# 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: 001-40721**

# FINWISE BANCORP
**(Exact Name of Registrant as Specified in its Charter)**

| | |
|---|---|
| **Utah** | **83-0356689** |
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification No.)** |
| **756 East Winchester, Suite 100** | |
| **Murray, Utah** | **84107** |
| **(Address of principal executive offices)** | **(Zip Code)** |

**Registrant's telephone number, including area code: (801) 501-7200**

Securities 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, par value $0.001 per share** | **FINW** | **The NASDAQ Stock Market LLC** |

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, 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 November 6, 2026, the registrant had 13,660,827 shares of common stock, $0.001 par value per share, outstanding.

**FinWise Bancorp**
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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

In this Quarterly Report on Form 10-Q (this "Report"), unless we state otherwise or the context otherwise requires, references to "we," "our," "us," "the Company" and "FinWise Bancorp" refer to FinWise Bancorp and its wholly owned subsidiaries, FinWise Bank (which we sometimes refer to as "FinWise Bank," "FinWise," "the Bank" or "our Bank,") and FinWise Investment, LLC.

This Report contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as "may," "might," "should," "could," "predict," "potential," "believe," "will likely result," "expect," "continue," "will," "anticipate," "seek," "estimate," "intend," "plan," "project," "projection," "forecast," "budget," "goal," "target," "would," "aim" and "outlook," or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry and management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. The inclusion of these forward-looking statements should not be regarded as a representation by us or any other person that such expectations, estimates and projections will be achieved. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

The following factors, among others, could cause our financial performance to differ materially from that expressed in such forward-looking statements, including, but not limited to, the following:

- the success of the financial technology and banking-as-a-service ("BaaS") industries, as well as the continued evolution of the regulation of these industries, including our ability to continue to grow in BaaS through expansion of our fintech partnerships and product offerings;
- the ability of our Fintech Banking and Payment Solutions service providers to comply with regulatory regimes, and our ability to adequately oversee and monitor our Fintech Banking and Payment Solutions service providers;
- changes in the laws, rules, regulations, interpretations or policies relating to financial institutions, accounting, tax, trade, tariffs, monetary and fiscal matters, including the application of interest rate caps or maximums;
- our ability to keep pace with rapid technological changes in the industry or implement new technology effectively including development of applications utilizing artificial intelligence;
- system failure or cybersecurity breaches of our network security and potential exposure to fraud, negligence, computer theft and cyber-crime and other disruptions in our computer systems relating to our development and use of new technology platforms;
- our ability to maintain and grow relationships with and reliance on our service providers for core systems support, informational website hosting, internet services, online account opening and other processing services;
- increased national or regional competition in the banking and financial services industry including fintech companies acquiring banks or applying for bank charters;
- the adequacy of our risk management framework and our ability to measure and manage our credit risk effectively;
- the adequacy of our allowance for credit losses ("ACL");
- changes in Small Business Administration ("SBA") rules, regulations and loan products, including specifically the Section 7(a) program, or changes to the status of the Bank as an SBA Preferred Lender;
- changes in the existing regulatory framework for brokered deposits;
- the performance of our loan portfolio including, the value of collateral securing our loans, our levels of nonperforming assets losses from loan defaults;
- the performance of certain Strategic Program (our nationwide strategic relationship programs) service providers that provide credit enhancements on our credit enhanced loans;

- the sufficiency of the cash flows from the credit enhanced loan portfolios to absorb credit losses;
- our ability to protect our intellectual property and the ability to defend claims and litigation of infringement initiated against us;
- our ability to implement our growth strategy and to continue to launch new products and services successfully;
- the anticipated benefits of any new lines of business that we may enter, or investments or acquisitions we may make, are not realized within the expected time frame, or at all, including any effect on performance as a result of the recent acquisition of Tallied Technologies, Inc ("Tallied");
- the Company's ability to optimize the acquired technology platform, manage integration costs and the timing in disposing of the assets and liabilities of the business classified as discontinued operations;
- the concentration of our lending and depositor relationships through Strategic Programs in the financial technology industry generally and our ability to develop a strong core deposit base or other low-cost funding sources;
- our ability to manage interest rate, volatility and liquidity risks and the sufficiency of our capital;
- the effectiveness of our internal control over financial reporting and our ability to remediate any significant deficiencies or material weakness that may occur in the future in our internal control over financial reporting;
- dependence on our management team and changes in management composition;
- compliance with laws and regulations, supervisory actions, the Dodd-Frank Act, capital requirements, the Bank Secrecy Act, and other anti-money laundering laws, predatory lending laws, and other statutes and regulations;
- changes in legislative, regulatory or tax priorities;
- our involvement from time to time in legal or regulatory proceedings, including any class action lawsuits;
- natural disasters and adverse weather, acts of terrorism, pandemics, an outbreak of hostilities or other international or domestic calamities, including the ongoing conflicts in Iran and Middle East that can increase levels of political and economic unpredictability, contribute to rising energy and commodity prices, and increase the volatility of financial markets, and other matters beyond our control;
- the availability of future equity and debt issuances and other capital raising opportunities on favorable terms;
- negative ratings outlooks or downgrades of our credit rating or securities or the U.S.'s long-term credit rating;
- potential government shutdowns and other political impasses, including with respect to the U.S. debt ceiling and federal budget and any reductions in staffing at U.S. governmental agencies; and
- other factors listed from time to time in our filings with the Securities and Exchange Commission (the "SEC"), including in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K").

