UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2026

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____

Commission File Number: **0-49677**

WEST BANCORPORATION, INC.

(Exact Name of Registrant as Specified in its Charter)

Iowa	**42-1230603**
(State of Incorporation)	(I.R.S. Employer Identification No.)
3330 Westown Parkway, West Des Moines, Iowa	**50266**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(515) 222-2300**

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, no par value	WTBA	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐
Accelerated filer	☒
Non-accelerated filer	☐
Smaller reporting company	☐
Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of October 28, 2026, there were 17,043,743 shares of common stock, no par value, outstanding.

WEST BANCORPORATION, INC.
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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements
West Bancorporation, Inc. and Subsidiary
Consolidated Balance Sheet
(unaudited)

(in thousands, except share and per share data)	September 30, 2026	December 31, 2025
ASSETS		
Cash and due from banks	**$ 23,155**	$ 25,171
Interest-earning deposits with banks	**88,822**	324,502
Securities purchased under agreements to resell	**160,444**	121,413
Cash and cash equivalents	**272,421**	471,086
Securities available for sale, at fair value	**415,648**	468,447
Federal Home Loan Bank stock, at cost	**12,426**	15,167
Loans	**2,995,211**	3,001,690
Allowance for credit losses	**(30,536)**	(30,525)
Loans, net	**2,964,675**	2,971,165
Premises and equipment, net	**105,510**	108,380
Accrued interest receivable	**12,063**	11,982
Bank-owned life insurance	**47,066**	46,192
Deferred tax assets, net	**31,027**	25,925
Other assets	**30,840**	23,900
Total assets	**$ 3,891,676**	$ 4,142,244
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Deposits:		
Noninterest-bearing demand	**$ 551,615**	$ 540,358
Interest-bearing demand	**436,697**	577,814
Savings and money market	**1,779,678**	1,839,508
Time	**502,656**	510,790
Total deposits	**3,270,646**	3,468,470
Subordinated notes, net	**80,352**	80,156
Federal Home Loan Bank advances	**210,000**	270,000
Long-term debt	**22,500**	26,250
Accrued expenses and other liabilities	**36,488**	31,383
Total liabilities	**3,619,986**	3,876,259
COMMITMENTS AND CONTINGENCIES (NOTE 8)		
STOCKHOLDERS' EQUITY		
Preferred stock, $0.01 par value; authorized 50,000,000 shares; no shares issued and outstanding at September 30, 2026 and December 31, 2025	**—**	—
Common stock, no par value; authorized 50,000,000 shares; 17,043,743 and 16,940,785 shares issued and outstanding at September 30, 2026 and December 31, 2025, respectively	**3,000**	3,000
Additional paid-in capital	**38,068**	37,231
Retained earnings	**314,605**	294,259
Accumulated other comprehensive loss	**(83,983)**	(68,505)
Total stockholders' equity	**271,690**	265,985
Total liabilities and stockholders' equity	**$ 3,891,676**	$ 4,142,244

See Notes to Consolidated Financial Statements.

West Bancorporation, Inc. and Subsidiary
Consolidated Statements of Income
(unaudited)

(in thousands, except per share data)	Three Months Ended September 30, **2026**	2025	Nine Months Ended September 30, **2026**	2025
Interest income:				
Loans, including fees	**$ 42,463**	$ 42,198	**$ 125,440**	$ 124,852
Securities:				
Taxable	**2,105**	2,643	**6,345**	8,116
Tax-exempt	**634**	739	**1,908**	2,224
Deposits with banks	**2,224**	2,087	**6,401**	6,551
Securities purchased under agreements to resell	**1,769**	1,258	**4,966**	1,280
Total interest income	**49,195**	48,925	**145,060**	143,023
Interest expense:				
Deposits	**19,376**	22,539	**57,821**	66,638
Subordinated notes	**1,113**	1,107	**3,327**	3,316
Federal Home Loan Bank advances	**1,965**	2,292	**6,483**	6,786
Long-term debt	**371**	486	**1,153**	1,508
Total interest expense	**22,825**	26,424	**68,784**	78,248
Net interest income	**26,370**	22,501	**76,276**	64,775
Credit loss expense (benefit)	**—**	—	**—**	—
Net interest income after credit loss expense	**26,370**	22,501	**76,276**	64,775
Noninterest income:				
Service charges on deposit accounts	**482**	491	**1,466**	1,448
Debit card interchange income	**504**	477	**1,490**	1,401
Trust services	**1,190**	894	**3,248**	2,472
Increase in cash value of bank-owned life insurance	**316**	308	**937**	885
Other income	**253**	333	**754**	950
Total noninterest income	**2,745**	2,503	**7,895**	7,156
Noninterest expense:				
Salaries and employee benefits	**7,956**	7,457	**23,575**	21,804
Occupancy and equipment	**2,025**	2,090	**6,037**	6,087
Technology and software	**790**	794	**2,386**	2,371
Data processing	**578**	663	**1,719**	1,923
FDIC insurance	**455**	637	**1,372**	1,894
Professional fees	**260**	303	**836**	914
Other expenses	**1,897**	1,606	**5,268**	5,105
Total noninterest expense	**13,961**	13,550	**41,193**	40,098
Income before income taxes	**15,154**	11,454	**42,978**	31,833
Income taxes	**3,526**	2,140	**9,705**	6,698
Net income	**$ 11,628**	$ 9,314	**$ 33,273**	$ 25,135
Basic earnings per common share	**$ 0.68**	$ 0.55	**$ 1.96**	$ 1.49
Diluted earnings per common share	**$ 0.67**	$ 0.55	**$ 1.93**	$ 1.48

See Notes to Consolidated Financial Statements.

West Bancorporation, Inc. and Subsidiary
Consolidated Statements of Comprehensive Income (Loss)
(unaudited)

(in thousands)	Three Months Ended September 30, **2026**	2025	Nine Months Ended September 30, **2026**	2025
Net income	**$ 11,628**	$ 9,314	**$ 33,273**	$ 25,135
Other comprehensive income (loss):				
Unrealized gains (losses) on securities:				
Unrealized holding gains (losses) arising during the period	**(24,799)**	12,218	**(24,908)**	25,726
Income tax (expense) benefit	**6,120**	(3,025)	**6,133**	(6,374)
Other comprehensive income (loss) on securities	**(18,679)**	9,193	**(18,775)**	19,352
Unrealized gains (losses) on derivatives:				
Unrealized holding gains (losses) arising during the period	**2,380**	374	**5,888**	(2,961)
Plus: reclassification adjustment for net gains realized in net income	**(559)**	(1,396)	**(1,517)**	(4,212)
Income tax (expense) benefit	**(447)**	253	**(1,074)**	1,769
Other comprehensive income (loss) on derivatives	**1,374**	(769)	**3,297**	(5,404)
Total other comprehensive income (loss)	**(17,305)**	8,424	**(15,478)**	13,948
Comprehensive income (loss)	**$ (5,677)**	$ 17,738	**$ 17,795**	$ 39,083

See Notes to Consolidated Financial Statements.

West Bancorporation, Inc. and Subsidiary
Consolidated Statements of Stockholders' Equity
(unaudited)

(in thousands, except share and per share data)

	Three Months Ended September 30, 2026						
	Preferred Stock	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance, June 30, 2026	**$ —**	**17,043,743**	**$ 3,000**	**$ 37,312**	**$ 307,408**	**$ (66,678)**	**$ 281,042**
Net income	—	—	—	—	**11,628**	—	**11,628**
Other comprehensive loss, net of tax	—	—	—	—	—	**(17,305)**	**(17,305)**
Cash dividends declared, $0.26 per common share	—	—	—	—	**(4,431)**	—	**(4,431)**
Stock-based compensation costs	—	—	—	**756**	—	—	**756**
Balance, September 30, 2026	**$ —**	**17,043,743**	**$ 3,000**	**$ 38,068**	**$ 314,605**	**$ (83,983)**	**$ 271,690**

	Three Months Ended September 30, 2025						
	Preferred Stock	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance, June 30, 2025	$ —	16,940,785	$ 3,000	$ 35,773	$ 285,990	$ (83,833)	$ 240,930
Net income	—	—	—	—	9,314	—	9,314
Other comprehensive income, net of tax	—	—	—	—	—	8,424	8,424
Cash dividends declared, $0.25 per common share	—	—	—	—	(4,235)	—	(4,235)
Stock-based compensation costs	—	—	—	700	—	—	700
Balance, September 30, 2025	$ —	16,940,785	$ 3,000	$ 36,473	$ 291,069	$ (75,409)	$ 255,133

See Notes to Consolidated Financial Statements.

West Bancorporation, Inc. and Subsidiary
Consolidated Statements of Stockholders' Equity
(unaudited)

(in thousands, except share and per share data)

	Nine Months Ended September 30, 2026						
	Preferred Stock	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance, December 31, 2025	**$ —**	**16,940,785**	**$ 3,000**	**$ 37,231**	**$ 294,259**	**$ (68,505)**	**$ 265,985**
Net income	—	—	—	—	**33,273**	—	**33,273**
Other comprehensive loss, net of tax	—	—	—	—	—	**(15,478)**	**(15,478)**
Cash dividends declared, $0.76 per common share	—	—	—	—	**(12,927)**	—	**(12,927)**
Stock-based compensation costs	—	—	—	**2,115**	—	—	**2,115**
Issuance of common stock upon vesting of restricted stock units, net of shares withheld for payroll taxes	—	**102,958**	—	**(1,278)**	—	—	**(1,278)**
Balance, September 30, 2026	**$ —**	**17,043,743**	**$ 3,000**	**$ 38,068**	**$ 314,605**	**$ (83,983)**	**$ 271,690**

	Nine Months Ended September 30, 2025						
	Preferred Stock	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance, December 31, 2024	$ —	16,832,632	$ 3,000	$ 35,619	$ 278,613	$ (89,357)	$ 227,875
Net income	—	—	—	—	25,135	—	25,135
Other comprehensive income, net of tax	—	—	—	—	—	13,948	13,948
Cash dividends declared, $0.75 per common share	—	—	—	—	(12,679)	—	(12,679)
Stock-based compensation costs	—	—	—	1,986	—	—	1,986
Issuance of common stock upon vesting of restricted stock units, net of shares withheld for payroll taxes	—	108,153	—	(1,132)	—	—	(1,132)
Balance, September 30, 2025	$ —	16,940,785	$ 3,000	$ 36,473	$ 291,069	$ (75,409)	$ 255,133

See Notes to Consolidated Financial Statements.

West Bancorporation, Inc. and Subsidiary
Consolidated Statements of Cash Flows
(unaudited)

(in thousands)	Nine Months Ended September 30, **2026**	2025
Cash Flows from Operating Activities:		
Net income	**$ 33,273**	$ 25,135
Adjustments to reconcile net income to net cash provided by operating activities:		
Net amortization and accretion	**2,236**	2,312
Stock-based compensation	**2,115**	1,986
Increase in cash value of bank-owned life insurance	**(937)**	(885)
Depreciation	**3,475**	3,372
Provision for deferred income taxes	**(44)**	875
Change in assets and liabilities:		
Increase in accrued interest receivable	**(81)**	(541)
Decrease in other assets	**907**	1,055
Increase in accrued expenses and other liabilities	**2,013**	1,377
Net cash provided by operating activities	**42,957**	34,686
Cash Flows from Investing Activities:		
Proceeds from principal paydowns, maturities and calls of securities available for sale	**29,803**	30,319
Purchases of securities available for sale	**(3,951)**	—
Purchases of Federal Home Loan Bank stock	**(212)**	(264)
Proceeds from redemption of Federal Home Loan Bank stock	**2,953**	203
Net (increase) decrease in loans	**6,490**	(3,945)
Purchases of premises and equipment	**(926)**	(2,905)
Net cash provided by investing activities	**34,157**	23,408
Cash Flows from Financing Activities:		
Net decrease in deposits	**(197,824)**	(51,079)
Principal payments on Federal Home Loan Bank advances	**(60,000)**	—
Principal payments on long-term debt	**(3,750)**	(3,750)
Common stock dividends paid	**(12,927)**	(12,679)
Restricted stock units withheld for payroll taxes	**(1,278)**	(1,132)
Net cash used in financing activities	**(275,779)**	(68,640)
Net decrease in cash and cash equivalents	**(198,665)**	(10,546)
Cash and Cash Equivalents:		
Beginning	**471,086**	243,478
Ending	**$ 272,421**	$ 232,932
Supplemental Disclosures of Cash Flow Information:		
Cash payments for:		
Interest	**$ 67,189**	$ 77,326
Income taxes	**8,630**	2,670

See Notes to Consolidated Financial Statements.

West Bancorporation, Inc. and Subsidiary
Notes to Consolidated Financial Statements
(unaudited)
(dollars in thousands, except per share data)

1. Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared by West Bancorporation, Inc. (the Company) pursuant to the rules and regulations of the Securities and Exchange Commission (SEC). Certain information and footnote disclosures normally included in financial statements have been condensed or omitted pursuant to such rules and regulations. Although management believes that the disclosures are adequate to make the information presented understandable, it is suggested that these unaudited consolidated financial statements be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 26, 2026. In the opinion of management, the accompanying unaudited consolidated financial statements of the Company contain all adjustments necessary to fairly present its financial position as of September 30, 2026 and December 31, 2025, net income, comprehensive income (loss) and changes in stockholders' equity for the three and nine months ended September 30, 2026 and 2025, and cash flows for the nine months ended September 30, 2026 and 2025. The results for these interim periods may not be indicative of results for the entire year or for any other period.

The consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB). References to GAAP issued by the FASB in these footnotes are to the FASB *Accounting Standards Codification*™, sometimes referred to as the Codification or ASC. In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses for the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to significant change in the near term are the fair value of financial instruments and the allowance for credit losses.

The accompanying unaudited consolidated financial statements include the accounts of the Company, the Company's wholly-owned subsidiary West Bank and West Bank's special purpose subsidiaries. All significant intercompany transactions and balances have been eliminated in consolidation. In accordance with GAAP, West Bancorporation Capital Trust I is recorded on the books of the Company using the equity method of accounting and is not consolidated.

As a community-oriented financial institution, substantially all of West Bank's operations involve the delivery of loan and deposit products to customers. The chief operating decision maker makes operating decisions and assesses performance based on an ongoing review of the community banking activities, which constitutes the Company's only operating segment for financial reporting purposes. The Company's single segment is managed on a consolidated basis by the chief operating decision maker, which is the Company's chief executive officer.

The accounting policies of this segment are the same as those described in the Company's Annual Report on Form 10-K, filed with the SEC on February 26, 2026. Refer to Note 1 in the Company's Annual Report on Form 10-K for additional information. As the chief operating decision maker, the Company's Chief Executive Officer assesses performance of the segment and determines the allocation of resources based on consolidated net income, which is reported in the Consolidated Statements of Income. Consolidated net income is used in deciding where to deploy capital and to monitor budget against actual results. It is also used in benchmarking performance measures to the Company's peers for compensation related analysis. The measure of segment assets is reported on the Consolidated Balance Sheets as total consolidated assets.

