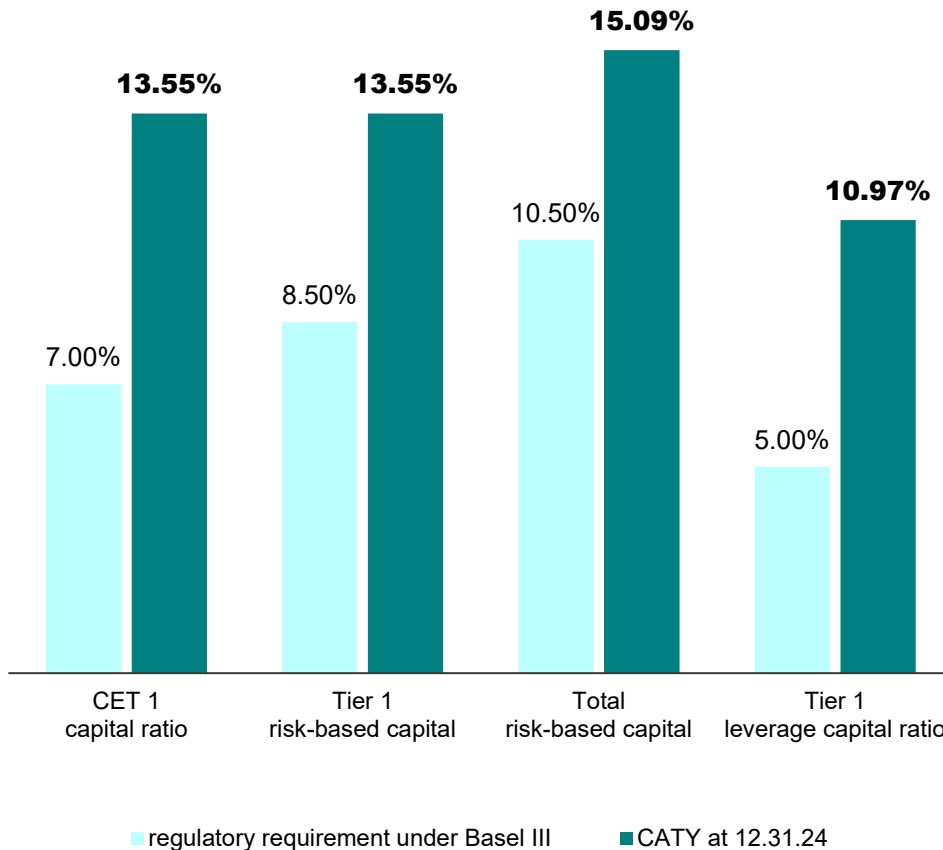
(\$mn)

Core noninterest expense, before amortization and other real estate owned

	4Q2023	1Q2024	2Q2024	3Q2024	4Q2024
Core noninterest expense*	\$72.0	\$75.4	\$74.2	\$72.0	\$74.9
Amortization in investment in low income housing	\$10.2	\$8.2	\$10.3	\$10.9	\$8.0
Amortization in alternative energy partnerships	\$15.9	\$6.3	\$13.1	\$13.2	\$2.7
Other real estate owned & CDF	\$0.4	\$0.6	\$1.7	\$0.8	\$0.6
Restructuring costs	\$0.7	-	-	-	-
FDIC special assessment	\$11.3	\$2.9	-	-	\$(1.0)
Total Noninterest Expense	\$110.5	\$93.2	\$99.4	\$96.9	\$85.2

Strong Capital Ratios

Key Capital Ratios (%)



Highlights

- Capital Ratio** well above regulatory standards that continues to place Cathay in the “well capitalized” category, calculated under the Basel III capital rules.
- Book Value Per Common Share** is \$40.16 as of 12.31.24: +1.26% compared to 9.30.24 and +6.64% YoY.
- Tangible Book Value* Per Common Share** is \$34.81 as of 12.31.24: +1.34% compared to 9.30.24 and +7.34% YoY.
- Capital Return on Shareholder**
 - common stock dividend: \$0.34/share quarterly, or \$1.36/share annualized.
 - stock buyback: repurchased 506,651 shares at avg. cost of \$47.10/sh. in fourth quarter.