The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this Report. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from our forward-looking statements. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statements are based on information available to the Company as of the filing date of this Report, and we do not undertake any obligation to publicly update or review any forward-looking statement, whether because of new information, future developments or otherwise, except as required by law. New risks and uncertainties may emerge from time to time, and it is not possible for us to predict their occurrence. In addition, we cannot assess the impact of each risk and uncertainty on our business or the extent to which any risk or uncertainty, or combination of risks and uncertainties, may cause actual results to differ materially from those contained in any forward-looking statements.

## PART I FINANCIAL INFORMATION

### Item 1. Financial Statements (Unaudited)

**FinWise Bancorp**
**Consolidated Balance Sheets**
**(in thousands, except share and par value amounts)**

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| **ASSETS** | (Unaudited) | |
| Cash and cash equivalents | | |
| Cash and due from banks | $ 8,786 | $ 12,082 |
| Interest-bearing deposits in other banks (restricted cash of $4.1 million and $4.1 million, respectively) | 83,786 | 151,318 |
| Total cash and cash equivalents | 92,572 | 163,400 |
| Investment securities available-for-sale, at fair value, net of allowance for credit losses of $0, (amortized cost of $25.0 million and $27.5 million, respectively) | 24,998 | 27,755 |
| Investment securities held-to-maturity, net of allowance for credit losses of $0, (fair value of $7.3 million and $9.0 million, respectively) | 8,414 | 9,927 |
| Strategic Program loans held-for-sale, at lower of cost or fair value | 134,661 | 146,473 |
| Loans held-for-investment, net of allowance for credit losses of $79.8 million and $32.8 million, respectively | 505,328 | 497,120 |
| Credit enhancement asset | 64,247 | 18,386 |
| Assets subject to operating leases, net of accumulated depreciation of $5.4 million and $4.7 million, respectively | 10,040 | 12,575 |
| Deferred income taxes, net | 2,926 | 2,345 |
| Assets of discontinued operations | 42,258 | 48,895 |
| Other assets | 72,881 | 50,259 |
| **Total assets** | **$ 958,325** | **$ 977,135** |
| **LIABILITIES AND SHAREHOLDERS' EQUITY** | | |
| **Liabilities** | | |
| Deposits | | |
| Noninterest-bearing | $ 137,425 | $ 168,442 |
| Interest-bearing | 570,176 | 586,119 |
| Total deposits | 707,601 | 754,561 |
| Liabilities of discontinued operations | 8,297 | 587 |
| Other liabilities | 34,377 | 28,792 |
| **Total liabilities** | **750,275** | **783,940** |
| **Commitments and contingencies (Note 8)** | | |
| **Shareholders' equity** | | |
| Preferred stock, $0.001 par value, 4,000,000 authorized; no shares issued and outstanding as of September 30, 2026 and December 31, 2025 | — | — |
| Common stock, $0.001 par value, 40,000,000 shares authorized; 13,743,494 and 13,655,961 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively | 14 | 14 |
| Additional paid-in-capital | 61,739 | 60,958 |
| Retained earnings | 146,308 | 132,197 |
| Accumulated other comprehensive income (loss), net of tax | (11) | 26 |
| Total shareholders' equity | 208,050 | 193,195 |
| **Total liabilities and shareholders' equity** | **$ 958,325** | **$ 977,135** |

*The accompanying notes are an integral part of these unaudited consolidated financial statements.*