Current accounting developments: In October 2023, the FASB issued ASU No. 2023-06, *Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative*. The ASU incorporates certain SEC disclosure requirements into the FASB *Accounting Standards Codification*™. The amendments in the ASU are expected to clarify or improve disclosure presentation requirements of a variety of Codification Topics, allow users to more easily compare entities subject to the SEC's existing disclosures with those entities that were not previously subject to the requirements, and align the requirements in the Codification with the SEC's regulations. For entities subject to the SEC's existing disclosure requirements and for entities required to file or furnish financial statements with or to the SEC in preparation for the sale of or for purposes of issuing securities that are not subject to contractual restrictions on transfer, the effective date for each amendment will be the date on which the SEC removes that related disclosure from its rules. For all other entities, the amendments will be effective two years later. However, if by June 30, 2027, the SEC has not removed the related disclosure from its regulations, the amendments will be removed from the Codification and not become effective for any entity. These amendments have not had an impact to the Company as of September 30, 2026.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The amendments in this ASU require public companies to disclose, in the notes to the financial statements, specified information about certain costs and expenses at each interim and annual reporting period. Additionally, in January 2025, the FASB issued ASU No. 2025-01, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*. This ASU amends the effective date of ASU No. 2024-03 to clarify that all public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption of ASU No. 2024-03 is permitted. The Company is currently evaluating the impact of the ASU on the Company's consolidated financial statements.

In November 2025, the FASB issued ASU No. 2025-08, *Financial Instruments-Credit Losses (Topic 326): Purchased Loans*. The ASU expands the population of acquired financial assets accounted for using the “gross-up approach” when recording the initial allowance for credit losses through an adjustment to the initial amortized cost basis. Acquired loans are deemed purchased seasoned loans and accounted for using the gross-up approach upon acquisition if criteria established by the new guidance are met. This change aims to enhance comparability, consistency and better reflect the economics of acquiring financial assets. This ASU is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods within those annual reporting periods. Early adoption is permitted. The Company is currently evaluating the impact of the ASU on the Company’s consolidated financial statements.

In November 2025, the FASB issued ASU No. 2025-09, *Derivatives and Hedging (Topic 815): Hedge Accounting Improvements*. The ASU enables entities to apply hedge accounting to a greater number of highly effective economic hedges in multiple areas. The ASU expands the hedged risks permitted to be aggregated in a group of individual forecasted transactions, enabling entities to apply hedge accounting to potentially broader portfolios of forecasted transactions. The ASU is effective for public business entities for annual reporting periods beginning after December 15, 2026, and interim periods within those annual reporting periods. Early adoption is permitted. The Company is currently evaluating the impact of the ASU on the Company’s consolidated financial statements.

In December 2025, the FASB issued ASU No. 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*. The ASU clarifies the applicability of the interim reporting guidance, the types of interim reporting, and the form and content of interim financial statements in accordance with generally accepted accounting principles. The amendments in this ASU are effective for public business entities for interim periods within annual periods beginning after December 15, 2027. Early adoption is permitted. The amendments can be applied either prospectively or retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact of the ASU on the Company’s consolidated financial statements.

In December 2025, the FASB issued ASU No. 2025-12, *Codification Improvements*. The amendments in this ASU update the FASB Accounting Standards Codification for a broad range of topics arising from technical corrections, unintended application of the Codification, clarifications, and other minor improvements. The amendments in this ASU are effective for all entities for annual periods beginning after December 15, 2026, and interim periods within those annual periods. Early adoption is permitted in both interim and annual periods in which financial statements have not yet been issued or made available for issuance. An entity may elect to adopt the amendments on an issue-by-issue basis. The Company is currently evaluating the impact of the ASU on the Company’s consolidated financial statements.

West Bancorporation, Inc. and Subsidiary
Notes to Consolidated Financial Statements
(unaudited)
(dollars in thousands, except per share data)

2. Earnings per Common Share

Basic earnings per common share are computed by dividing net income by the weighted average number of common shares outstanding for the period. Diluted earnings per common share reflect the potential dilution that could occur if the Company's outstanding restricted stock units were vested. The dilutive effect was computed using the treasury stock method, which assumes all stock-based awards were exercised and the hypothetical proceeds from exercise were used by the Company to purchase common stock at the average market price during the period. The incremental shares, to the extent they would have been dilutive, were included in the denominator of the diluted earnings per common share calculation. The calculations of earnings per common share and diluted earnings per common share for the three and nine months ended September 30, 2026 and 2025 are presented in the following table.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands, except per share data)	**2026**	2025	**2026**	2025
Net income	**$ 11,628**	$ 9,314	**$ 33,273**	$ 25,135
Weighted average common shares outstanding	**17,044**	16,941	**17,011**	16,906
Weighted average effect of restricted stock units outstanding	**262**	74	**245**	89
Diluted weighted average common shares outstanding	**17,306**	17,015	**17,256**	16,995
Basic earnings per common share	**$ 0.68**	$ 0.55	**$ 1.96**	$ 1.49
Diluted earnings per common share	**$ 0.67**	$ 0.55	**$ 1.93**	$ 1.48
Number of anti-dilutive common stock equivalents excluded from diluted earnings per share computation	**—**	309	**28**	316

West Bancorporation, Inc. and Subsidiary
Notes to Consolidated Financial Statements
(unaudited)
(dollars in thousands, except per share data)

3. Securities Available for Sale

The following tables show the amortized cost, gross unrealized gains and losses, and fair value of securities available for sale, by security type as of September 30, 2026 and December 31, 2025.

	September 30, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Fair Value
Securities available for sale:				
State and political subdivisions	**$ 196,321**	**$ 1**	**$ (46,159)**	**$ 150,163**
Collateralized mortgage obligations [1]	**220,957**	**—**	**(50,048)**	**170,909**
Mortgage-backed securities [1]	**106,795**	**—**	**(21,543)**	**85,252**
Corporate notes	**9,750**	**—**	**(426)**	**9,324**
	$ 533,823	**$ 1**	**$ (118,176)**	**$ 415,648**

	December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized (Losses)	Fair Value
Securities available for sale:				
State and political subdivisions	$ 198,083	$ 1	$ (34,820)	$ 163,264
Collateralized mortgage obligations [1]	234,217	—	(40,534)	193,683
Mortgage-backed securities [1]	113,358	—	(17,216)	96,142
Collateralized loan obligations	2,307	1	(1)	2,307
Corporate notes	13,750	—	(699)	13,051
	$ 561,715	$ 2	$ (93,270)	$ 468,447

(1) Collateralized mortgage obligations and mortgage-backed securities consist of residential and commercial mortgage pass-through securities and collateralized mortgage obligations guaranteed by FNMA, FHLMC, GNMA and SBA.

Securities with a fair value of approximately $371,486 and $418,670 as of September 30, 2026 and December 31, 2025, respectively, were pledged as collateral for borrowings and public fund deposits, and for other purposes as required or permitted by law or regulation.

The amortized cost and fair value of securities available for sale as of September 30, 2026, by contractual maturity, are shown below. Certain securities have call features that allow the issuer to call the securities prior to maturity. Expected maturities may differ from contractual maturities for collateralized mortgage obligations and mortgage-backed securities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties. Therefore, collateralized mortgage obligations and mortgage-backed securities are not included in the maturity categories within the following maturity summary.

	September 30, 2026	
	Amortized Cost	Fair Value
Due after one year through five years	**$ 5,750**	**$ 5,519**
Due after five years through ten years	**26,558**	**22,170**
Due after ten years	**173,763**	**131,798**
	206,071	**159,487**
Collateralized mortgage obligations and mortgage-backed securities	**327,752**	**256,161**
	$ 533,823	**$ 415,648**

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There were no sales of securities available for sale during the three and nine months ended September 30, 2026 and 2025.

The following tables show the fair value and gross unrealized losses, aggregated by investment type and length of time that individual securities have been in a continuous loss position, as of September 30, 2026 and December 31, 2025.

	September 30, 2026							
	Less than 12 months			12 months or longer			Total	
	Fair Value	Gross Unrealized (Losses)	No. of Securities	Fair Value	Gross Unrealized (Losses)	No. of Securities	Fair Value	Gross Unrealized (Losses)
Securities available for sale:								
State and political subdivisions	**$ —**	**$ —**	**—**	**$ 150,073**	**$ (46,159)**	**68**	**$ 150,073**	**$ (46,159)**
Collateralized mortgage obligations	**1,919**	**(32)**	**1**	**167,005**	**(50,016)**	**53**	**168,924**	**(50,048)**
Mortgage-backed securities	**—**	**—**	**—**	**85,252**	**(21,543)**	**22**	**85,252**	**(21,543)**
Corporate notes	**—**	**—**	**—**	**9,324**	**(426)**	**6**	**9,324**	**(426)**
	$ 1,919	**$ (32)**	**1**	**$ 411,654**	**$ (118,144)**	**149**	**$ 413,573**	**$ (118,176)**

	December 31, 2025							
	Less than 12 months			12 months or longer			Total	
	Fair Value	Gross Unrealized (Losses)	No. of Securities	Fair Value	Gross Unrealized (Losses)	No. of Securities	Fair Value	Gross Unrealized (Losses)
Securities available for sale:								
State and political subdivisions	$ —	$ —	—	$ 163,173	$ (34,820)	68	$ 163,173	$ (34,820)
Collateralized mortgage obligations	—	—	—	193,683	(40,534)	53	193,683	(40,534)
Mortgage-backed securities	—	—	—	96,142	(17,216)	22	96,142	(17,216)
Collateralized loan obligations	1,110	(1)	1	—	—	—	1,110	(1)
Corporate notes	—	—	—	13,052	(699)	8	13,052	(699)
	$ 1,110	$ (1)	1	$ 466,050	$ (93,269)	151	$ 467,160	$ (93,270)

If the Company intends to sell, or it is more likely than not that it will be required to sell the security before recovery of its amortized cost basis, then the security is written down to fair value through income. As of September 30, 2026 and December 31, 2025, the Company did not have the intent to sell, nor was it more likely than not that it would be required to sell any of the securities in an unrealized loss position prior to recovery. As of September 30, 2026 and December 31, 2025, the Company also determined that no individual securities in an unrealized loss position represented credit losses that would require an allowance for credit losses. The Company concluded that the unrealized losses were primarily attributable to increases in market interest rates since these securities were purchased and other market conditions. Accrued interest receivable is not included in available-for-sale security balances and is presented in the "Accrued interest receivable" line of the Consolidated Balance Sheets. Interest receivable on securities was $2,398 and $2,354 as of September 30, 2026 and December 31, 2025, respectively, and was excluded from the measurement of credit losses.

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4. Loans and Allowance for Credit Losses

Loans consisted of the following segments as of September 30, 2026 and December 31, 2025.

	September 30, 2026	December 31, 2025
Commercial	**$ 458,416**	$ 505,059
Real estate:		
Construction, land and land development	**289,616**	426,833
1-4 family residential first mortgages	**133,880**	93,122
Home equity	**26,331**	26,088
Commercial	**2,068,526**	1,929,766
Consumer and other	**20,984**	23,374
	2,997,753	3,004,242
Net unamortized fees and costs	**(2,542)**	(2,552)
	$ 2,995,211	$ 3,001,690

Real estate loans of approximately $1,560,000 and $1,540,000 were pledged as security for Federal Home Loan Bank (FHLB) advances and letters of credit as of September 30, 2026 and December 31, 2025, respectively.

Loans are stated at the principal amounts outstanding, net of unamortized loan fees and costs, with interest income recognized on the interest method based upon the terms of the loan. Loan origination fees, net of certain direct origination costs, are deferred and recognized as an adjustment of the related loan yield using the interest method. Loans are reported by the portfolio segments identified above and are analyzed by management on this basis. All loan policies identified below apply to all segments of the loan portfolio.

Allowance for Credit Losses for Loans

The following tables detail the changes in the allowance for credit losses (ACL) by loan segment for the three and nine months ended September 30, 2026 and 2025.

	Three Months Ended September 30, 2026						
		Real Estate					
	Commercial	Construction and Land	1-4 Family Residential	Home Equity	Commercial	Consumer and Other	Total
Beginning balance	**$ 5,257**	**$ 2,910**	**$ 1,029**	**$ 269**	**$ 20,764**	**$ 301**	**$ 30,530**
Charge-offs	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Recoveries	**2**	**—**	**3**	**1**	**—**	**—**	**6**
Provision for credit loss expense[1]	**(155)**	**(366)**	**(33)**	**1**	**561**	**(8)**	**—**
Ending balance	**$ 5,104**	**$ 2,544**	**$ 999**	**$ 271**	**$ 21,325**	**$ 293**	**$ 30,536**

	Nine Months Ended September 30, 2026						
		Real Estate					
	Commercial	Construction and Land	1-4 Family Residential	Home Equity	Commercial	Consumer and Other	Total
Beginning balance	**$ 5,700**	**$ 3,744**	**$ 687**	**$ 274**	**$ 19,795**	**$ 325**	**$ 30,525**
Charge-offs	**(1)**	**—**	**—**	**—**	**—**	**(18)**	**(19)**
Recoveries	**9**	**7**	**9**	**3**	**—**	**2**	**30**
Provision for credit loss expense[1]	**(604)**	**(1,207)**	**303**	**(6)**	**1,530**	**(16)**	**—**
Ending balance	**$ 5,104**	**$ 2,544**	**$ 999**	**$ 271**	**$ 21,325**	**$ 293**	**$ 30,536**

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	Three Months Ended September 30, 2025						
		Real Estate					
	Commercial	Construction and Land	1-4 Family Residential	Home Equity	Commercial	Consumer and Other	Total
Beginning balance	$ 5,644	$ 4,098	$ 623	$ 241	$ 19,653	$ 280	$ 30,539
Charge-offs	—	—	(27)	(8)	—	—	(35)
Recoveries	7	3	—	1	—	—	11
Provision for credit loss expense[1]	—	(158)	62	40	30	26	—
Ending balance	$ 5,651	$ 3,943	$ 658	$ 274	$ 19,683	$ 306	$ 30,515

	Nine Months Ended September 30, 2025						
		Real Estate					
	Commercial	Construction and Land	1-4 Family Residential	Home Equity	Commercial	Consumer and Other	Total
Beginning balance	$ 5,489	$ 4,354	$ 650	$ 200	$ 19,544	$ 195	$ 30,432
Charge-offs	—	—	(27)	(8)	—	—	(35)
Recoveries	21	10	73	14	—	—	118
Provision for credit loss expense[1]	141	(421)	(38)	68	139	111	—
Ending balance	$ 5,651	$ 3,943	$ 658	$ 274	$ 19,683	$ 306	$ 30,515

(1) The negative provisions for the various segments are related to the decline in outstanding balances in each of those portfolio segments during the time periods disclosed, improvement in qualitative risk factors related to those portfolio segments and/or changes in economic forecasts.

The following tables present a breakdown of the ACL by segment, disaggregated based on the evaluation method as of September 30, 2026 and December 31, 2025.

	September 30, 2026						
		Real Estate					
	Commercial	Construction and Land	1-4 Family Residential	Home Equity	Commercial	Consumer and Other	Total
Ending balance:							
Individually evaluated for credit losses	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**	**$ —**
Collectively evaluated for credit losses	**5,104**	**2,544**	**999**	**271**	**21,325**	**293**	**30,536**
Total	**$ 5,104**	**$ 2,544**	**$ 999**	**$ 271**	**$ 21,325**	**$ 293**	**$ 30,536**

	December 31, 2025						
		Real Estate					
	Commercial	Construction and Land	1-4 Family Residential	Home Equity	Commercial	Consumer and Other	Total
Ending balance:							
Individually evaluated for credit losses	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Collectively evaluated for credit losses	5,700	3,744	687	274	19,795	325	30,525
Total	$ 5,700	$ 3,744	$ 687	$ 274	$ 19,795	$ 325	$ 30,525

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The following tables present the recorded investment in loans, exclusive of unamortized fees and costs, disaggregated based on the evaluation method by segment as of September 30, 2026 and December 31, 2025.