* Refer to GAAP to non-GAAP reconciliation in Appendix.

Management Guidance Full Year 2025

	Full Year 2025 Guidance	Full Year 2024 Actual
Loans, end of period	<ul style="list-style-type: none"> Estimated growth rate 3% to 4%. 	\$19.4 billion (0.9)% YoY
Deposits	<ul style="list-style-type: none"> Estimated growth rate 3% to 4%. 	\$19.7 billion +1.9% YoY
Core Noninterest Expense	<ul style="list-style-type: none"> Estimated growth rate 4.5% to 5.5%. 	\$295.4 million +5.6% YoY
NIM	<ul style="list-style-type: none"> Estimated to range between 3.10% and 3.20%. Expect one rate cut in July. 	3.04%
Tax Rate	<ul style="list-style-type: none"> Effective tax rate for 2025 estimated between 19.50% and 20.50%. No solar tax credit investment. 	<ul style="list-style-type: none"> Effective tax rate for the full year was 9.94%. Solar amortization for the full year was \$35.6 million.

The guidance provided above is based on a number of assumptions that management believes to be reasonable and reflects our expectations as of the date of this presentation. Actual results may differ materially from these estimates as a result of various factors, and we refer to the cautionary language regarding “forward-looking statements” included in this presentation when considering this information.

Appendix



Appendix: GAAP to Non-GAAP Reconciliation

Selected Consolidation Financial Information (\$ in thousands) (unaudited)

We use certain non-GAAP financial measures to provide supplemental information regarding our performance. Tangible equity and tangible equity to tangible assets ratio are non-GAAP financial measures. Tangible equity and tangible assets represent stockholders' equity and total assets, respectively, which have been reduced by goodwill and other intangible assets. Given that the use of such measures and ratios is more prevalent in the banking industry, and such measures and ratios are used by banking regulators and analysts, we have included them below for discussion.

		<u>December 31, 2024</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>					
		(in thousands) (Unaudited)							
Stockholders' equity	(a)	\$ 2,845,704	\$ 2,830,313	\$ 2,736,574					
Less: Goodwill		(375,696)	(375,696)	(375,696)					
Other intangible assets ⁽¹⁾		(3,335)	(3,590)	(4,461)					
Tangible equity	(b)	<u>\$ 2,466,673</u>	<u>\$ 2,451,027</u>	<u>\$ 2,356,417</u>					
Total assets	(c)	\$ 23,054,681	\$ 23,274,443	\$ 23,081,534					
Less: Goodwill		(375,696)	(375,696)	(375,696)					
Other intangible assets ⁽¹⁾		(3,335)	(3,590)	(4,461)					
Tangible assets	(d)	<u>\$ 22,675,650</u>	<u>\$ 22,895,157</u>	<u>\$ 22,701,377</u>					
Number of common shares outstanding	(e)	70,863,324	71,355,869	72,668,927					
Total stockholders' equity to total assets ratio	(a)/(c)	12.34%	12.16%	11.86%					
Tangible equity to tangible assets ratio	(b)/(d)	10.88%	10.71%	10.38%					
Tangible book value per share	(b)/(e) \$	34.81	\$ 34.35	\$ 32.43					
		<u>Three Months Ended</u>			<u>Twelve Months Ended</u>				
		<u>December 31, 2024</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>			
		(in thousands) (Unaudited)			(in thousands) (Unaudited)				
Net Income		\$ 80,201	\$ 67,514	\$ 82,526	\$ 285,979	\$ 354,124			
Add: Amortization of other intangibles ⁽¹⁾		256	264	262	1,127	1,294			
Tax effect of amortization adjustments ⁽²⁾		(76)	(78)	(78)	(334)	(384)			
Tangible net income	(f)	<u>\$ 80,381</u>	<u>\$ 67,700</u>	<u>\$ 82,710</u>	<u>\$ 286,772</u>	<u>\$ 355,034</u>			
Return on tangible common equity ⁽³⁾	(f)/(b)	13.03%	11.05%	14.04%	11.63%	15.07%			

⁽¹⁾ Includes core deposit intangibles and mortgage servicing

⁽²⁾ Applied the statutory rate of 29.65%.

⁽³⁾ Annualized



**Cathay General
Bancorp**