**FinWise Bancorp**
**Consolidated Statements of Income (Unaudited)**
**(in thousands, except share and per share amounts)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | **2026** | **2025** | **2026** | **2025** |
| **Interest income** | | | | |
| Interest and fees on loans | $ 45,569 | $ 22,532 | $ 108,368 | $ 58,171 |
| Interest on securities | 315 | 360 | 991 | 1,140 |
| Other interest income | 891 | 1,074 | 2,909 | 2,932 |
| Total interest income | 46,775 | 23,966 | 112,268 | 62,243 |
| **Interest expense** | | | | |
| Interest on deposits | 4,857 | 5,359 | 14,553 | 14,629 |
| Total interest expense | 4,857 | 5,359 | 14,553 | 14,629 |
| **Net interest income** | 41,918 | 18,607 | 97,715 | 47,614 |
| Provision for credit losses | 46,747 | 12,799 | 78,705 | 20,861 |
| Net interest income (loss) after provision for credit losses | (4,829) | 5,808 | 19,010 | 26,753 |
| **Non-interest income** | | | | |
| Strategic Program fees | 6,573 | 6,180 | 17,463 | 16,546 |
| Gain on sale of loans, net | 1,866 | 1,854 | 4,798 | 4,183 |
| SBA loan servicing fees, net | 79 | (242) | 316 | (160) |
| Change in fair value on investment in BFG | (900) | 200 | (1,300) | 900 |
| Credit enhancement income | 45,392 | 8,762 | 66,635 | 11,122 |
| Bargain purchase gain | 6,456 | — | 6,456 | — |
| Other miscellaneous income | 1,359 | 1,298 | 3,874 | 3,608 |
| Total non-interest income | 60,825 | 18,052 | 98,242 | 36,199 |
| **Non-interest expense** | | | | |
| Salaries and employee benefits | 12,483 | 10,814 | 34,583 | 31,131 |
| Professional services | 1,426 | 876 | 3,452 | 2,732 |
| Occupancy and equipment expenses | 440 | 456 | 1,282 | 1,443 |
| Credit enhancement servicing expense | 4,284 | 248 | 7,975 | 260 |
| Credit enhancement guarantee expense | 20,049 | 1,720 | 41,045 | 1,809 |
| Other operating expenses | 4,062 | 3,335 | 10,482 | 9,304 |
| Total non-interest expense | 42,744 | 17,449 | 98,819 | 46,679 |
| **Income from continuing operations before income taxes** | 13,252 | 6,411 | 18,433 | 16,273 |
| Provision for income taxes from continuing operations | 2,830 | 1,520 | 4,138 | 4,097 |
| **Net income from continuing operations** | **10,422** | **4,891** | **14,295** | **12,176** |
| **Income (loss) from discontinued operations, net of tax** | **(376)** | — | **619** | — |
| **Net income** | **$ 10,046** | **$ 4,891** | **$ 14,914** | **$ 12,176** |

| | | | | |
|---|---|---|---|---|
| Earnings per share, basic: | | | | |
| Earnings from continuing operations | $ 0.79 | $ 0.36 | $ 1.09 | $ 0.91 |
| Earnings (loss) from discontinued operations | (0.03) | — | 0.04 | — |
| | $ 0.76 | $ 0.36 | $ 1.13 | $ 0.91 |
| Earnings per share, diluted: | | | | |
| Earnings from continuing operations | $ 0.76 | $ 0.34 | $ 1.05 | $ 0.86 |
| Earnings (loss) from discontinued operations | (0.03) | — | 0.04 | — |
| | $ 0.73 | $ 0.34 | $ 1.09 | $ 0.86 |
| Weighted average shares outstanding, basic | 13,154,827 | 12,859,264 | 13,096,197 | 12,786,167 |
| Weighted average shares outstanding, diluted | 13,662,812 | 13,615,354 | 13,660,766 | 13,530,003 |

*The accompanying notes are an integral part of these unaudited consolidated financial statements.*

**FinWise Bancorp**
**Consolidated Statements of Comprehensive Income (Unaudited)**
**(in thousands)**

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | **2026** | **2025** | **2026** | **2025** |
| **Net income** | **$ 10,046** | **$ 4,891** | **$ 14,914** | **$ 12,176** |
| Other comprehensive income (loss) items: | | | | |
| Unrealized gain (loss) on securities available-for-sale | $ (43) | $ 117 | $ (243) | $ 322 |
| Tax effect | 12 | (29) | 63 | (81) |
| Unrealized gain (loss) on interest rate swaps | (10) | 64 | 125 | (162) |
| Recognition of previously unrealized (gain) loss on interest rate swaps in net income | 18 | (115) | 65 | (340) |
| Tax effect | (2) | 13 | (47) | 126 |
| Other comprehensive income (loss), net of tax | (25) | 50 | (37) | (135) |
| **Comprehensive income** | **$ 10,021** | **$ 4,941** | **$ 14,877** | **$ 12,041** |

*The accompanying notes are an integral part of these unaudited consolidated financial statements.*

**FinWise Bancorp**
**Consolidated Statements of Changes in Shareholders' Equity (Unaudited)**
**(in thousands, except share amounts)**

**Three Months Ended September 30, 2026**

| | Common Stock | | | | | |
|---|---|---|---|---|---|---|
| | Shares | Amount | Additional Paid-In Capital | Retained Earnings | Accumulated Other Comprehensive Income (Loss), Net of Tax | Total Shareholders' Equity |
| **Balance at June 30, 2026** | **13,687,680** | **$ 14** | **$ 62,359** | **$ 136,804** | **$ 14** | **$ 199,191** |
| Stock-based compensation expense | 214,913 | — | 1,051 | — | — | 1,051 |
| Common stock repurchased and retired | (159,099) | — | (1,671) | (542) | — | (2,213) |
| Other comprehensive loss, net of tax | — | — | — | — | (25) | (25) |
| Net income | — | — | — | 10,046 | — | 10,046 |
| **Balance at September 30, 2026** | **13,743,494** | **$ 14** | **$ 61,739** | **$ 146,308** | **$ (11)** | **$ 208,050** |

**Three Months Ended September 30, 2025**

| | Common Stock | | | | | |
|---|---|---|---|---|---|---|
| | Shares | Amount | Additional Paid-In Capital | Retained Earnings | Accumulated Other Comprehensive Income, Net of Tax | Total Shareholders' Equity |
| **Balance at June 30, 2025** | **13,469,725** | **$ 13** | **$ 58,135** | **$ 123,809** | **$ 2** | **$ 181,959** |
| Stock-based compensation expense | 57,996 | 1 | 1,130 | — | — | 1,131 |
| Stock options exercised, net | 43,369 | — | 152 | (418) | — | (266) |
| Other comprehensive income, net of tax | — | — | — | — | 50 | 50 |
| Net income | — | — | — | 4,891 | — | 4,891 |
| **Balance at September 30, 2025** | **13,571,090** | **$ 14** | **$ 59,417** | **$ 128,282** | **$ 52** | **$ 187,765** |

*The accompanying notes are an integral part of these unaudited consolidated financial statements.*

**FinWise Bancorp**
**Unaudited Consolidated Statements of Changes in Shareholders' Equity (Continued)**
**(in thousands, except share amounts)**

**Nine Months Ended September 30, 2026**

| | Common Stock | | | | | |
|---|---|---|---|---|---|---|
| | Shares | Amount | Additional Paid-In Capital | Retained Earnings | Accumulated Other Comprehensive Income (Loss), Net of Tax | Total Shareholders' Equity |
| **Balance at December 31, 2025** | **13,655,961** | **$ 14** | **$ 60,958** | **$ 132,197** | **$ 26** | **$ 193,195** |
| Stock-based compensation expense | 244,747 | — | 2,764 | — | — | 2,764 |
| Stock options exercised, net | 54,490 | — | 272 | (93) | — | 179 |
| Shares surrendered for tax withholding | (22,869) | — | (272) | (58) | — | (330) |
| Common stock repurchased and retired | (188,835) | — | (1,983) | (652) | — | (2,635) |
| Other comprehensive loss, net of tax | — | — | — | — | (37) | (37) |
| Net income | — | — | — | 14,914 | — | 14,914 |
| **Balance at September 30, 2026** | **13,743,494** | **$ 14** | **$ 61,739** | **$ 146,308** | **$ (11)** | **$ 208,050** |

**Nine Months Ended September 30, 2025**

| | Common Stock | | | | | |
|---|---|---|---|---|---|---|
| | Shares | Amount | Additional Paid-In Capital | Retained Earnings | Accumulated Other Comprehensive Income, Net of Tax | Total Shareholders' Equity |
| **Balance at December 31, 2024** | **13,211,640** | **$ 13** | **$ 56,926** | **$ 116,594** | **$ 187** | **$ 173,720** |
| Stock-based compensation expense | 327,363 | 1 | 2,491 | — | — | 2,492 |
| Stock options exercised, net | 48,752 | — | 174 | (419) | — | (245) |
| Shares surrendered for tax withholding | (16,665) | — | (174) | (69) | — | (243) |
| Other comprehensive loss, net of tax | — | — | — | — | (135) | (135) |
| Net income | — | — | — | 12,176 | — | 12,176 |
| **Balance at September 30, 2025** | **13,571,090** | **$ 14** | **$ 59,417** | **$ 128,282** | **$ 52** | **$ 187,765** |

*The accompanying notes are an integral part of these unaudited consolidated financial statements.*

**FinWise Bancorp**
**Consolidated Statements of Cash Flows (Unaudited)**
**(in thousands)**

| | Nine Months Ended September 30, | |
|---|---|---|
| | **2026** | **2025** |
| **Cash flows from operating activities:** | | |
| Net income | $ 14,914 | $ 12,176 |
| **Adjustments to reconcile net income to net cash provided by (used in) operating activities:** | | |
| Depreciation and amortization | 3,799 | 3,652 |
| Provision for credit losses | 78,705 | 20,861 |
| Noncash operating lease cost | 604 | 402 |
| Net (accretion) amortization of securities (discounts) and premiums | 11 | (20) |
| Other | (1,092) | (1,221) |
| Gain on sale of loans, net | (4,798) | (4,183) |
| Originations of Strategic Program loans held-for-sale | (4,711,037) | (4,275,141) |
| Proceeds from sale of Strategic Program loans held-for-sale | 4,723,205 | 4,210,677 |
| Change in fair value of BFG | 1,300 | (900) |
| Impairment of SBA servicing asset | 290 | 722 |
| Bargain purchase gain | (6,456) | — |
| Stock-based compensation expense | 2,764 | 2,492 |
| Noncash change in credit enhancement asset | (45,861) | (11,103) |
| Deferred income taxes | (565) | (2,329) |
| **Net changes in:** | | |
| Other assets | (1,104) | 4,070 |
| Other liabilities | (11,580) | 3,244 |
| Net cash provided by (used in) operating activities - continuing operations | 43,099 | (36,601) |
| Net cash provided by operating activities - discontinued operations | 14,347 | — |
| Net cash provided by (used in) operating activities | 57,446 | (36,601) |
| **Cash flows from investing activities:** | | |
| Net increase in loans receivable | (136,618) | (142,666) |
| Purchase of lease pools | (24,076) | (27,698) |
| Purchase of bank premises and equipment, net | (83) | (213) |
| Purchase of assets subject to operating leases | — | (5,548) |
| Proceeds from sales of loans and leases held-for-investment | 78,519 | 67,482 |
| Proceeds from sales of assets subject to operating leases | 121 | 468 |
| Proceeds from maturities of securities available-for-sale | 2,500 | 2,500 |
| Proceeds from maturities and paydowns of securities held-to-maturity | 1,516 | 1,960 |
| Business acquisition, net of cash acquired | (266) | — |
| Purchase of FHLB stock | (141) | (90) |
| Net cash used in investing activities | (78,528) | (103,805) |
| **Cash flows from financing activities:** | | |
| Net (decrease) increase in deposits | (46,960) | 137,358 |
| Common stock repurchased | (2,635) | — |
| Proceeds from exercise of stock options | 179 | 29 |
| Payment of taxes related to net share settlement of equity awards | (330) | (516) |
| Net cash provided by (used in) financing activities | (49,746) | 136,871 |
| **Net change in cash and cash equivalents and restricted cash** | (70,828) | (3,535) |
| Cash, cash equivalents and restricted cash, beginning of the period | 163,400 | 109,162 |
| Cash, cash equivalents and restricted cash, end of the period | $ 92,572 | $ 105,627 |
| **Supplemental disclosures of cash flow information:** | | |
| Cash paid for income taxes, net of refunds | $ 4,449 | $ 3,927 |
| Cash paid for interest | $ 14,830 | $ 11,605 |
| **Supplemental disclosures of noncash investing activities:** | | |
| Receivable forgiven and used as purchase consideration | $ 5,867 | $ — |

*The accompanying notes are an integral part of these unaudited consolidated financial statements.*

**FinWise Bancorp**
**Notes to Consolidated Financial Statements (Unaudited)**

**Note 1 – Business, Basis of Presentation, and Summary of Significant Accounting Policies**

**Nature of Business and Organization –** FinWise Bancorp is a Utah bank holding company headquartered in Murray, Utah and operates all business activities through its wholly-owned subsidiaries, FinWise Bank ("Bank") and FinWise Investment, LLC. The Bank provides a full range of banking services to individual and commercial customers and provides banking and payments solutions to fintech brands. As a technology-focused bank, the Bank also has established Strategic Programs with various third-party platforms that use technology to streamline the origination of consumer and business loans and process payments. FinWise Investment, LLC's purpose is to hold and manage private investments made by the Company and the Bank.

References to "FinWise Bancorp," "Bancorp" or the "holding company," refer to FinWise Bancorp on a standalone basis. References to the "Company" refer to FinWise Bancorp, FinWise Bank, and FinWise Investment, LLC collectively and on a consolidated basis.

**Basis of Presentation** – The accompanying unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, the statements do not include all of the information and footnotes required by GAAP for complete financial statements. All significant inter-company transactions have been eliminated in consolidation. In the opinion of management, all the adjustments (consisting of normal and recurring adjustments) necessary for the fair statement of the consolidated financial condition and the consolidated results of operations for the periods presented have been included. The results of operations and other data presented for the three and nine months ended September 30, 2026 are not necessarily indicative of the results of operations that may be expected for subsequent periods or the full year results. The consolidated balance sheet data as of December 31, 2025 was derived from audited financial statements; however, the accompanying notes to the unaudited consolidated financial statements do not include all of the annual disclosures required by GAAP and should be read in conjunction with the Company's audited consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

**Reclassifications** – Certain reclassifications have been made to the consolidated financial statements to align them with the current period's presentation. These adjustments did not have a material impact on the previously reported consolidated financial statements. The Company reclassified specific assets and liabilities from individual line items on the balance sheet to "other assets" or "other liabilities." The Company also reclassified certain assets and liabilities related to discontinued operations (See Note 3 - Discontinued Operations). Management evaluated these changes and concluded that the amounts involved were not significant enough to warrant separate disclosure.

Additionally, the Company revised the presentation of deferred loan origination fees and costs throughout all loan-related disclosures. These amounts, which were previously presented as a separate line item within loan tables, have been reclassified into the amortized cost basis of the related loan categories to conform with the requirements of ASC 310-20. This revision affected the presentation of loan balances throughout all related disclosures in these financial statements. As a result, certain loan balances presented herein will differ from amounts previously reported in the Company's previously filed Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. This reclassification had no effect on total loans held-for-investment, net, the allowance for credit losses, or any amounts reported on the consolidated balance sheets or statements of income.

Corresponding amounts from prior periods have been reclassified throughout to conform to the current period's presentation.

**Use of Estimates** – In preparing the interim consolidated financial statements in accordance with GAAP, management is required to make estimates and assumptions that affect the reported amounts of certain assets and liabilities as of the date of the consolidated balance sheets and certain revenues and expenses for the period. Actual results could differ, either positively or negatively, from those estimates.

**Stock Repurchase Program** – On May 21, 2026, the Company announced that its Board of Directors (the "Board") had authorized a common stock repurchase program, effective as of May 19, 2026, to purchase up to 685,000 shares of the Company's common stock in the aggregate. The repurchase program authorizes the repurchase by the Company of its common stock in open market transactions, including pursuant to a trading plan in accordance with Rule 10b-18 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or privately negotiated

transactions. Repurchases may also be made pursuant to a Rule 10b5-1 trading plan, which would permit shares to be repurchased when the Company might otherwise be precluded from doing so because of self-imposed trading blackout periods or other regulatory restrictions. Other than as predetermined by a Rule 10b5-1 Trading Plan, the Share Repurchase Committee, designated by the Board of Directors, has sole discretion in determining the timing, number, and value of any shares repurchased, taking into account factors such as the market price and trading volume of the Company's common stock, general market and economic conditions, the Company's capital needs, and applicable legal and regulatory requirements. Other than as predetermined or restricted by a Rule 10b5-1 Trading Plan, as applicable, the repurchase program does not obligate the Company to purchase any particular number of shares and may be limited or terminated at any time at the Company's discretion without notice. Since commencement of the repurchase program, the Company had repurchased a total of 188,835 shares for $2.6 million at an average price of $13.96 per share as of September 30, 2026 and retired them at cost.

**Segment Reporting** – The Company established three reportable segments: traditional banking, banking as a service ("BaaS") and treasury and administration. Segment reporting was implemented effective July 1, 2025, following the completion of a technology initiative to capture segment-specific financial data. For periods prior to July 1, 2025, the Company operated under one operating segment, consistent with the information that was presented to the Company's chief operating decision maker ("CODM"). See Note 16, Segments for more information.

**Discontinued Operations and Assets and Liabilities of Discontinued Operations** – The Company classifies a component of its business as a discontinued operation when its disposal, or anticipated disposal, represents a strategic shift that has, or will have, a major effect on the Company's operations and financial results and all of the following conditions exist: management commits to a plan to sell the business; the business is available for immediate sale in its present condition; an active program to complete the plan to sell has been initiated; the sale is probable within one year; and the business is being actively marketed at a price reasonable in relation to its fair value. A component of an acquisition that meets these criteria at the acquisition date is classified as a discontinued operation at acquisition, with the associated assets and liabilities presented separately in the consolidated balance sheets from the date of acquisition. Assets and liabilities reported as discontinued operations are measured at fair value less costs to sell as of the acquisition date in accordance with ASC 805, Business Combinations.

Assets and liabilities of discontinued operations are measured for impairment upon initial classification and at each subsequent reporting date. An impairment loss is recorded for long-lived assets when the carrying amount exceeds fair value less costs to sell. Other assets and liabilities are generally measured for impairment by comparing their carrying values to their respective fair values. Long-lived assets within a discontinued operation are not depreciated or amortized from the date of classification. The results of discontinued operations, including any gain or loss on disposal, are presented separately in the Consolidated Statements of Income, net of applicable income taxes, for all periods presented. Interest expense directly attributable to the assets of a discontinued operation may be allocated to discontinued operations; deposit liabilities or other funding sources that are not part of the planned disposal are not classified within liabilities of discontinued operations and remain in continuing operations.

**Intangible Assets**

**Acquired Intangible Asset**s – Intangible assets acquired in a business combination are recorded at fair value as of the acquisition date in accordance with ASC 805, Business Combinations. Finite-lived acquired intangible assets are amortized on a straight-line basis over their estimated useful lives, unless another method better reflects the pattern in which the economic benefits of the asset are consumed. Estimated useful lives are determined based on factors including contractual or legal terms, the expected period of economic benefit, competitive and economic factors, and the Company's expected use of the asset. The Company reassesses the estimated useful life of each finite-lived intangible asset each reporting period. Acquired intangible assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted future cash flows expected from the use and eventual disposition of the asset, and is measured as the amount by which the carrying value exceeds the asset's fair value. See Note 2 – Acquisition for a description of the credit card servicing platform acquired from Tallied Technologies, Inc. ("Tallied"), which is accounted for as an acquired intangible asset under ASC 805.

**Internally Developed Software** – Software developed for internal use is accounted for pursuant to ASC 350-40, Intangibles, Goodwill and Other — Internal-Use Software, as amended by ASU 2025-06, which the Company early adopted effective January 1, 2026 using the prospective transition approach. See Recently Adopted Accounting Pronouncements below. Qualifying costs incurred to develop internal-use software are capitalized when (i) management authorizes and commits to funding the project, and (ii) it is probable that the project will be completed and the software

will be used to perform the function as intended. Capitalized costs include compensation for employees who develop internal-use software and external costs related to development and implementation. Capitalization ceases once the project is substantially complete and the software is ready for its intended use. Capitalized costs for projects that are not yet ready for their intended use are reported as software in development and are not amortized. Amortization begins when the software is ready for its intended use and is amortized on a straight-line basis over estimated useful lives of three to ten years once ready for its intended use, based on the nature and expected period of benefit of each project. Software in development is evaluated for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable, including when it is no longer probable that the project will be completed and the software used as intended, in which case the capitalized costs are written down to the lower of carrying amount or fair value, if any, less cost to sell. There is a rebuttable presumption that software no longer probable of completion has a fair value of zero. All other expenditures, including those incurred to maintain an intangible asset's current level of performance, are expensed as incurred.

**Out-of-Period Adjustmen**t – During the three months ended September 30, 2026, the Company identified charge-offs of credit-enhanced Strategic Program loans through one Strategic Program Partner that should have been recognized in the three months ended June 30, 2026. The Company corrected the error in the three months ended September 30, 2026, which increased both the provision for credit losses and credit enhancement income by $1.2 million. The correction had no effect on income before income taxes, net income or earnings per share for any period, and had no effect on the nine months ended September 30, 2026. The Company evaluated the error considering both quantitative and qualitative factors and concluded that it was not material to the previously issued financial statements for the three and six months ended June 30, 2026 and its correction is not material to the financial statements for the three or nine months ended September 30, 2026.

**Recently Adopted Accounting Pronouncements**

In September 2025, the Financial Accounting Standards Board (“FASB”) issued ASU 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software, that amends the accounting guidance on the timing of capitalization of internally-developed software costs. The update removes references to software development stages, and provides guidance on how to determine when it is probable that a project will be completed and the software will be used to perform the function as intended. The accounting standard update must be applied using one of the following transition methods: (i) a prospective transition method, (ii) a modified transition approach based on the status of the project and whether software costs were capitalized before the date of adoption, or (iii) a retrospective transition approach.

The accounting standard update is effective beginning after December 15, 2027, with early adoption permitted as of the beginning of an annual reporting period. The Company early adopted the accounting standard update effective January 1, 2026, using the prospective transition approach. Under this approach, the amendments are applied to new software costs on a prospective basis. The Company did not have any material capitalized software costs for in-process projects on the date of adoption. The Company commenced capitalization of internal-use software costs related to projects acquired in connection with the acquisition of Tallied in July 2026 (see Note 2 - Acquisition). The adoption of the accounting standard did not have a material impact on the Company’s consolidated financial statements.

**Note 2 – Acquisition**

On July 20, 2026, the Company completed the acquisition of certain assets and the assumption of certain liabilities of Tallied Technologies, Inc., a provider of credit card issuance and processing technology whose platform has supported the Bank’s affinity credit card program, pursuant to an asset purchase agreement (the “Agreement”). The assets acquired and liabilities assumed primarily consisted of Tallied’s card issuing and program management technology platform and development team, together with the program sponsor relationship, program records and cardholder rewards liability associated with the Bank’s affinity credit card program. The Company acquired the platform and development team to support credit card programs for its fintech partners as part of its banking-as-a-service strategy.

Although structured as an asset purchase, the transaction was accounted for as a business combination in accordance with ASC 805, Business Combinations. Under the acquisition method, the purchase price was allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date, with deferred income taxes measured in accordance with ASC 740, Income Taxes. Total consideration for the acquisition was $6.2 million, consisting of $0.3 million of cash paid at closing and $5.9 million representing the fair value of pre-existing receivables owed by Tallied to the Bank, which were effectively settled upon completion of the acquisition. The pre-existing receivables owed by Tallied to the Bank were contributed as non-cash consideration at their fair value upon

closing, resulting in no gain or loss on settlement. In addition to the cash consideration and offsetting receivables and liabilities, the Company assumed $11.2 million of Tallied liabilities.

The assets acquired and the liabilities assumed were specifically identified in the Agreement. The assets acquired comprised substantially all of the assets of Tallied. The liabilities assumed were specifically identified in the exhibits to the Agreement. The Company also hired Tallied's remaining employees. As part of the purchase price allocation process, the Company reconciled identifiable acquired assets and assumed liabilities to the executed transaction documents and Tallied's closing balance sheet to confirm the completeness of the acquisition accounting.

The bargain purchase gain resulted from two circumstances. First, Tallied had invested significant time and resources developing a credit card servicing platform that required additional development before it could operate as intended. With limited remaining liquidity and no additional funding available, Tallied pursued an expedited sale.

Second, the Company, as the sponsor bank of the credit card program serviced on the Tallied platform, had firsthand familiarity with the platform and the technical expertise to assess the work required to complete it. The combination of Tallied's limited liquidity and the Company's ability to complete its evaluation enabled the Company to acquire Tallied's assets and liabilities at a price below their estimated fair value, resulting in the recognition of a bargain purchase gain.

Concurrent with the acquisition, the FinWise Board of Directors approved a plan to exit the credit card portfolio business. The program sponsor relationship, program records and cardholder rewards liability acquired from Tallied are included in the associated disposal group, which is presented as discontinued operations, and were therefore measured as of the acquisition date at fair value less cost to sell. See Note 3 – Discontinued Operations.

The amounts recognized for the consideration transferred and for the assets acquired and liabilities assumed are preliminary and subject to change, pending finalization of the third-party valuation of acquired intangibles, the final closing statement with Tallied, including the amounts owed by Tallied to the Bank that were settled in the acquisition, and the related deferred income taxes. The Company expects to finalize these amounts within one year from the acquisition date, with any measurement-period adjustment recognized in the period determined as a corresponding adjustment to the bargain purchase gain.

The fair value of the net identifiable acquired assets and assumed liabilities exceeded the consideration paid, resulting in a preliminary bargain purchase gain of $6.5 million recorded in non-interest income. The Company reviewed its acquisition accounting methods, confirmed all assets and liabilities were properly identified, and ensured measurements reflected all consideration as of the closing date. The bargain purchase gain is not expected to be included as taxable income for tax purposes. The gain was measured after recognition of the deferred tax liability established in acquisition accounting; accordingly, no income tax expense was recognized on the gain. In connection with the acquisition, the Company incurred approximately $0.3 million of transaction costs, which were recorded in professional services during the three and nine months ended September 30, 2026.

The following table summarizes the allocation of the purchase price to the preliminary fair value of the assets acquired and liabilities assumed for the acquisition of Tallied (in thousands):

| | | |
|---|---|---|
| **Purchase price:** | | |
| Cash paid at closing of the transaction | $ | 300 |
| Forgiveness of receivable | | 5,867 |
| Total consideration | $ | 6,167 |
| **Fair value of assets acquired:** | | |
| Cash, cash equivalents and restricted cash | | 34 |
| Credit card servicing platform | | 22,600 |
| Receivables and other assets | | 1,181 |
| Total assets acquired | | 23,815 |
| **Fair value of liabilities assumed:** | | |
| Rewards liability | | 8,324 |
| Accounts payable and accrued expenses | | 813 |
| Deferred tax liability | | 2,055 |
| Total liabilities assumed | | 11,192 |

| | |
|---|---|
| **Fair value of net identifiable assets acquired** | 12,623 |
| **Bargain purchase gain** | $ 6,456 |

The results of operations of the Tallied credit card business since the acquisition date are reported as discontinued operations. See Note 3 - Discontinued Operations for further information.

The Company has determined that it is not practicable to provide supplemental pro forma financial information for the three and nine months ended September 30, 2026 and 2025. Tallied maintained its financial records on a cash basis of accounting prior to the acquisition. Relevant accounting records do not exist for the comparative 2025 periods and the 2026 records do not contain sufficient information to enable a reliable conversion to U.S. GAAP on an accrual basis. As a result, pro forma financial information for the periods prior to the acquisition date cannot be prepared without making assumptions that would not be supportable or verifiable.

**Note 3 – Discontinued Operations**

Concurrent with the acquisition, the Company determined that it would not strategically invest in or hold credit card receivable assets, and decided to divest the existing credit card loan portfolio, along with the receivables and other assets acquired in the Tallied transaction, exclusive of the acquired technology and servicing platform. Following this determination, management committed to a plan to sell the business in its present condition and initiated an active program to complete the sale at a reasonable price relative to the fair value of the associated assets and liabilities within one year. Based on these circumstances, the Company has determined to report the assets, liabilities, revenues, and expenses of the business as discontinued operations. All revenue-producing activities associated with the existing credit card portfolio will be transferred to the purchaser, while the retained servicing platform will continue development and be offered as a service at a future date. The credit card activities were previously reflected within the BaaS segment.

The assets and liabilities of discontinued operations were recorded at their estimated fair values as of the acquisition date of July 20, 2026, and no subsequent write-down to fair value less costs to sell was required as of September 30, 2026. The assets and liabilities of discontinued operations are presented separately in the consolidated balance sheets at September 30, 2026 and December 31, 2025, and consist of the following (in thousands):

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| Loans, net | $ 40,267 | $ 44,229 |
| Prepaid expenses and other assets | 991 | 4,666 |
| Intangible assets | 1,000 | — |
| Assets of discontinued operations | $ 42,258 | $ 48,895 |
| | | |
| Accounts payable | $ 140 | $ 587 |
| Rewards liability | 8,156 | — |
| Liabilities of discontinued operations | $ 8,297 | $ 587 |

In connection with the Tallied acquisition, the Company assumed a rewards liability with a fair value estimated at $8.3 million. The rewards liability represents the fair value of obligations to honor rewards earned by cardholders prior to the acquisition date. Subsequent to the acquisition, the credit card portfolio has been classified as discontinued operations and its results, including ongoing rewards activity, are reported as discontinued operations. Accordingly, all post-acquisition rewards expense and changes in the rewards liability are included within discontinued operations in the consolidated financial statements.

The income (loss) from discontinued operations, net of tax presented in the consolidated statements of income for the three and nine months ended September 30, 2026 consists of the following:

| *($ in thousands)* | Three Months Ended September 30, 2026 | Nine Months Ended September 30, 2026 |
|---|---|---|
| Interest and fees on loans | $ 991 | $ 3,018 |
| Credit enhancement income | 576 | 1,876 |
| Interchange revenue | 368 | 1,750 |
| