

From our Chairman, President and CEO



Jeffrey M. Schweitzer,
Chairman, President and CEO

For the quarter ended March 31, 2024, Univest Financial Corporation reported net income of \$20.3 million, or \$0.69 diluted earnings per share compared to net income of \$21.0 million, or \$0.71 diluted earnings per share, for the quarter ended

March 31, 2023. During the quarter, we continued to see stabilization in our net interest margin. Loan growth was muted during the quarter, growing \$11.9 million. This is due to a combination of lower loan demand from customers given the higher interest rate environment, payoff activity of certain problem credits, and our remaining disciplined on pricing and focused on lending to customers and prospects with full relationships.

Our diversified business model served us well during the quarter. Noninterest income increased \$5.9 million or 30.1% compared to the first quarter of 2023. This includes a \$3.4 million net gain on the sale of a pool of mortgage servicing rights. Our insurance and wealth management lines of business had strong performance with notable increases in revenue. Additionally, we saw increases in treasury management fees and the sale of SBA loans.

In addition to our quarterly dividend, we were also active with stock buybacks during the quarter purchasing 315,507 shares of stock while still growing tangible book value.

As you may have seen in the news, Republic First Bank was closed by the Pennsylvania Department of Banking and Securities, which appointed the Federal Deposit Insurance Corporation (FDIC) as receiver. We believe this to be an isolated, but not unexpected instance, and not reflective of a systemic problem with financial institutions operating in our footprint. Univest is a solid and stable institution. We are well capitalized under regulatory guidelines, have a stable deposit base and access to significant additional liquidity sources.

While the start of 2024 has continued to present a challenging environment with slower loan demand industry wide, ongoing pressure on funding costs and ever-increasing regulations, we are well positioned with our diversified business model, strong capital and access to liquidity along with our unwavering commitment to serving our customers and communities to effectively navigate the current environment and continue to move Univest forward. Thank you for your ongoing support.

Committed to Local

Rolling up our sleeves and volunteering with local nonprofits is an important part of our Give Back fundamental. Every month, our Community Relations team organizes various Connecting with Community volunteer events that allow members of the Univest Family to get involved. In 2023, we provided 30 of these volunteer opportunities across the markets we serve. Through these projects and the volunteer service members of the Univest Family did on their own, we collectively volunteered more than 13,100 hours last year.



This April, Brian Richardson, our Chief Financial Officer, led a team of volunteers at Flint Hill Farm Educational Center located in the Lehigh Valley. Our volunteers built a new turtle and frog pond, dug posts for grape vines and helped with gardening. It was a great day supporting Flint Hill Farm's mission of "Feeding the Spirit, Educating the Mind, Preserving the Community."



2024 Financial Performance

Consolidated Balance Sheets at (In Thousands, Unaudited)

	March 31, 2024	December 31, 2023
Investment securities, net of allowance for credit losses.....	\$ 497,648	\$ 500,623
Net loans and leases held for investment.....	6,493,454	6,481,827
Total assets.....	7,746,568	7,780,628
Deposits.....	6,405,358	6,375,781
Total borrowings.....	403,702	465,067
Shareholders' equity.....	843,669	839,208

Consolidated Statements of Income for the Three Months Ended (In Thousands, Except Per Share Data, Unaudited)

	March 31, 2024	March 31, 2023
Net interest income.....	\$ 51,467	\$ 59,317
Provision for credit losses.....	1,432	3,387
Net interest income after provision for credit losses.....	50,035	55,930
Noninterest income.....	25,595	19,680
Noninterest expense.....	50,074	49,529
Income before income taxes.....	25,556	26,081
Income tax expense.....	5,251	5,047
Net income	\$ 20,305	\$ 21,034
Book value per share.....	\$ 28.76	\$ 27.13
Net income per share:		
Basic.....	0.69	0.72
Diluted.....	0.69	0.71

PEER Analysis

Univest has exceeded its Peer Group's performance when measuring Return on Average Assets, Return on Average Equity, Tier 1 Capital to Average Assets, Shareholders' Equity to Assets and Tangible Common Equity to Tangible Assets.

	Univest ¹	Peer Group ²	Favorable (Unfavorable) Basis Points or Times(X)
Return on Average Assets	1.06%	0.87%	19
Return on Average Equity	9.69%	8.15%	154
Tier 1 Capital to Average Assets	9.65%	9.51%	14
Efficiency Ratio (tax-equivalent)	64.60%	64.30%	(30)
Net Interest Margin (tax-equivalent)	2.88%	2.94%	(6)
Shareholders' Equity to Assets	10.89%	10.48%	41
Tangible Common Equity to Tangible Assets	8.80%	8.43%	37
Net Loans and Leases to Equity Capital	7.70X	7.03X	-0.67X

¹ Univest Financial Corporation at or for the three months ended March 31, 2024, Unaudited

² Peer Group is comprised of publicly traded banks in the Mid-Atlantic region with total assets between \$5 billion and \$30 billion as reported to S&P Global Market Intelligence at March 31, 2024. Statistics provided are based on the median for those Peers who have reported to S&P Global Market Intelligence as of April 30, 2024.

SHAREHOLDER Information

Common Stock Information

Traded on the NASDAQ National Market, Symbol: UVSP.

Univest Stock Transfer Agent

For more information on Univest Financial Corporation common stock, please contact Broadridge Corporate Issuer Solutions or visit ir.univest.net.

Phone: 866.321.8021

Email: shareholder@broadridge.com

Website: <https://investor.broadridge.com>

Univest Shareholder Contact

For more information on Univest Financial Corporation, please call 877.723.5571.

e-Communications

Univest's investor relations site provides a shareholder services page to assist in managing your investment. To receive investor communications, including proxy material, electronically, visit <http://enroll.icsdelivery.com/brtas> and follow the instructions. Once you are signed up for e-communications, you will be sent an e-mail notification when information and updates are available.