	September 30, 2026						
		Real Estate					
	Commercial	Construction and Land	1-4 Family Residential	Home Equity	Commercial	Consumer and Other	Total
Ending balance:							
Individually evaluated for credit losses	**$ 716**	**$ —**	**$ —**	**$ —**	**$ 621**	**$ —**	**$ 1,337**
Collectively evaluated for credit losses	**457,700**	**289,616**	**133,880**	**26,331**	**2,067,905**	**20,984**	**2,996,416**
Total	**$ 458,416**	**$ 289,616**	**$ 133,880**	**$ 26,331**	**$ 2,068,526**	**$ 20,984**	**$ 2,997,753**

	December 31, 2025						
		Real Estate					
	Commercial	Construction and Land	1-4 Family Residential	Home Equity	Commercial	Consumer and Other	Total
Ending balance:							
Individually evaluated for credit losses	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Collectively evaluated for credit losses	505,059	426,833	93,122	26,088	1,929,766	23,374	3,004,242
Total	$ 505,059	$ 426,833	$ 93,122	$ 26,088	$ 1,929,766	$ 23,374	$ 3,004,242

The ACL is a valuation account estimated at each balance sheet date and deducted from the amortized cost basis of loans to present the net amount expected to be collected. The Company estimates the ACL based on the underlying loans' amortized cost basis, which is the amount at which the loan is originated or acquired, adjusted for collection of cash and charge-offs, as well as applicable accretion or amortization of premiums, discounts, and net deferred fees or costs. The Company's estimate of the ACL reflects losses expected over the remaining contractual life of the assets. The contractual term does not consider extensions, renewals or modifications unless the Company has identified an expected restructuring. In the event that collection of principal becomes uncertain, the Company has policies in place to reverse accrued interest in a timely manner. Therefore, the Company has made a policy election to exclude accrued interest from the measurement of the ACL.

Accrued interest on loans of $9,359 and $9,341 at September 30, 2026 and December 31, 2025, respectively, was included in the "Accrued interest receivable" line of the Consolidated Balance Sheets and was excluded from the measurement of credit losses.

Expected credit losses are reflected in the ACL through a charge to credit loss expense. When the Company deems all or a portion of a loan to be uncollectible, the appropriate amount is written off and the ACL is reduced by the same amount. The Company applies judgment to determine when a loan is deemed uncollectible; however, generally speaking, a loan will be considered uncollectible no later than when all efforts at collection have been exhausted. Subsequent recoveries, if any, are credited to the ACL when received.

The Company measures expected credit losses of loans on a collective (pool) basis when the loans share similar risk characteristics and uses a cash flow based method to estimate expected credit losses for each of these pools. The Company's methodology for estimating the ACL considers available relevant information about the collectability of cash flows, including information about past events, current conditions, and reasonable and supportable forecasts. The methodologies apply historical loss information, adjusted for asset-specific characteristics, economic conditions at the measurement date, and forecasts about future economic conditions expected to exist through the contractual lives of the financial assets that are reasonable and supportable, to the identified pools of financial assets with similar risk characteristics for which the historical experience was observed.

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The Company uses the cash flow based model to estimate expected credit losses for all loan segments. For each of the loan segments, the Company calculates a cash flow projection using contractual terms, estimated prepayment speeds, estimated curtailment rates, and other relevant data. The Company uses regression analysis that links historical losses of the Company and its peer group to two economic metrics: national unemployment rate and 10-year treasury rate over 2-year treasury rate spread to establish the loss rates applied to the projected cash flows. For all loan segments, the Company uses a forecast period of four quarters and reverts to a historical rate after four quarters. When estimating prepayment speed and curtailment rates, the modeling is based on historical internal data.

Nonaccrual Loans and Delinquency Status

Delinquencies are determined based on the payment terms of the individual loan agreements. The accrual of interest on past due and other individually evaluated loans is generally discontinued at 90 days past due or when, in the opinion of management, the borrower may be unable to make all payments pursuant to contractual terms. Unless considered collectible, all interest accrued but not collected for loans that are placed on nonaccrual or charged off is reversed against interest income. Generally, all payments received while a loan is on nonaccrual status are applied to the principal balance of the loan. Loans are returned to accrual status when all principal and interest amounts contractually due are brought current and future payments are reasonably assured.

The following table presents the amortized cost basis of loans on nonaccrual status, loans on nonaccrual status with no ACL recorded, and loans past due 90 days or more and still accruing by loan segment as of the dates indicated.

	Total Nonaccrual		Nonaccrual with no Allowance for Credit Losses		90 Days or More Past Due and Accruing	
	September 30, 2026	December 31, 2025	**September 30, 2026**	December 31, 2025	**September 30, 2026**	December 31, 2025
Commercial	**$ —**	$ —	**$ —**	$ —	**$ —**	$ —
Real estate:						
Construction, land and land development	**—**	—	**—**	—	**—**	—
1-4 family residential first mortgages	**—**	—	**—**	—	**—**	—
Home equity	**—**	—	**—**	—	**—**	—
Commercial	**—**	—	**—**	—	**—**	—
Consumer and other	**—**	—	**—**	—	**—**	—
Total	**$ —**	$ —	**$ —**	$ —	**$ —**	$ —

There was $0 and $18 of interest income recognized on loans that were on nonaccrual for the nine months ended September 30, 2026 and September 30, 2025, respectively.

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The following tables provide an analysis of the delinquency status of the amortized cost of loans as of September 30, 2026 and December 31, 2025.

	September 30, 2026					
	30-59 Days Past Due	60-89 Days Past Due	90 Days or More Past Due	Total Past Due	Current	Total Loans
Commercial	**$ —**	**$ —**	**$ —**	**$ —**	**$ 458,416**	**$ 458,416**
Real estate:						
Construction, land and land development	**—**	**—**	**—**	**—**	**289,616**	**289,616**
1-4 family residential first mortgages	**—**	**—**	**—**	**—**	**133,880**	**133,880**
Home equity	**—**	**—**	**—**	**—**	**26,331**	**26,331**
Commercial	**—**	**—**	**—**	**—**	**2,068,526**	**2,068,526**
Consumer and other	**—**	**—**	**—**	**—**	**20,984**	**20,984**
Total	**$ —**	**$ —**	**$ —**	**$ —**	**$ 2,997,753**	**$ 2,997,753**

	December 31, 2025					
	30-59 Days Past Due	60-89 Days Past Due	90 Days or More Past Due	Total Past Due	Current	Total Loans
Commercial	$ —	$ —	$ —	$ —	$ 505,059	$ 505,059
Real estate:						
Construction, land and land development	—	—	—	—	426,833	426,833
1-4 family residential first mortgages	—	—	—	—	93,122	93,122
Home equity	—	—	—	—	26,088	26,088
Commercial	—	—	—	—	1,929,766	1,929,766
Consumer and other	—	—	—	—	23,374	23,374
Total	$ —	$ —	$ —	$ —	$ 3,004,242	$ 3,004,242

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Loan Modifications Made to Borrowers Experiencing Financial Difficulty

As of September 30, 2026, the Company had $716 in loan modifications made to borrowers experiencing financial difficulties, compared to none as of December 31, 2025. The loan modifications as of September 30, 2026 consisted of a modification to one loan totaling $716 to a borrower with two individually evaluated loans and was related to a payment deferral. The modified loan is in the commercial loans segment and makes up 0.16 percent of the total loans within the commercial loan segment. There were no loan modifications made to borrowers experiencing financial difficulty for which there was a payment default within twelve months following the modification during the three and nine months ended September 30, 2026 and 2025, and there were no commitments to lend additional funds to such borrowers. A modified loan is considered to be in payment default once it is 30 days contractually past due under the modified terms.

Credit Quality Indicators

Based upon its ongoing assessment of credit quality within the loan portfolio, the Company maintains a Watch List, which includes loans classified as Doubtful, Substandard and Watch according to the Company's classification criteria. These loans involve the anticipated potential for payment defaults or collateral inadequacies. A loan on the Watch List is analyzed individually to categorize the loan to the appropriate credit risk category.

All loans are subject to the assessment of a credit quality indicator. Risk ratings are assigned for each loan at the time of approval, and they change as circumstances dictate during the term of the loan. The Company utilizes a 9-point risk rating scale as shown below, with ratings 1 - 5 included in the Pass column, rating 6 included in the Watch column, ratings 7 - 8 included in the Substandard column and rating 9 included in the Doubtful column.

Risk rating 1: The loan is secured by cash equivalent collateral.

Risk rating 2: The loan is secured by properly margined marketable securities, bonds or cash surrender value of life insurance.

Risk rating 3: The borrower is in strong financial condition and has strong debt service capacity. The loan is performing as agreed, and the financial characteristics and trends of the borrower exceed industry statistics.

Risk rating 4: The borrower's financial condition is satisfactory and stable. The borrower has satisfactory debt service capacity, and the loan is well secured. The loan is performing as agreed, and the financial characteristics and trends fall in line with industry statistics.

Risk rating 5: The borrower's financial condition is less than satisfactory. The loan is still generally paying as agreed, but strained cash flows may cause some slowness in payments. The collateral values adequately preclude loss on the loan. Financial characteristics and trends lag industry statistics. There may be noncompliance with loan covenants.

Risk rating 6: The borrower's financial condition is deficient. Payment delinquencies may be more common. Collateral values still protect from loss, but margins are narrow. The loan may be reliant on secondary sources of repayment, including liquidation of collateral and guarantor support.

Risk rating 7: The loan is inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Well-defined weaknesses exist that jeopardize the liquidation of the debt. The Company is inadequately protected by the valuation or paying capacity of the collateral pledged. If deficiencies are not corrected, there is a distinct possibility that a loss will be sustained.

Risk rating 8: All the characteristics of rating 7 exist with the added condition that the loan is past due more than 90 days or there is reason to believe the Company will not receive its principal and interest according to the terms of the loan agreement.

Risk rating 9: All the weaknesses inherent in risk ratings 7 and 8 exist with the added condition that collection or liquidation, on the basis of currently known facts, conditions and values, is highly questionable and improbable. A loan reaching this category would most likely be charged off.

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Credit quality indicators for all loans and the Company's risk rating process are dynamic and updated on a continuous basis. Risk ratings are updated as circumstances that could affect the repayment of an individual loan are brought to management's attention through an established monitoring process. Individual bankers initiate changes as appropriate for ratings 1 through 5, and changes for ratings 6 through 9 are initiated by management. The likelihood of loss increases as the risk rating increases and is generally preceded by a loan appearing on the Watch List, which consists of all loans with a risk rating of 6 or worse. Written action plans with firm target dates for resolution of identified problems are maintained and reviewed on a quarterly basis for all segments of loans included on the Watch List. In addition to the Company's internal credit monitoring practices and procedures, an outsourced independent credit review function is in place to further assess assigned internal risk classifications and monitor compliance with internal lending policies and procedures.

In all portfolio segments, the primary risks are that a borrower's income stream diminishes to the point that the borrower is not able to make scheduled principal and interest payments and any collateral securing the loan declines in value. The risk of declining collateral values is present for most types of loans.

Commercial loans consist primarily of loans to businesses for various purposes, including revolving lines to finance current operations, inventory and accounts receivable, and capital expenditure loans to finance equipment and other fixed assets. These loans generally have short maturities, have either adjustable or fixed interest rates, and are either unsecured or secured by inventory, accounts receivable and/or fixed assets. For commercial loans, the primary source of repayment is from the operation of the business.

Real estate loans include various types of loans for which the Company holds real property as collateral, and consist of loans on commercial properties and single and multifamily residences. Real estate loans are typically structured to mature or reprice every five years with payments based on amortization periods up to 30 years. The majority of construction loans are to contractors and developers for construction of commercial buildings or residential real estate. These loans typically have maturities of up to 24 months. The Company's loan policy includes minimum appraisal and other credit guidelines.

Consumer loans include loans extended to individuals for household, family and other personal expenditures not secured by real estate. The majority of the Company's consumer lending is for vehicles, consolidation of personal debts and household improvements. The repayment source for consumer loans, including 1-4 family residential and home equity loans, is typically wages.

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The following tables present the amortized cost basis of loans by loan segment, credit quality indicator and origination year, and the current period gross write-off by loan segment and origination year, based on the analysis performed as of September 30, 2026 and December 31, 2025.

	Term Loans by Origination Year							
As of September 30, 2026	**2026**	**2025**	**2024**	**2023**	**2022**	**Prior**	**Revolving Loans**	**Total**
Commercial								
Pass	$ 83,629	$ 86,730	$ 39,935	$ 21,560	$ 43,434	$ 50,265	$ 126,289	$ 451,842
Watch	87	1,483	276	285	68	—	250	2,449
Substandard	716	—	—	122	—	—	3,287	4,125
Doubtful	—	—	—	—	—	—	—	—
Total	$ 84,432	$ 88,213	$ 40,211	$ 21,967	$ 43,502	$ 50,265	$ 129,826	$ 458,416
Current period gross writeoffs	$ —	$ —	$ —	$ —	$ —	$ 1	$ —	$ 1
Real estate:								
Construction, land and land development								
Pass	$ 130,459	$ 37,296	$ 3,845	$ 26,229	$ 5,038	$ 887	$ 85,862	$ 289,616
Watch	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Total	$ 130,459	$ 37,296	$ 3,845	$ 26,229	$ 5,038	$ 887	$ 85,862	$ 289,616
Current period gross writeoffs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
1-4 family residential first mortgages								
Pass	$ 29,509	$ 68,163	$ 5,095	$ 8,445	$ 15,340	$ 4,505	$ 710	$ 131,767
Watch	—	—	—	2,113	—	—	—	2,113
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Total	$ 29,509	$ 68,163	$ 5,095	$ 10,558	$ 15,340	$ 4,505	$ 710	$ 133,880
Current period gross writeoffs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Home equity								
Pass	$ 1,468	$ 2,301	$ 280	$ 2,331	$ 81	$ 176	$ 19,694	$ 26,331
Watch	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Total	$ 1,468	$ 2,301	$ 280	$ 2,331	$ 81	$ 176	$ 19,694	$ 26,331
Current period gross writeoffs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Commercial								
Pass	$ 600,653	$ 240,726	$ 156,673	$ 126,880	$ 361,246	$ 527,812	$ 43,071	$ 2,057,061
Watch	—	460	1,375	—	—	—	—	1,835
Substandard	2,999	1,201	621	—	—	4,809	—	9,630
Doubtful	—	—	—	—	—	—	—	—
Total	$ 603,652	$ 242,387	$ 158,669	$ 126,880	$ 361,246	$ 532,621	$ 43,071	$ 2,068,526
Current period gross writeoffs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Consumer and other								
Pass	$ 153	$ 12,933	$ 50	$ 333	$ 19	$ 110	$ 7,086	$ 20,684
Watch	—	—	—	—	—	—	300	300
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Total	$ 153	$ 12,933	$ 50	$ 333	$ 19	$ 110	$ 7,386	$ 20,984
Current period gross writeoffs	$ 18	$ —	$ —	$ —	$ —	$ —	$ —	$ 18

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	Term Loans by Origination Year							
As of December 31, 2025	2025	2024	2023	2022	2021	Prior	Revolving Loans	Total
Commercial								
Pass	$ 138,785	$ 50,820	$ 45,188	$ 60,692	$ 26,356	$ 43,088	$ 130,280	$ 495,209
Watch	3,131	768	1,027	568	31	—	4,325	9,850
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Total	$ 141,916	$ 51,588	$ 46,215	$ 61,260	$ 26,387	$ 43,088	$ 134,605	$ 505,059
Current period gross writeoffs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Real estate:								
Construction, land and land development								
Pass	$ 125,890	$ 15,669	$ 119,117	$ 73,287	$ 3,107	$ 125	$ 89,338	$ 426,533
Watch	300	—	—	—	—	—	—	300
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Total	$ 126,190	$ 15,669	$ 119,117	$ 73,287	$ 3,107	$ 125	$ 89,338	$ 426,833
Current period gross writeoffs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
1-4 family residential first mortgages								
Pass	$ 36,210	$ 5,387	$ 10,563	$ 16,055	$ 11,858	$ 3,269	$ 1,143	$ 84,485
Watch	6,458	—	2,179	—	—	—	—	8,637
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Total	$ 42,668	$ 5,387	$ 12,742	$ 16,055	$ 11,858	$ 3,269	$ 1,143	$ 93,122
Current period gross writeoffs	$ —	$ —	$ —	$ —	$ —	$ 27	$ —	$ 27
Home equity								
Pass	$ 2,581	$ 283	$ 2,618	$ 151	$ 368	$ —	$ 20,087	$ 26,088
Watch	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Total	$ 2,581	$ 283	$ 2,618	$ 151	$ 368	$ —	$ 20,087	$ 26,088
Current period gross writeoffs	$ —	$ —	$ —	$ —	$ 8	$ —	$ —	$ 8
Commercial								
Pass	$ 322,398	$ 224,664	$ 132,918	$ 409,576	$ 400,372	$ 344,525	$ 61,988	$ 1,896,441
Watch	29,835	2,050	1,440	—	—	—	—	33,325
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Total	$ 352,233	$ 226,714	$ 134,358	$ 409,576	$ 400,372	$ 344,525	$ 61,988	$ 1,929,766
Current period gross writeoffs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Consumer and other								
Pass	$ 13,966	$ 100	$ 444	$ 36	$ 34	$ 130	$ 8,549	$ 23,259
Watch	—	—	—	—	—	—	115	115
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Total	$ 13,966	$ 100	$ 444	$ 36	$ 34	$ 130	$ 8,664	$ 23,374
Current period gross writeoffs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —

Collateral Dependent Loans

Loans that do not share risk characteristics are evaluated on an individual basis. For collateral dependent loans where the Company has determined that foreclosure of the collateral is probable, or where the borrower is experiencing financial difficulty and the Company expects repayment of the loans to be provided substantially through the operation or sale of the collateral, the ACL is measured based on the difference between the fair value of the collateral and the amortized cost basis of the loan as of the measurement date. When repayment is expected to be from the operation of the collateral, expected credit losses are calculated as the amount by which the amortized cost basis of the loan exceeds the present value of expected cash flows from the operation of collateral. When repayment is expected to be from the sale of the collateral, expected credit losses are calculated as the amount by which the amortized cost basis of the loan exceeds the fair value of the underlying collateral less estimated cost to sell. The ACL may be zero if the fair value of the collateral at the measurement date exceeds the amortized cost basis of the loan.

The following table presents the amortized cost basis of collateral dependent loans, by primary collateral type, which are individually evaluated to determine expected credit losses, and the related ACL allocated to these loans as of September 30, 2026. There were none as of December 31, 2025.

	As of September 30, 2026				
	Primary Type of Collateral				
	Real Estate	Business Assets	Other	Total	ACL Allocation
Commercial	**$ —**	**$ 716**	**$ —**	**$ 716**	**$ —**
Real estate:					
Commercial	**621**	**—**	**—**	**621**	**—**
Total	**$ 621**	**$ 716**	**$ —**	**$ 1,337**	**$ —**

Allowance for Credit Losses on Off-Balance-Sheet Credit Exposures

The Company estimates expected credit losses over the contractual period in which the Company is exposed to credit risk via a contractual obligation to extend credit, unless that obligation is unconditionally cancellable by the Company. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded over its estimated life. The Company's allowance for credit losses for unfunded commitments was $1,544 as of both September 30, 2026 and December 31, 2025. The allowance for credit losses for off-balance-sheet credit exposures is presented in the "Accrued expenses and other liabilities" line of the Consolidated Balance Sheets. Changes in the allowance for credit losses for off-balance-sheet credit exposures are reflected in the "Credit loss expense" line of the Consolidated Statements of Income. There was no provision for credit losses for off-balance-sheet credit exposures during the three and nine months ended September 30, 2026 and 2025.

5. Derivatives

The Company has entered into interest rate swap agreements and interest rate collars as part of its interest rate risk management strategy. The Company uses interest rate derivatives to manage its interest rate risk exposure on certain loans, borrowings and deposits due to interest rate movements. The notional amounts of the interest rate derivatives do not represent amounts exchanged by the counterparties, but rather, the notional amount is used to determine, along with other terms of the derivative, the amounts to be exchanged between the counterparties.

Interest Rate Derivatives Designated as a Cash Flow Hedge: The Company had interest rate swaps designated as cash flow hedges with total notional amounts of $275,000 and $380,000 as of September 30, 2026 and December 31, 2025, respectively. As of September 30, 2026 and December 31, 2025, the Company had interest rate swaps with total notional amounts of $210,000 and $270,000, respectively, that hedge the interest payments of rolling one-month funding consisting of FHLB advances or brokered deposits. As of September 30, 2026 and December 31, 2025, the Company had interest rate swaps with total notional amounts of $20,000 and $40,000, respectively, that effectively convert variable-rate long-term debt to fixed-rate debt. Additionally, as of September 30, 2026 and December 31, 2025, the Company had interest rate swaps with total notional amounts of $45,000 and $70,000, respectively, that hedge the interest payments of certain customer deposit accounts.

The Company had interest rate collars designated as cash flow hedges with total notional amounts of $150,000 and $100,000 as of September 30, 2026 and December 31, 2025, respectively. The Company enters into interest rate collars to mitigate interest rate risk on certain loans and deposits. On the interest rate collars hedging the interest rate risk on customer deposits, the structure of the interest rate collars is such that the Company pays the counterparty an incremental amount if the index rate falls below the floor rate. Conversely, the Company receives an incremental amount if the index rate rises above the cap rate. On the interest rate collars hedging the interest rate risk on loans, the structure of the interest rate collars is such that the Company pays the counterparty an incremental amount if the index rises above the cap rate. Conversely, the Company receives an incremental amount if the index falls below the floor rate.

Derivatives Not Designated as Accounting Hedges: To accommodate customer needs, the Company on occasion offers loan level interest rate swaps to its customers and offsets its exposure from such contracts by entering into mirror image swaps with a swap counterparty (back-to-back swap program). The interest rate swaps are free-standing derivatives and are recorded at fair value. The Company enters into a floating-rate loan and a fixed-rate swap with its customer. Simultaneously, the Company enters into an offsetting fixed-rate swap with a swap counterparty. In connection with each swap transaction, the Company agrees to pay interest to the customer on a notional amount at a variable interest rate and receive interest from the customer on the same notional amount at a fixed interest rate. At the same time, the Company agrees to pay a swap counterparty the same fixed interest rate on the same notional amount and receive the same variable interest rate on the same notional amount. These transactions allow the Company's customers to effectively convert variable-rate loans to fixed-rate loans. The customer accommodations and any offsetting swaps are treated as non-hedging derivative instruments which do not qualify for hedge accounting.

The table below identifies the balance sheet category and fair values of the Company's derivative instruments as of September 30, 2026 and December 31, 2025.

		September 30, 2026		December 31, 2025
Cash Flow Hedges:				
Interest Rate Swaps:				
Gross notional amount	**$**	**275,000**	$	380,000
Fair value in other assets		**5,584**		2,989
Fair value in other liabilities		**(12)**		(1,040)
Weighted-average floating rate received		**4.01 %**		3.98 %
Weighted-average fixed rate paid		**3.25 %**		3.45 %
Weighted-average maturity in years		**1.3**		1.6
Interest Rate Collars:				
Gross notional amount	**$**	**150,000**	$	100,000
Fair value in other assets		**776**		—
Fair value in other liabilities		**(109)**		(80)
Weighted-average maturity in years		**2.2**		2.6
Non-Hedging Derivatives:				
Gross notional amount	**$**	**274,344**	$	279,980
Fair value in other assets		**14,208**		9,796
Fair value in other liabilities		**(14,208)**		(9,796)

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The following table identifies the pre-tax gains or losses recognized on the Company's derivative instruments designated as cash flow hedges for the three and nine months ended September 30, 2026 and 2025.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	**2026**	2025
Pre-tax gain (loss) recognized in other comprehensive income	**$ 2,380**	$ 374	**$ 5,888**	$ (2,961)
Decrease in interest expense	**(559)**	(1,396)	**(1,517)**	(4,212)

The Company estimates there will be approximately $1,878 reclassified from accumulated other comprehensive income (loss) to decrease interest expense through the 12 months ending September 30, 2027 related to cash flow hedges.

The Company is exposed to credit risk in the event of nonperformance by interest rate derivative counterparties, which is minimized by collateral-pledging provisions in the agreements. Derivative contracts are executed with a Credit Support Annex, which is a bilateral ratings-sensitive agreement that requires collateral postings at established credit threshold levels. These agreements protect the interests of the Company and its counterparties should either party suffer a credit rating deterioration. As of September 30, 2026 and December 31, 2025, the Company pledged $0 and $240, respectively, of collateral to the counterparties in the form of cash on deposit. As of September 30, 2026 and December 31, 2025, the Company's counterparties pledged $20,680 and $10,500, respectively, of collateral to the Company in the form of cash on deposit. The interest rate swap product with the borrower is cross-collateralized with the underlying loan collateral and therefore there is no pledged cash collateral under swap contracts with customers.

6. Income Taxes

Net deferred tax assets consisted of the following as of September 30, 2026 and December 31, 2025.

	September 30, 2026	December 31, 2025
Deferred tax assets:		
Allowance for credit losses	**$ 7,892**	$ 7,889
Net unrealized losses on securities available for sale	**29,188**	23,036
Lease liabilities	**940**	1,019
Accrued expenses	**267**	236
Restricted stock unit compensation	**892**	1,041
State net operating loss carryforward	**2,498**	2,325
Other	**212**	200
	41,889	35,746
Deferred tax liabilities:		
Right-of-use assets	**902**	981
Deferred loan costs	**235**	227
Net unrealized gains on interest rate swaps	**1,536**	462
Premises and equipment	**5,541**	5,572
Other	**150**	254
	8,364	7,496
Net deferred tax assets before valuation allowance	**33,525**	28,250
Valuation allowance	**(2,498)**	(2,325)
Net deferred tax assets	**$ 31,027**	$ 25,925

The Company has recorded a valuation allowance against the tax effect of the state net operating loss carryforwards, as management believes it is more likely than not that these carryforwards will expire without being utilized. The state net operating loss carryforwards expire in 2026 and thereafter.

7. Accumulated Other Comprehensive Income (Loss)

The following table summarizes the changes in the balances of each component of accumulated other comprehensive income (loss), net of tax, for the nine months ended September 30, 2026 and 2025.

	Unrealized Gains (Losses) on Securities	Unrealized Gains (Losses) on Derivatives	Accumulated Other Comprehensive Income (Loss)
Balance, December 31, 2025	**$ (69,879)**	**$ 1,374**	**$ (68,505)**
Other comprehensive income (loss) before reclassifications	**(18,756)**	**4,439**	**(14,317)**
Amounts reclassified from accumulated other comprehensive loss	**(19)**	**(1,142)**	**(1,161)**
Net current period other comprehensive income (loss)	**(18,775)**	**3,297**	**(15,478)**
Balance, September 30, 2026	**$ (88,654)**	**$ 4,671**	**$ (83,983)**
Balance, December 31, 2024	$ (96,564)	$ 7,207	$ (89,357)
Other comprehensive income (loss) before reclassifications	19,372	(2,231)	17,141
Amounts reclassified from accumulated other comprehensive loss	(20)	(3,173)	(3,193)
Net current period other comprehensive income (loss)	19,352	(5,404)	13,948
Balance, September 30, 2025	$ (77,212)	$ 1,803	$ (75,409)

8. Commitments and Contingencies

Financial instruments with off-balance-sheet risk: The Company is party to financial instruments with off-balance-sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit. These instruments involve, to varying degrees, elements of credit risk in excess of the amount recognized in the consolidated balance sheets. The Company's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit and standby letters of credit is represented by the contractual amount of those instruments. The Company uses the same credit policies in making commitments and conditional obligations that it uses for on-balance-sheet instruments. The Company's commitments consisted of the following amounts as of September 30, 2026 and December 31, 2025.

	September 30, 2026	December 31, 2025
Commitments to fund real estate construction loans	**$ 210,429**	$ 152,936
Other commitments to extend credit	**575,451**	589,309
Standby letters of credit	**11,974**	13,291
	$ 797,854	$ 755,536

West Bank previously executed Mortgage Partnership Finance (MPF) Master Commitments (Commitments) with the FHLB of Des Moines to deliver residential mortgage loans and to guarantee the payment of any realized losses that exceed the FHLB's first loss account for mortgages delivered under the Commitments. West Bank receives credit enhancement fees from the FHLB for providing this guarantee and continuing to assist with managing the credit risk of the MPF Program residential mortgage loans. The total outstanding balance of mortgage loans sold under the MPF Program was $12,218 and $14,411 at September 30, 2026 and December 31, 2025, respectively.

Contractual commitments: The Company had remaining commitments to invest in qualified affordable housing projects totaling $2,188 and $1,383 as of September 30, 2026 and December 31, 2025, respectively.

Concentrations of credit risk: Substantially all of the Company's loans, commitments to extend credit and standby letters of credit have been granted to customers in the Company's market areas. The concentrations of credit by type of loan are set forth in Note 4. The distribution by type of loan of commitments to extend credit approximates the distribution by type of loan outstanding. Standby letters of credit were granted primarily to commercial borrowers.

Contingencies: Neither the Company nor West Bank is a party, and no property of these entities is subject, to any material pending legal proceedings, other than ordinary routine litigation incidental to West Bank's business. The Company does not know of any proceeding contemplated by a governmental authority against the Company or West Bank.

9. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the market in which the reporting entity transacts business. The Company's balance sheet contains securities available for sale and derivative instruments that are recorded at fair value on a recurring basis. The three-level valuation hierarchy for disclosure of fair value is as follows:

Level 1 uses quoted market prices in active markets for identical assets or liabilities.

Level 2 uses observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3 uses unobservable inputs that are not corroborated by market data.

The Company's policy is to recognize transfers between levels at the end of each reporting period, if applicable. There were no transfers between levels of the fair value hierarchy during the nine months ended September 30, 2026.

The following is a description of valuation methodologies used for financial assets and liabilities recorded at fair value on a recurring basis.

Securities available for sale: When available, quoted market prices are used to determine the fair value of securities (Level 1). If quoted market prices are not available, the Company determines fair value based on various sources and may apply matrix pricing with observable prices for similar bonds where a price for the identical bond is not observable (Level 2). The fair values of these securities are determined by pricing models that consider observable market data such as interest rate volatilities, yield curves, credit spreads, prices from market makers and live trading systems.

Management obtains the fair value of securities at the end of each reporting period via a third-party pricing service. Management reviewed the valuation process used by the third party and believed the process was valid. On a quarterly basis, management corroborates the fair values of securities by obtaining pricing from an independent financial market data vendor and comparing the two sets of fair values. Any significant variances are reviewed and investigated. For a sample of securities, prices are further validated by management by obtaining details of the inputs used by the pricing service. Those inputs were independently tested, and management concluded the fair values were consistent with GAAP requirements and the securities were properly classified in the fair value hierarchy.

Derivative instruments: The Company's derivative instruments consist of interest rate swaps and interest rate collars accounted for as cash flow hedges, as well as interest rate swaps which are accounted for as non-hedging derivatives. The Company's derivative positions are classified within Level 2 of the fair value hierarchy and are valued using models that are generally accepted in the financial services industry, including discounted cash flow models, and that use actively quoted or observable market input values from external market data providers and/or non-binding broker-dealer quotations. These models' key assumptions include the contractual terms of the respective contract along with significant observable inputs, including interest rates, yield curves, nonperformance risk and volatility.

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The following tables present the balances of financial assets and liabilities measured at fair value on a recurring basis by level as of September 30, 2026 and December 31, 2025.

	September 30, 2026			
	Total	Level 1	Level 2	Level 3
Financial assets:				
Securities available for sale:				
State and political subdivisions	**$ 150,163**	**$ —**	**$ 150,163**	**$ —**
Collateralized mortgage obligations	**170,909**	**—**	**170,909**	**—**
Mortgage-backed securities	**85,252**	**—**	**85,252**	**—**
Corporate notes	**9,324**	**—**	**9,324**	**—**
Derivative instruments	**20,568**	**—**	**20,568**	**—**
Financial liabilities:				
Derivative instruments	**$ 14,329**	**$ —**	**$ 14,329**	**$ —**

	December 31, 2025			
	Total	Level 1	Level 2	Level 3
Financial assets:				
Securities available for sale:				
State and political subdivisions	$ 163,264	$ —	$ 163,264	$ —
Collateralized mortgage obligations	193,683	—	193,683	—
Mortgage-backed securities	96,142	—	96,142	—
Collateralized loan obligations	2,307	—	2,307	—
Corporate notes	13,051	—	13,051	—
Derivative instruments	12,785	—	12,785	—
Financial liabilities:				
Derivative instruments	$ 10,916	$ —	$ 10,916	$ —

Certain assets are measured at fair value on a nonrecurring basis. That is, they are subject to fair value adjustments in certain circumstances (for example, when there is evidence of impairment). Individually evaluated loans that are deemed to have impairment are classified within Level 3 of the fair value hierarchy and are recorded at fair value, which is based on the value of the collateral securing these loans. As of both September 30, 2026 and December 31, 2025, there were no individually evaluated loans with a fair value adjustment.

In determining the estimated net realizable value of the underlying collateral of individually evaluated loans, the Company primarily uses third-party appraisals or broker opinions which may utilize a single valuation approach or a combination of approaches including comparable sales and the income approach. Adjustments are routinely made in the appraisal process by the appraisers to adjust for differences between the comparable sales and income data available and include consideration of variations in location, size, and income production capacity of the property. Additionally, the appraisals are periodically further adjusted by the Company in consideration of charges that may be incurred in the event of foreclosure and are based on management's historical knowledge, changes in business factors and changes in market conditions. Because of the high degree of judgment required in estimating the fair value of collateral underlying individually evaluated loans and because of the relationship between fair value and general economic conditions, the Company considers the fair value of individually evaluated loans to be highly sensitive to changes in market conditions.

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GAAP requires disclosure of the fair value of financial assets and financial liabilities, including those that are not measured and reported at fair value on a recurring or nonrecurring basis. The following table presents the carrying amounts and approximate fair values of financial assets and liabilities as of September 30, 2026 and December 31, 2025.

	September 30, 2026				
	Carrying Amount	Approximate Fair Value	Level 1	Level 2	Level 3
Financial assets:					
Cash and due from banks	**$ 23,155**	**$ 23,155**	**$ 23,155**	**$ —**	**$ —**
Interest-earning deposits with banks	**88,822**	**88,822**	**88,822**	**—**	**—**
Securities purchased under agreements to resell	**160,444**	**160,444**	**—**	**160,444**	**—**
Securities available for sale	**415,648**	**415,648**	**—**	**415,648**	**—**
Federal Home Loan Bank stock	**12,426**	**12,426**	**—**	**12,426**	**—**
Loans, net	**2,964,675**	**2,889,117**	**—**	**2,889,117**	**—**
Accrued interest receivable	**12,063**	**12,063**	**12,063**	**—**	**—**
Derivative instruments	**20,568**	**20,568**	**—**	**20,568**	**—**
Financial liabilities:					
Deposits	**$ 3,270,646**	**$ 3,270,043**	**$ —**	**$ 3,270,043**	**$ —**
Subordinated notes, net	**80,352**	**72,886**	**—**	**72,886**	**—**
Federal Home Loan Bank advances	**210,000**	**210,000**	**—**	**210,000**	**—**
Long-term debt	**22,500**	**22,500**	**—**	**22,500**	**—**
Accrued interest payable	**6,914**	**6,914**	**6,914**	**—**	**—**
Derivative instruments	**14,329**	**14,329**	**—**	**14,329**	**—**

	December 31, 2025				
	Carrying Amount	Approximate Fair Value	Level 1	Level 2	Level 3
Financial assets:					
Cash and due from banks	$ 25,171	$ 25,171	$ 25,171	$ —	$ —
Interest-earning deposits with banks	324,502	324,502	324,502	—	—
Securities purchased under agreements to resell	121,413	121,413	—	121,413	—
Securities available for sale	468,447	468,447	—	468,447	—
Federal Home Loan Bank stock	15,167	15,167	—	15,167	—
Loans, net	2,971,165	2,953,867	—	2,953,867	—
Accrued interest receivable	11,982	11,982	11,982	—	—
Derivative instruments	12,785	12,785	—	12,785	—
Financial liabilities:					
Deposits	$ 3,468,470	$ 3,468,215	$ —	$ 3,468,215	$ —
Subordinated notes, net	80,156	74,660	—	74,660	—
Federal Home Loan Bank advances	270,000	270,000	—	270,000	—
Long-term debt	26,250	26,250	—	26,250	—
Accrued interest payable	5,319	5,319	5,319	—	—
Derivative instruments	10,916	10,916	—	10,916	—

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

"SAFE HARBOR" CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements in this report, other than purely historical information, including estimates, projections, statements relating to the Company's business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements" within the meanings of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Forward-looking statements may appear throughout this report. These forward-looking statements are generally identified by the words "believes," "expects," "intends," "anticipates," "projects," "forecasts," "plans," "targets," "future," "confident," "potentially," "probably," "outlook," "may," "should," "would," "could," "will," "strategy," "plan," "opportunity," "will be," "will likely result," "will continue" or similar references, as well as the negative of such words, or references to estimates, predictions or future events. Forward-looking statements are not historical facts but instead represent management's current expectations and forecasts regarding future events, many of which are inherently uncertain and outside of our control. Such forward-looking statements are based upon certain underlying assumptions, known and unknown risks and uncertainties. Because of the possibility that the underlying assumptions are incorrect or do not materialize as expected in the future, actual results may differ, possibly materially, from these forward-looking statements. Risks and uncertainties that may affect future results include, but are not limited to: interest rate risk, including the effects of the recent increase in the benchmark federal funds rate by the Federal Reserve; fluctuations in the values of the securities held in our investment portfolio, including as a result of rising interest rates; competitive pressures, including from non-bank competitors such as credit unions, "fintech" companies and digital asset service providers; technological changes implemented by us and other parties, including third-party vendors, which may be more difficult to implement or more expensive than anticipated or which may have unforeseen consequences to us and our customers, including the development and implementation of tools incorporating artificial intelligence; pricing pressures on loans and deposits; our ability to successfully manage liquidity risk; changes in credit and other risks posed by the Company's loan portfolio, including declines in commercial or residential real estate values or changes in the allowance for credit losses dictated by new market conditions, accounting standards or regulatory requirements; the concentration of large deposits from certain clients, including those who have balances above current FDIC insurance limits; the threat or imposition of domestic or foreign tariffs or other governmental policies impacting the global supply chain and the value of products produced by our commercial borrowers; effects on the U.S. economy resulting from actions taken by the federal government, including executive orders and immigration enforcement; changes in local, national and international economic conditions, including the level and impact of inflation, and future monetary policies of the Federal Reserve in response thereto, and possible recession; the impact of bank failures or adverse developments at other banks and related negative publicity about the banking industry in general on investor and depositor sentiment regarding the stability and liquidity of banks; changes in legal and regulatory requirements, limitations and costs; changes in customers' acceptance of the Company's products and services; the occurrence of fraudulent activity, breaches or failures of our or our third-party partners' information security controls or cyber-security related incidents, including as a result of sophisticated attacks using artificial intelligence and similar tools; unexpected outcomes of existing or new litigation involving the Company; the monetary, trade and other regulatory policies of the U.S. government; the effects of acts of war or terrorism, including the wars in Iran and Ukraine, ongoing conflicts in the Middle East, and other international military conflicts that can increase levels of political and economic unpredictability, contribute to rising energy and commodity prices, affect global supply chains, increase the volatility of financial markets, and other matters beyond our control; widespread disease, pandemics or epidemics, or other adverse external events; risks related to climate change and the negative impact it may have on our customers and their business; changes to U.S. tax laws, regulations and guidance; potential changes in federal policy and at regulatory agencies; talent and labor shortages; emerging issues related to the development and use of artificial intelligence that could give rise to legal or regulatory action, damage our reputation or otherwise materially harm our business or customers; the availability of future equity and debt issuances and other capital raising opportunities on favorable terms; and any other risks described in the "Risk Factors" sections of this and other reports filed by the Company with the SEC. The Company cautions readers not to place undue reliance on any forward-looking statements. Moreover, any of the forward-looking statements that the Company makes in this report or the documents the Company files with or furnishes to the SEC are based only on information then actually known to the Company and upon management's beliefs and assumptions at the time they are made, which may turn out to be wrong because of inaccurate assumptions they might make, because of the factors described above or because of other factors that the Company cannot foresee. Forward-looking statements speak only as of the date they are made, and the Company does not undertake and specifically disclaims any obligation to revise or update such forward-looking statements to reflect current or future events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

CRITICAL ACCOUNTING POLICIES

The discussion and analysis of the Company's financial condition and results of operations are based upon the Company's consolidated financial statements that have been prepared in accordance with GAAP. The preparation of the Company's financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, income and expenses. These estimates are based upon historical experience and on various other assumptions that management believes are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. The estimates and judgments that management believes involve the most complex and subjective estimates and judgments and have the greatest effect on the Company's reported financial position and results of operations are described as critical accounting policies in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, as filed with the SEC on February 26, 2026. There have been no significant changes in the critical accounting policies or the assumptions and judgments utilized in applying these policies since December 31, 2025.

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NON-GAAP FINANCIAL MEASURES

This report contains references to financial measures that are not defined in GAAP. Such non-GAAP financial measures include the Company's presentation of net interest income and net interest margin on a fully taxable equivalent (FTE) basis, and the presentation of the efficiency ratio on an adjusted and FTE basis, excluding certain income and expenses. Management believes these non-GAAP financial measures provide useful information to both management and investors to analyze and evaluate the Company's financial performance. These measures are considered standard measures of comparison within the banking industry. Additionally, management believes providing measures on a FTE basis enhances the comparability of income arising from taxable and nontaxable sources. Limitations associated with non-GAAP financial measures include the risks that persons might disagree as to the appropriateness of items included in these measures and that different companies might calculate these measures differently. These non-GAAP disclosures should not be considered an alternative to the Company's GAAP results for the periods indicated.

The following table reconciles the non-GAAP financial measures of net interest income and net interest margin on a FTE basis and efficiency ratio on an adjusted and FTE basis to their most directly comparable measures under GAAP.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	**2026**	2025
Reconciliation of net interest income and net interest margin on a FTE basis to GAAP:				
Net interest income (GAAP)	**$ 26,370**	$ 22,501	**$ 76,276**	$ 64,775
Tax-equivalent adjustment [1]	**76**	61	**223**	186
Net interest income on a FTE basis (non-GAAP)	**26,446**	22,562	**76,499**	64,961
Average interest-earning assets	**3,785,334**	3,790,154	**3,808,813**	3,769,158
Net interest margin on a FTE basis (non-GAAP)	**2.77 %**	2.36 %	**2.68 %**	2.30 %
Reconciliation of efficiency ratio on an adjusted and FTE basis to GAAP:				
Net interest income on a FTE basis (non-GAAP)	**$ 26,446**	$ 22,562	**$ 76,499**	$ 64,961
Noninterest income	**2,745**	2,503	**7,895**	7,156
Adjustment for losses on disposal of premises and equipment, net	**7**	—	**37**	8
Adjusted income	**29,198**	25,065	**84,431**	72,125
Noninterest expense	**13,961**	13,550	**41,193**	40,098
Efficiency ratio on an adjusted and FTE basis (non-GAAP)[2]	**47.81 %**	54.06 %	**48.79 %**	55.60 %

(1) Computed on a tax-equivalent basis using a federal income tax rate of 21 percent, adjusted to reflect the effect of the nondeductible interest expense associated with owning tax-exempt securities and loans. Management believes the presentation of this non-GAAP measure provides supplemental useful information for proper understanding of the financial results, as it enhances the comparability of income arising from taxable and nontaxable sources.

(2) The efficiency ratio expresses noninterest expense as a percent of fully taxable equivalent net interest income and noninterest income, excluding specific noninterest income and expenses. Management believes the presentation of this non-GAAP measure provides supplemental useful information for proper understanding of the Company's financial performance. It is a standard measure of comparison within the banking industry. A lower ratio is more desirable.

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OVERVIEW

The following discussion describes the consolidated operations and financial condition of the Company, West Bank and West Bank's special purpose subsidiaries. Results of operations for the three and nine months ended September 30, 2026 are compared to the results for the same periods in 2025, and the consolidated financial condition of the Company as of September 30, 2026 is compared to that as of December 31, 2025. This discussion and analysis should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 26, 2026.

The Company conducts business from its headquarters building in West Des Moines, Iowa and through its branch offices in central Iowa, which is generally the greater Des Moines metropolitan area; eastern Iowa, which is the area including and surrounding Iowa City and Coralville; and southern Minnesota, which includes the cities of Rochester, Owatonna, Mankato and St. Cloud.

Net income for the three months ended September 30, 2026 was $11,628, or $0.67 per diluted common share, compared to $9,314, or $0.55 per diluted common share, for the three months ended September 30, 2025. The Company's annualized return on average assets and return on average equity for the three months ended September 30, 2026 were 1.16 percent and 16.41 percent, respectively, compared to 0.92 percent and 15.25 percent, respectively, for the three months ended September 30, 2025.

Net interest income for the three months ended September 30, 2026 increased $3,869, or 17.2 percent, compared to the three months ended September 30, 2025. The increase in net interest income was primarily due to increases in interest income on loans, deposits with banks and securities purchased under agreements to resell, decreases in interest expense on deposits and FHLB advances, and partially offset by a decrease in interest income on securities.

Noninterest income increased $242 for the three months ended September 30, 2026 compared to the same period in 2025, primarily due to an increase in trust services revenue. Noninterest expense increased $411 during the three months ended September 30, 2026 compared to the three months ended September 30, 2025, primarily due to an increase in salaries and employee benefits, partially offset by a decrease in FDIC insurance expense.

Net income for the nine months ended September 30, 2026 was $33,273, or $1.93 per diluted common share, compared to $25,135, or $1.48 per diluted common share, for the nine months ended September 30, 2025. The Company's annualized return on average assets and return on average equity for the nine months ended September 30, 2026 were 1.11 percent and 16.18 percent, respectively, compared to 0.84 percent and 14.27 percent, respectively, for the nine months ended September 30, 2025.

Net interest income for the nine months ended September 30, 2026 increased $11,501, or 17.8 percent, compared to the nine months ended September 30, 2025. The increase in net interest income was primarily due to increases in interest income on loans and securities purchased under agreements to resell, decreases in interest expense on deposits, FHLB advances and long-term debt, and partially offset by a decrease in interest income on securities.

Noninterest income increased $739 for the nine months ended September 30, 2026 compared to the same period in 2025, primarily due to an increase in trust services revenue. Noninterest expense increased $1,095 during the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025, primarily due to an increase in salaries and employee benefits, partially offset by a decrease in FDIC insurance expense.

On a quarterly basis, the Company compares three key performance metrics to those of our identified peer group. The peer group for 2026 consists of 19 Midwestern, publicly traded financial institutions, including Ames National Corporation, Bank First Corporation, Bridgewater Bancshares Inc., CF Bankshares, Inc., ChoiceOne Financial Services, Inc., Civista Bancshares, Inc., Equity Bancshares, Inc., Farmers National Banc Corp., Farmers & Merchants Bancorp., First Business Financial Services, Inc., First Financial Corp., First Mid Bancshares, Inc., German American Bancorp, Inc., HBT Financial Inc., Hills Bancorporation, Isabella Bank Corporation, LCNB Corp., Mercantile Bank Corporation, and Southern Missouri Bancorp, Inc. The Company ranks in the middle of the peer group by total assets. The Company's goal is to perform at or near the top of this peer group relative to what we consider to be three key metrics: return on average equity, efficiency ratio and nonperforming assets to total assets. We believe these measures encompass the factors that define the performance of a community bank. Company and peer results for the key financial performance measures are summarized below.

	West Bancorporation, Inc.		Peer Group Range[2]
	As of and for the nine months ended September 30, 2026	As of and for the six months ended June 30, 2026	As of and for the six months ended June 30, 2026
Return on average equity	**16.18%**	16.06%	8.47% - 17.37%
Efficiency ratio[1]	**48.79%**	49.31%	44.00% - 67.51%
Nonperforming assets to total assets	**0.00%**	0.00%	0.09% - 0.92%

(1) The efficiency ratio is a non-GAAP financial measure. For further information, refer to the Non-GAAP Financial Measures section of this report.
(2) Latest data available.

At its meeting on October 28, 2026, the Company's Board of Directors declared a regular quarterly cash dividend of $0.26 per common share. The dividend is payable on November 25, 2026, to stockholders of record on November 11, 2026.

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RESULTS OF OPERATIONS

The following table shows selected financial results and measures for the three and nine months ended September 30, 2026 compared with the same periods in 2025.

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2026	2025	Change	Change %	**2026**	2025	Change	Change %
Net income	**$ 11,628**	$ 9,314	$ 2,314	24.84 %	**$ 33,273**	$ 25,135	$ 8,138	32.38 %
Average assets	**3,993,933**	4,004,769	(10,836)	(0.27)%	**4,016,703**	3,988,902	27,801	0.70 %
Average stockholders' equity	**281,208**	242,245	38,963	16.08 %	**274,919**	235,551	39,368	16.71 %
Return on average assets	**1.16 %**	0.92 %	0.24 %		**1.11 %**	0.84 %	0.27 %	
Return on average equity	**16.41 %**	15.25 %	1.16 %		**16.18 %**	14.27 %	1.91 %	
Net interest margin [1]	**2.77 %**	2.36 %	0.41 %		**2.68 %**	2.30 %	0.38 %	
Efficiency ratio [1] [2]	**47.81 %**	54.06 %	(6.25)%		**48.79 %**	55.60 %	(6.81)%	
Dividend payout ratio	**38.42 %**	45.47 %	(7.05)%		**38.75 %**	50.44 %	(11.69)%	
Average equity to average assets ratio	**7.04 %**	6.05 %	0.99 %		**6.84 %**	5.91 %	0.93 %	

	As of September 30,		
	2026	2025	Change
Nonperforming assets to total assets [2]	**0.00 %**	0.00 %	0.00 %
Equity to assets ratio	**6.98 %**	6.40 %	0.58 %
Tangible common equity ratio	**6.98 %**	6.40 %	0.58 %

(1) Amounts are presented on a FTE basis. These are non-GAAP financial measures. For further information, refer to the Non-GAAP Financial Measures section of this report.
(2) A lower ratio is more desirable.

Definitions of ratios:

- Return on average assets - annualized net income divided by average assets.
- Return on average equity - annualized net income divided by average stockholders' equity.
- Net interest margin - annualized tax-equivalent net interest income divided by average interest-earning assets.
- Efficiency ratio - noninterest expense (excluding other real estate owned expense and write-down of premises) divided by noninterest income (excluding net securities gains/losses and gains/losses on disposition of premises and equipment) plus tax-equivalent net interest income.
- Dividend payout ratio - dividends paid to common stockholders divided by net income.
- Average equity to average assets ratio - average equity divided by average assets.
- Nonperforming assets to total assets - total nonperforming assets divided by total assets.
- Equity to assets ratio - equity divided by assets.
- Tangible common equity ratio - common equity less intangible assets (none held) divided by tangible assets.

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Net Interest Income

The following tables present average balances and related interest income or interest expense, with the resulting annualized average yield or rate by category of interest-earning assets or interest-bearing liabilities. Interest income and the resulting net interest income are shown on a FTE basis.

Data for the three months ended September 30:

	Average Balance				Interest Income/Expense				Yield/Rate		
	2026	2025	Change	Change-%	**2026**	2025	Change	Change-%	**2026**	2025	Change
Interest-earning assets:											
Loans: [1] [2]											
Commercial	**$ 460,424**	$ 499,754	$ (39,330)	(7.87)%	**$ 7,320**	$ 8,182	$ (862)	(10.54)%	**6.31 %**	6.50 %	(0.19)%
Real estate [3]	**2,458,330**	2,436,758	21,572	0.89 %	**34,839**	33,647	1,192	3.54 %	**5.62 %**	5.48 %	0.14 %
Consumer and other	**21,638**	23,450	(1,812)	(7.73)%	**341**	399	(58)	(14.54)%	**6.25 %**	6.75 %	(0.50)%
Total loans	**2,940,392**	2,959,962	(19,570)	(0.66)%	**42,500**	42,228	272	0.64 %	**5.73 %**	5.66 %	0.07 %
Securities:											
Taxable	**337,181**	425,238	(88,057)	(20.71)%	**2,105**	2,643	(538)	(20.36)%	**2.50 %**	2.49 %	0.01 %
Tax-exempt [3]	**115,773**	121,446	(5,673)	(4.67)%	**673**	770	(97)	(12.60)%	**2.32 %**	2.54 %	(0.22)%
Total securities	**452,954**	546,684	(93,730)	(17.15)%	**2,778**	3,413	(635)	(18.61)%	**2.45 %**	2.50 %	(0.05)%
Deposits with banks	**236,468**	186,474	49,994	26.81 %	**2,224**	2,087	137	6.56 %	**3.73 %**	4.44 %	(0.71)%
Securities purchased under agreements to resell	**155,520**	97,034	58,486	60.27 %	**1,769**	1,258	511	40.62 %	**4.45 %**	5.07 %	(0.62)%
Total interest-earning assets [3]	**$ 3,785,334**	$ 3,790,154	$ (4,820)	(0.13)%	**49,271**	48,986	285	0.58 %	**5.16 %**	5.13 %	0.03 %
Interest-bearing liabilities:											
Deposits:											
Interest-bearing demand	**$ 471,938**	$ 457,323	$ 14,615	3.20 %	**1,691**	1,830	(139)	(7.60)%	**1.42 %**	1.59 %	(0.17)%
Savings and money market	**1,807,742**	1,817,719	(9,977)	(0.55)%	**13,092**	15,021	(1,929)	(12.84)%	**2.87 %**	3.28 %	(0.41)%
Time deposits	**501,181**	547,133	(45,952)	(8.40)%	**4,593**	5,688	(1,095)	(19.25)%	**3.64 %**	4.12 %	(0.48)%
Total interest-bearing deposits	**2,780,861**	2,822,175	(41,314)	(1.46)%	**19,376**	22,539	(3,163)	(14.03)%	**2.76 %**	3.17 %	(0.41)%
Borrowed Funds:											
Federal funds purchased and other short-term borrowings	**—**	1	(1)	(100.00)%	**—**	—	—	— %	**— %**	4.52 %	(4.52)%
Subordinated notes, net	**80,316**	80,058	258	0.32 %	**1,113**	1,107	6	0.54 %	**5.50 %**	5.49 %	0.01 %
Federal Home Loan Bank advances	**237,935**	270,000	(32,065)	(11.88)%	**1,965**	2,292	(327)	(14.27)%	**3.28 %**	3.37 %	(0.09)%
Long-term debt	**22,963**	39,407	(16,444)	(41.73)%	**371**	486	(115)	(23.66)%	**6.41 %**	4.90 %	1.51 %
Total borrowed funds	**341,214**	389,466	(48,252)	(12.39)%	**3,449**	3,885	(436)	(11.22)%	**4.01 %**	3.96 %	0.05 %
Total interest-bearing liabilities	**$ 3,122,075**	$ 3,211,641	$ (89,566)	(2.79)%	**22,825**	26,424	(3,599)	(13.62)%	**2.90 %**	3.26 %	(0.36)%
Net interest income (FTE) [4]					**$ 26,446**	$ 22,562	$ 3,884	17.21 %			
Net interest spread (FTE)									**2.26 %**	1.87 %	0.39 %
Net interest margin (FTE) [4]									**2.77 %**	2.36 %	0.41 %

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Data for the nine months ended September 30:

	Average Balance				Interest Income/Expense				Yield/Rate		
	2026	2025	Change	Change-%	**2026**	2025	Change	Change-%	**2026**	2025	Change
Interest-earning assets:											
Loans: [1] [2]											
Commercial	**$ 474,553**	$ 519,911	$ (45,358)	(8.72)%	**$ 22,335**	$ 25,167	$ (2,832)	(11.25)%	**6.29 %**	6.47 %	(0.18)%
Real estate [3]	**2,468,320**	2,447,208	21,112	0.86 %	**102,168**	98,704	3,464	3.51 %	**5.53 %**	5.39 %	0.14 %
Consumer and other	**22,485**	21,248	1,237	5.82 %	**1,048**	1,070	(22)	(2.06)%	**6.23 %**	6.73 %	(0.50)%
Total loans	**2,965,358**	2,988,367	(23,009)	(0.77)%	**125,551**	124,941	610	0.49 %	**5.66 %**	5.59 %	0.07 %
Securities:											
Taxable	**349,835**	428,445	(78,610)	(18.35)%	**6,345**	8,116	(1,771)	(21.82)%	**2.42 %**	2.53 %	(0.11)%
Tax-exempt [3]	**116,266**	123,371	(7,105)	(5.76)%	**2,020**	2,321	(301)	(12.97)%	**2.32 %**	2.51 %	(0.19)%
Total securities	**466,101**	551,816	(85,715)	(15.53)%	**8,365**	10,437	(2,072)	(19.85)%	**2.39 %**	2.52 %	(0.13)%
Deposits with banks	**229,507**	195,696	33,811	17.28 %	**6,401**	6,551	(150)	(2.29)%	**3.73 %**	4.48 %	(0.75)%
Securities purchased under agreements to resell	**147,847**	33,279	114,568	344.27 %	**4,966**	1,280	3,686	287.97 %	**4.43 %**	5.14 %	(0.71)%
Total interest-earning assets [3]	**$ 3,808,813**	$ 3,769,158	$ 39,655	1.05 %	**145,283**	143,209	2,074	1.45 %	**5.10 %**	5.08 %	0.02 %
Interest-bearing liabilities:											
Deposits:											
Interest-bearing demand	**$ 483,036**	$ 498,965	$ (15,929)	(3.19)%	**5,235**	6,192	(957)	(15.46)%	**1.45 %**	1.66 %	(0.21)%
Savings and money market	**1,825,714**	1,714,363	111,351	6.50 %	**38,831**	41,509	(2,678)	(6.45)%	**2.84 %**	3.24 %	(0.40)%
Time	**504,424**	598,560	(94,136)	(15.73)%	**13,755**	18,937	(5,182)	(27.36)%	**3.65 %**	4.23 %	(0.58)%
Total interest-bearing deposits	**2,813,174**	2,811,888	1,286	0.05 %	**57,821**	66,638	(8,817)	(13.23)%	**2.75 %**	3.17 %	(0.42)%
Borrowed funds:											
Federal funds purchased and other short-term borrowings	**—**	1	(1)	(100.00)%	**—**	—	—	— %	**— %**	4.63 %	(4.63)%
Subordinated notes, net	**80,253**	79,991	262	0.33 %	**3,327**	3,316	11	0.33 %	**5.54 %**	5.54 %	— %
Federal Home Loan Bank advances	**259,194**	270,000	(10,806)	(4.00)%	**6,483**	6,786	(303)	(4.47)%	**3.34 %**	3.36 %	(0.02)%
Long-term debt	**24,195**	40,657	(16,462)	(40.49)%	**1,153**	1,508	(355)	(23.54)%	**6.37 %**	4.96 %	1.41 %
Total borrowed funds	**363,642**	390,649	(27,007)	(6.91)%	**10,963**	11,610	(647)	(5.57)%	**4.03 %**	3.97 %	0.06 %
Total interest-bearing liabilities	**$ 3,176,816**	$ 3,202,537	$ (25,721)	(0.80)%	**68,784**	78,248	(9,464)	(12.09)%	**2.89 %**	3.27 %	(0.38)%
Net interest income (FTE) [4]					**$ 76,499**	$ 64,961	$ 11,538	17.76 %			
Net interest spread (FTE)									**2.21 %**	1.81 %	0.40 %
Net interest margin (FTE) [4]									**2.68 %**	2.30 %	0.38 %

(1) Average loan balances include nonaccrual loans. Interest income recognized on nonaccrual loans has been included.
(2) Interest income on loans includes amortization of loan fees and costs and prepayment penalties collected, which are not material.
(3) Tax-exempt income has been adjusted to a tax-equivalent basis using a federal income tax rate of 21 percent and is adjusted to reflect the effect of the nondeductible interest expense associated with owning tax-exempt securities and loans.
(4) Net interest income (FTE) and net interest margin (FTE) are non-GAAP financial measures. For further information, refer to the Non-GAAP Financial Measures section of this report.

The Company's largest component of net income is net interest income, which is the difference between interest earned on interest-earning assets, consisting primarily of loans and securities, and interest paid on interest-bearing liabilities, consisting of deposits and borrowings. Fluctuations in net interest income can result from the combination of changes in the average balances of asset and liability categories and changes in interest rates. Interest rates earned and paid are also affected by general economic conditions, particularly changes in market interest rates, and by competitive factors, government policies and actions of regulatory authorities. The Federal Open Market Committee (FOMC) decreased the target federal funds interest rate by a total of 75 basis points from September through December of 2025. Additionally, in September of 2026, the FOMC increased the target federal funds interest rate by 25 basis points. These changes in the target federal funds interest rate impacts the comparability of net interest margin between 2026 and 2025.

Net interest margin on a FTE basis, a non-GAAP financial measure, is a measure of the net return on interest-earning assets and is computed by dividing annualized tax-equivalent net interest income by total average interest-earning assets for the period. The net interest margin for the three and nine months ended September 30, 2026 increased 41 and 38 basis points, respectively, compared to the three and nine months ended September 30, 2025. Tax-equivalent net interest income for the three and nine months ended September 30, 2026 increased $3,884 and $11,538, respectively, when compared to the same periods in 2025.

Tax-equivalent interest income on loans increased $272 and $610, respectively, for the three and nine months ended September 30, 2026 compared to the three and nine months ended September 30, 2025. The increase in tax-equivalent interest income on loans during the three and nine months ended September 30, 2026 compared to the same periods in 2025 was driven primarily by an increase in loan yields, partially offset by a decrease in the average loan balances. The yield on the loan portfolio increased by 7 basis points for both the three and nine months ended September 30, 2026 compared to the same periods in 2025. The average balance of loans for the three and nine months ended September 30, 2026 decreased $19,570 and $23,009, respectively, compared to the three and nine months ended September 30, 2025. While the fixed-rate loan portfolio has benefited from higher prevailing market rates for originations and renewals compared to the roll-off rates, the yield on the variable-rate loan portfolio has decreased due to reductions in the prime rate and Secured Overnight Financing Rate (SOFR) driven by the overall reductions in the federal funds rate since September 2025.

The yield on the Company's loan portfolio is affected by the portfolio's loan mix, the interest rate environment, the effects of competition, the level of nonaccrual loans and reversals of previously accrued interest on charged-off loans. The political and economic environments can also influence the volume of new loan originations and the mix of variable-rate versus fixed-rate loans. The yield on the loan portfolio is expected to increase in flat and rising rate environments as variable-rate loans reprice at higher rates and renewals and new originations are priced at prevailing market rates, which exceed the roll-off rate of principal repayments on existing loans. In a declining rate environment, the yield on variable-rate loans will decline; however, as long as market rates remain higher than the yield on the fixed-rate portfolio, renewals and originations will continue to increase the yield on the fixed-rate portfolio.

Tax-equivalent interest income on securities decreased $635 and $2,072, respectively, for the three and nine months ended September 30, 2026 compared to the three and nine months ended September 30, 2025. The decrease was primarily due to a decrease in average balances of securities. This decrease in average balances of securities was driven by a sale of securities in November 2025 and calls and principal paydowns on securities. In June 2025, the Company began investing in securities purchased under agreements to resell. Changes in the yield on this short-term investment program, along with deposits in banks, are driven by changes in short-term market rates.

Interest expense on deposits decreased $3,163 and $8,817, respectively, for the three and nine months ended September 30, 2026, compared to the three and nine months ended September 30, 2025. The decrease in the interest expense on deposits was primarily due to the decline in interest rates paid on deposits of 41 and 42 basis points, respectively, for the three and nine months ended September 30, 2026, compared to the three and nine months ended September 30, 2025. The decrease in rates paid was primarily driven by the overall reduction in the federal funds rate since September of 2025. The average balance of interest-bearing deposits decreased $41,314 for the three months ended September 30, 2026, compared to the three months ended September 30, 2025, and increased $1,286 for the nine months ended September 30, 2026, compared to the nine months ended September 30, 2025.

Interest expense on borrowed funds decreased $436 and $647, respectively, for the three and nine months ended September 30, 2026 compared to the three and nine months ended September 30, 2025. The average balance of borrowed funds decreased $48,252 and $27,007, respectively, for the three and nine months ended September 30, 2026, compared to the three and nine months ended September 30, 2025. The decrease in average borrowed funds balances was driven by decreases in the average balances of FHLB advances and long-term debt for the three and nine months ended September 30, 2026 compared to the same periods in 2025. The average balance of FHLB advances decreased by $32,065 and $10,806, respectively, for the three and nine months ended September 30, 2026 compared to the three and nine months ended September 30, 2025. The decrease in the average balances of FHLB advances was due to the maturity of a $35,000 FHLB advance in July 2026 and a $25,000 FHLB advance in September 2026. Both of these FHLB advances were hedged with interest rate swaps with coinciding maturity dates. The average balance of long-term debt decreased by $16,444 and $16,462, respectively, for the three and nine months ended September 30, 2026 compared to the same periods in 2025, due to principal payments on the long-term debt.

Credit Loss Expense and the Related Allowance for Credit Losses

The credit loss expense recorded on the income statement represents a charge made to earnings to maintain an adequate allowance for credit losses. The adequacy of the allowance for credit losses is evaluated quarterly by management and reviewed by the Board of Directors. The allowance for credit losses is management's estimate of expected lifetime losses in the loan portfolio as of the balance sheet date. The Company recorded no credit loss expense for loans or unfunded commitments for the three and nine months ended September 30, 2026 and 2025. Management believed the allowance for credit losses at September 30, 2026 was adequate to absorb expected losses in the loan portfolio as of that date.

Factors management considers in establishing an appropriate allowance include: the borrower's financial condition; the value and adequacy of loan collateral; the condition of the local economy and the borrower's specific industry; the levels and trends of loans by segment; and a review of delinquent and classified loans. The quarterly evaluation of the allowance focuses on factors such as specific loan reviews, changes in the components of the loan portfolio given the current and forecasted economic conditions, and historical loss experience. Any one of the following conditions may result in the review of a specific loan: concern about whether the customer's cash flow or net worth is sufficient to repay the loan; delinquency status; criticism of the loan in a regulatory examination; the suspension of interest accrual; or other factors, including whether the loan has other special or unusual characteristics that suggest special monitoring is warranted. The Company's concentration risks include geographic concentrations in central and eastern Iowa and southern Minnesota. The local economies in those markets are composed primarily of major financial service companies, healthcare providers, educational institutions, technology and agribusiness companies, and state and local governments.

West Bank has a significant portion of its loan portfolio in commercial real estate loans, commercial lines of credit, commercial term loans, and construction and land development loans. West Bank's typical commercial borrower is a small- or medium-sized, privately owned business entity. Compared to residential mortgages or consumer loans, commercial loans typically have larger balances and repayment usually depends on the borrowers' successful business operations. Commercial loans generally are not fully repaid over the loan period and may require refinancing or a large payoff at maturity. When the economy turns downward, commercial borrowers may not be able to repay their loans, and the value of their assets, which are usually pledged as collateral, may decrease rapidly and significantly.

While management uses available information to recognize losses on loans, further reduction in the carrying amounts of loans may be necessary based on changes in circumstances, changes in the overall economy in the markets we currently serve, or later acquired information. Identifiable sectors within the general economy are subject to additional volatility, which at any time may have a substantial impact on the loan portfolio. In addition, regulatory agencies, as integral parts of their examination processes, periodically review the credit quality of the loan portfolio and the level of the allowance for credit losses. Such agencies may require West Bank to recognize additional charge-offs or provisions for credit losses based on such agencies' review of information available to them at the time of their examinations.

West Bank's policy is to charge off loans when, in management's opinion, a loan or a portion of a loan is deemed uncollectible. Commercially reasonable efforts are made to maximize subsequent recoveries. The following table summarizes the activity in the Company's allowance for credit losses on loans for the three and nine months ended September 30, 2026 and 2025 and related ratios.

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	2025	Change	**2026**	2025	Change
Balance at beginning of period	**$ 30,530**	$ 30,539	$ (9)	**$ 30,525**	$ 30,432	$ 93
Charge-offs	**—**	(35)	35	**(19)**	(35)	16
Recoveries	**6**	11	(5)	**30**	118	(88)
Net (charge-offs) recoveries	**6**	(24)	30	**11**	83	(72)
Provision for credit losses charged (credited) to operations	**—**	—	—	**—**	—	—
Balance at end of period	**$ 30,536**	$ 30,515	$ 21	**$ 30,536**	$ 30,515	$ 21
Average loans outstanding	**$ 2,940,392**	$ 2,959,962		**$ 2,965,358**	$ 2,988,367	
Ratio of annualized net (charge-offs) recoveries during the period to average loans outstanding	**0.00 %**	0.00 %		**0.00 %**	0.00 %	
Ratio of allowance for credit losses for loans to average loans outstanding	**1.04 %**	1.03 %		**1.03 %**	1.02 %	
Ratio of allowance for credit losses for loans to total loans at end of period	**1.02 %**	1.01 %		**1.02 %**	1.01 %	

Noninterest Income

The following tables show the variance from the prior year in the noninterest income categories shown in the Consolidated Statements of Income.

	Three Months Ended September 30,			
Noninterest income:	**2026**	2025	Change	Change %
Service charges on deposit accounts	**$ 482**	$ 491	$ (9)	(1.83)%
Debit card interchange income	**504**	477	27	5.66 %
Trust services	**1,190**	894	296	33.11 %
Increase in cash value of bank-owned life insurance	**316**	308	8	2.60 %
Other income	**253**	333	(80)	(24.02)%
Total noninterest income	**$ 2,745**	$ 2,503	$ 242	9.67 %

	Nine Months Ended September 30,			
Noninterest income:	**2026**	2025	Change	Change %
Service charges on deposit accounts	**$ 1,466**	$ 1,448	$ 18	1.24 %
Debit card interchange income	**1,490**	1,401	89	6.35 %
Trust services	**3,248**	2,472	776	31.39 %
Increase in cash value of bank-owned life insurance	**937**	885	52	5.88 %
Other income	**754**	950	(196)	(20.63)%
Total noninterest income	**$ 7,895**	$ 7,156	$ 739	10.33 %

The increase in trust services revenue in the three and nine months ended September 30, 2026, compared to the same periods in 2025, was primarily due to increases in one-time estate fees and the growth in trust assets and trust accounts since September 30, 2025.

Noninterest Expense

The following tables show the variance from the prior year in the noninterest expense categories shown in the Consolidated Statements of Income. In addition, accounts within the “other expenses” category that represent a significant portion of the total or a significant variance are shown below.

	Three Months Ended September 30,			
Noninterest expense:	**2026**	2025	Change	Change %
Salaries and employee benefits	**$ 7,956**	$ 7,457	$ 499	6.69 %
Occupancy and equipment	**2,025**	2,090	(65)	(3.11)%
Technology and software	**790**	794	(4)	(0.50)%
Data processing	**578**	663	(85)	(12.82)%
FDIC insurance	**455**	637	(182)	(28.57)%
Professional fees	**260**	303	(43)	(14.19)%
Other expenses:				
Business development	**308**	249	59	23.69 %
Insurance expense	**236**	186	50	26.88 %
Trust	**235**	189	46	24.34 %
Consulting fees	**61**	70	(9)	(12.86)%
Marketing	**40**	22	18	81.82 %
Low income housing projects amortization	**118**	114	4	3.51 %
New markets tax credit project amortization and management fees	**—**	76	(76)	(100.00)%
All other	**899**	700	199	28.43 %
Total other expenses	**1,897**	1,606	291	18.12 %
Total noninterest expense	**$ 13,961**	$ 13,550	$ 411	3.03 %

	Nine Months Ended September 30,			
Noninterest expense:	**2026**	2025	Change	Change %
Salaries and employee benefits	**$ 23,575**	$ 21,804	$ 1,771	8.12 %
Occupancy and equipment	**6,037**	6,087	(50)	(0.82)%
Technology and software	**2,386**	2,371	15	0.63 %
Data processing	**1,719**	1,923	(204)	(10.61)%
FDIC insurance	**1,372**	1,894	(522)	(27.56)%
Professional fees	**836**	914	(78)	(8.53)%
Other expenses:				
Business development	**814**	663	151	22.78 %
Insurance expense	**710**	771	(61)	(7.92)%
Trust	**692**	566	126	22.26 %
Consulting fees	**196**	201	(5)	(2.49)%
Marketing	**105**	58	47	81.03 %
Low income housing projects amortization	**403**	399	4	1.00 %
New markets tax credit project amortization and management fees	**—**	228	(228)	(100.00)%
All other	**2,348**	2,219	129	5.81 %
Total other expenses	**5,268**	5,105	163	3.19 %
Total noninterest expense	**$ 41,193**	$ 40,098	$ 1,095	2.73 %

Salaries and employee benefits increased for the three and nine months ended September 30, 2026, compared to the same periods in 2025, due to normal annual merit increases and an increase in incentive compensation related accruals. FDIC insurance expense decreased for the three and nine months ended September 30, 2026, compared to the three and nine months ended September 30, 2025, primarily due to a decrease in the assessment rate. New markets tax credit project amortization declined with the expiration of the related tax credit.

Income Tax Expense

The Company recorded income tax expense of $3,526 (23.3 percent of pre-tax income) and $9,705 (22.6 percent of pre-tax income) for the three and nine months ended September 30, 2026, respectively, compared with $2,140 (18.7 percent of pre-tax income) and $6,698 (21.0 percent of pre-tax income) for the three and nine months ended September 30, 2025, respectively. The tax rates for the first nine months of 2026 and 2025 were impacted by total year-to-date tax credits of approximately $420 and $495, respectively. The Company's consolidated income tax rate differs from the federal statutory income tax rate in each period, primarily due to tax-exempt interest income, the tax-exempt increase in cash value of bank-owned life insurance, disallowed interest expense, and state income taxes. Additionally, for the nine months ended September 30, 2026 and 2025, a tax benefit of $243 and $85, respectively, was recorded as a result of the increase in fair value of restricted stock over the vesting period.

FINANCIAL CONDITION

The Company had total assets of $3,891,676 as of September 30, 2026, compared to total assets of $4,142,244 as of December 31, 2025. Changes in the balance sheet included increases in securities purchased under agreements to resell and stockholders' equity and decreases in interest-earning deposits in banks, securities available for sale, deposits and FHLB advances.

Cash and Cash Equivalents

As of September 30, 2026, the Company held securities purchased under agreements to resell of $160,444 compared to $121,413 at December 31, 2025. The Company uses these instruments as short-term secured investments which have monthly maturities. Balances will fluctuate based on the Company's liquidity and investment strategies.

Securities

Securities available for sale decreased by $52,799 during the nine months ended September 30, 2026. This decrease was due to calls and principal paydowns on securities and an increase in unrealized losses on securities since December 31, 2025, partially offset by securities purchased since December 31, 2025. Management concluded unrealized losses in the portfolio as of September 30, 2026 are the result of increases in risk-free market interest rates since the securities were purchased and are not an indication of declining credit quality. Unrealized losses are recorded in accumulated other comprehensive loss, net of tax.

As of September 30, 2026, approximately 62 percent of the available for sale securities portfolio consisted of government agency guaranteed collateralized mortgage obligations and mortgage-backed securities. Management believes these securities have little to no credit risk and provide cash flows for liquidity and repricing opportunities.

Loans and Nonperforming Assets

Loans outstanding decreased $6,479 from $3,001,690 as of December 31, 2025 to $2,995,211 as of September 30, 2026. Changes in the loan portfolio during the first nine months of 2026 included decreases of $137,217 in construction, land and land development loans and $46,643 in commercial loans and increases of $138,760 in commercial real estate loans and $40,758 in 1-4 family residential first mortgage loans. The change in loan mix included reclassifications resulting from completed construction projects moving to permanent financing and commercial loan restructurings that added real estate as collateral.

In accordance with regulatory guidelines, the Company exercises heightened risk management practices when non-owner occupied commercial real estate lending exceeds 300 percent of total risk-based capital or construction, land and land development loans exceed 100 percent of total risk-based capital. Although the commercial real estate portfolio exceeded these regulatory guidelines as of September 30, 2026, it was within the Company's established policy limits and management believes that the Company has appropriate risk management policies and procedures to regularly monitor the commercial real estate portfolio. An analysis of the Company's non-owner occupied commercial real estate portfolio as of December 31, 2025 was presented in the Company's Annual Report on Form 10-K, filed with the SEC on February 26, 2026, and the Company has not experienced any material changes to that portfolio since December 31, 2025.

The Company had no nonaccrual loans or loans past due 90 days and still accruing interest as of September 30, 2026 and December 31, 2025. Additionally, the Company had no other real estate owned as of September 30, 2026 and December 31, 2025.

Deposits

Deposits decreased $197,824, or 5.7 percent, during the first nine months of 2026. Brokered deposits decreased to $101,979 at September 30, 2026, from $154,564 at December 31, 2025. Excluding brokered deposits, deposits decreased $145,239, or 4.4 percent, during the first nine months of 2026. The decline in deposits was due to normal cash flow fluctuations of our core depositors. Deposit inflows and outflows can be influenced by prevailing market interest rates, competition, local and national economic conditions, normal operating cycles of public fund deposits and fluctuations in our business customers' own liquidity needs.

West Bank participates in a reciprocal deposit network which enables depositors to receive FDIC insurance coverage on deposits otherwise exceeding the maximum insurable amount. As of September 30, 2026, estimated uninsured deposits, which exclude deposits in reciprocal deposit networks, brokered deposits and public funds protected by state programs, were approximately 28.5 percent of total deposits.

Borrowed Funds

The Company had $210,000 of FHLB advances outstanding at September 30, 2026, compared to $270,000 as of December 31, 2025. The decrease in FHLB advances from December 31, 2025 to September 30, 2026 was due to the maturity of two FHLB advances that were hedged with long-term interest rate swaps. All of the FHLB advances as of September 30, 2026 were one-month rolling advances hedged with long-term interest rate swaps. The interest rate swaps that hedge the interest rates on these FHLB advances as of September 30, 2026 have maturity dates ranging from January 2027 through June 2029 and fixed rates ranging from 1.86 percent to 3.68 percent. This strategy of hedging short-term rolling funding provides cost effective fixed-rate wholesale funding through the maturity dates of the various interest rate swaps.

Liquidity

The objectives of liquidity management are to ensure the availability of sufficient cash flows to meet all financial commitments and to capitalize on opportunities for profitable business expansion. The Company's principal source of funds is deposits. Other sources include loan principal repayments, proceeds from the maturity and sale of securities, principal payments on amortizing securities, federal funds purchased, advances from the FHLB, other wholesale funding and funds provided by operations. Liquidity management is conducted on both a daily and a long-term basis. Investments in liquid assets are adjusted based on expected loan demand, projected loan and security maturities and payments, expected deposit flows and the objectives set by the Company's asset-liability management policy. The Company had liquid assets (cash and cash equivalents) of $272,421 as of September 30, 2026, compared with $471,086 as of December 31, 2025.

Our deposit growth strategy emphasizes core deposit growth. Deposit inflows and outflows can vary widely and are influenced by prevailing market interest rates, competition, local and national economic conditions, operating cycles of public fund deposits and fluctuations in our business customers' own liquidity needs. The Company utilizes brokered deposits and may use other wholesale funding to supplement core deposit fluctuations and loan growth. At September 30, 2026, the Company had $101,979 in brokered deposits, which included variable-rate deposits with terms through September 2027.

As of September 30, 2026, West Bank had additional borrowing capacity available from the FHLB of approximately $735,000, as well as approximately $33,000 through the Federal Reserve discount window and $75,000 through unsecured federal funds lines of credit with correspondent banks. Net cash from operating activities contributed $42,957 to liquidity for the nine months ended September 30, 2026. Management believed that the combination of high levels of liquid assets, unencumbered securities, cash flows from operations, and additional borrowing capacity were sufficient to meet our liquidity needs as of September 30, 2026.

The Company had remaining commitments to invest in qualified affordable housing projects totaling $2,188 and $1,383 as of September 30, 2026 and December 31, 2025, respectively.

Capital

The Company's total stockholders' equity increased to $271,690 at September 30, 2026 from $265,985 at December 31, 2025. The increase was primarily the result of growth in retained earnings, partially offset by the increase in accumulated other comprehensive loss. At September 30, 2026, the Company's tangible common equity as a percent of tangible assets was 6.98 percent, compared to 6.42 percent as of December 31, 2025.

The Company and West Bank are subject to various regulatory capital requirements administered by federal and state banking agencies. Failure to meet minimum capital requirements (as shown in the following table) can result in certain mandatory and possibly additional discretionary actions by regulators, which, if undertaken, could have a direct material effect on the Company's consolidated financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company and West Bank must meet specific capital guidelines that involve quantitative measures of their assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. The Company's and West Bank's capital amounts and classifications are also subject to qualitative judgments by the regulators about components, risk weightings and other factors. Management believed the Company and West Bank met all capital adequacy requirements to which they were subject as of September 30, 2026.

The Company's and West Bank's capital amounts and ratios are presented in the following table.

	Actual		For Capital Adequacy Purposes		For Capital Adequacy Purposes With Capital Conservation Buffer		To Be Well-Capitalized	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
As of September 30, 2026								
Total Capital (to Risk-Weighted Assets)								
Consolidated	**$ 467,753**	**13.43 %**	**$ 278,725**	**8.00 %**	**$ 365,827**	**10.50 %**	**$ 348,406**	**10.00 %**
West Bank	**483,340**	**13.87 %**	**278,691**	**8.00 %**	**365,783**	**10.50 %**	**348,364**	**10.00 %**
Tier 1 Capital (to Risk-Weighted Assets)								
Consolidated	**375,673**	**10.78 %**	**209,044**	**6.00 %**	**296,145**	**8.50 %**	**278,725**	**8.00 %**
West Bank	**451,260**	**12.95 %**	**209,019**	**6.00 %**	**296,110**	**8.50 %**	**278,691**	**8.00 %**
Common Equity Tier 1 Capital (to Risk-Weighted Assets)								
Consolidated	**355,673**	**10.21 %**	**156,783**	**4.50 %**	**243,884**	**7.00 %**	**226,464**	**6.50 %**
West Bank	**451,260**	**12.95 %**	**156,764**	**4.50 %**	**243,855**	**7.00 %**	**226,437**	**6.50 %**
Tier 1 Capital (to Average Assets)								
Consolidated	**375,673**	**9.18 %**	**163,659**	**4.00 %**	**163,659**	**4.00 %**	**204,574**	**5.00 %**
West Bank	**451,260**	**11.03 %**	**163,633**	**4.00 %**	**163,633**	**4.00 %**	**204,541**	**5.00 %**
As of December 31, 2025								
Total Capital (to Risk-Weighted Assets)								
Consolidated	$ 446,560	12.77 %	$ 279,756	8.00 %	$ 367,180	10.50 %	$ 349,695	10.00 %
West Bank	466,888	13.35 %	279,703	8.00 %	367,110	10.50 %	349,629	10.00 %
Tier 1 Capital (to Risk-Weighted Assets)								
Consolidated	354,490	10.14 %	209,817	6.00 %	297,241	8.50 %	279,756	8.00 %
West Bank	434,818	12.44 %	209,777	6.00 %	297,184	8.50 %	279,703	8.00 %
Common Equity Tier 1 Capital (to Risk-Weighted Assets)								
Consolidated	334,490	9.57 %	157,363	4.50 %	244,786	7.00 %	227,302	6.50 %
West Bank	434,818	12.44 %	157,333	4.50 %	244,740	7.00 %	227,259	6.50 %
Tier 1 Capital (to Average Assets)								
Consolidated	354,490	8.44 %	168,074	4.00 %	168,074	4.00 %	210,092	5.00 %
West Bank	434,818	10.35 %	168,053	4.00 %	168,053	4.00 %	210,067	5.00 %

The Company and West Bank are subject to a 2.5 percent capital conservation buffer that is added to the minimum requirements for capital adequacy purposes. A banking organization with a capital conservation buffer of less than the required amount will be subject to limitations on capital distributions, including dividend payments, and certain discretionary bonus payments to executive officers. At September 30, 2026, the capital ratios for the Company and West Bank were sufficient to meet the conservation buffer.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company's market risk is composed primarily of interest rate risk arising from its core banking activities of lending and deposit gathering. Interest rate risk refers to the exposure arising from changes in interest rates. Fluctuations in interest rates have a significant impact not only upon net income, but also upon the cash flows and market values of assets and liabilities. Our results of operations, like those of other financial institutions, are impacted by changes in interest rates and the interest rate sensitivity of our interest-earning assets and interest-bearing liabilities. Management continually develops and applies strategies to mitigate this risk.

The Company's objectives are to manage interest rate risk to foster consistent growth of earnings and capital. It is our policy to maintain an acceptable level of interest rate risk over a range of possible changes in interest rates while remaining responsive to market demand for loan and deposit products. To measure that risk, the Company uses an earnings simulation approach.

The Company has an Asset Liability Committee which meets quarterly to review the interest rate sensitivity position and to review and develop various strategies for managing interest rate risk. Measuring and maintaining interest rate risk is a dynamic process that management performs with the objective of maximizing net interest margin while maintaining interest rate risk within acceptable tolerances. This process relies primarily on the simulation of net interest income over multiple interest rate scenarios. The Company engages a third party that utilizes a modeling program to measure the Company's exposure to potential interest rate changes. For various assumed hypothetical changes in market interest rates, this analysis measures the estimated change in net interest income. The simulations allow for ongoing assessment of interest rate sensitivity and can include the impact of potential new business strategies. The modeled scenarios begin with a base case in which rates are unchanged and include parallel and nonparallel rate shocks. The model includes deposit beta assumptions which are estimates of changes in interest-bearing deposit pricing for a given change in market interest rates. The results of the rate shocks are measured in two forms: first, the impact on the net interest margin and earnings over one and two year time frames; and second, the impact on the market value of equity. The results of the simulation are compared against approved policy limits.

The following table presents the estimated change in net interest income over a one year time horizon under several scenarios of assumed interest rate changes for the rate shock levels shown. The changes in each interest rate scenario represent the difference between estimated net interest income in the unchanged interest rate scenario, or the base case, and the estimated net interest income in each of the alternative interest rate scenarios. The net interest income in each scenario is based on immediate parallel yield curve changes in the interest rates applied to a static balance sheet. This analysis does not represent a forecast and should not be relied upon as being indicative of expected operating results.

	At September 30, 2026	
	Sensitivity of Net Interest Income Over One Year Horizon	
Change in Interest Rates	$ Change	% Change
300 basis points rising	$(10,083)	(9.00)%
200 basis points rising	(6,052)	(5.40)
100 basis points rising	(2,734)	(2.44)
100 basis points falling	2,833	2.53
200 basis points falling	5,330	4.76
300 basis points falling	7,985	7.13

Computations of the prospective effects of hypothetical interest rate changes are based on numerous assumptions. The assumptions used in our interest rate sensitivity simulation discussed above are inherently uncertain and, as a result, the simulations cannot precisely measure net interest income or precisely predict the impact of changes in interest rates on net interest income. Actual results may differ from those projections set forth above due to timing, magnitude and frequency of interest rate changes as well as changes in market conditions and customer behavior. Further, the computations do not contemplate any actions the Company may undertake in response to changes in interest rates.

Item 4. Controls and Procedures

a. Evaluation of disclosure controls and procedures. As of the end of the period covered by this report, an evaluation of the effectiveness of the Company's disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) was performed under the supervision, and with the participation, of the Company's Chief Executive Officer and Chief Financial Officer. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this report to ensure that the information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act was recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms.

b. Changes in internal control over financial reporting. There were no changes in the Company's internal control over financial reporting that occurred during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Neither the Company nor West Bank is a party, and no property of these entities is subject, to any material pending legal proceedings, other than ordinary routine litigation incidental to West Bank's business. The Company does not know of any proceeding contemplated by a governmental authority against the Company or West Bank.

Item 1A. Risk Factors

Management does not believe there have been any material changes in the risk factors that were disclosed in the Company's Form 10-K, filed with the Securities and Exchange Commission on February 26, 2026.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the fiscal quarter ended September 30, 2026, none of the Company's directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

Item 6. Exhibits

The following exhibits are filed as part of this report:

Exhibits	Description
3.1	Restatement of the Restated Articles of Incorporation of West Bancorporation, Inc. (incorporated herein by reference to Exhibit 3.1 filed with the Form 10-K on March 1, 2017)
3.2	Amended and Restated Bylaws of West Bancorporation, Inc. as of January 23, 2019 (incorporated herein by reference to Exhibit 3.1 filed with the Form 8-K on January 24, 2019)
31.1	Certification of Chief Executive Officer under Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and combined in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

West Bancorporation, Inc.
(Registrant)

October 29, 2026
Date

By: /s/ David D. Nelson
David D. Nelson
Chief Executive Officer and President
(Principal Executive Officer)

October 29, 2026
Date

By: /s/ Jane M. Funk
Jane M. Funk
Executive Vice President, Treasurer and Chief Financial Officer
(Principal Financial and Accounting Officer)

EXHIBIT 31.1

Certification of Chief Executive Officer Pursuant to Exchange Act Rule 13a-14(a)/15d-14(a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David D. Nelson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of West Bancorporation, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

October 29, 2026

/s/ David D. Nelson
David D. Nelson
Chief Executive Officer and President

EXHIBIT 31.2

Certification of Chief Financial Officer Pursuant to Exchange Act Rule 13a-14(a)/15d-14(a) as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Jane M. Funk, certify that:

1. I have reviewed this quarterly report on Form 10-Q of West Bancorporation, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

October 29, 2026

/s/ Jane M. Funk
Jane M. Funk
Executive Vice President, Treasurer and Chief Financial Officer

EXHIBIT 32.1

Certification of Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350 as Adopted
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report of West Bancorporation, Inc. on Form 10-Q for the quarter ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David D. Nelson, Chief Executive Officer and President of West Bancorporation, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to my knowledge: (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of West Bancorporation, Inc.

October 29, 2026

/s/ David D. Nelson
David D. Nelson
Chief Executive Officer and President

EXHIBIT 32.2

Certification of Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350 as Adopted
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the quarterly report of West Bancorporation, Inc. on Form 10-Q for the quarter ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jane M. Funk, Executive Vice President, Treasurer and Chief Financial Officer of West Bancorporation, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to my knowledge: (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of West Bancorporation, Inc.

October 29, 2026

/s/ Jane M. Funk
Jane M. Funk
Executive Vice President, Treasurer and Chief Financial Officer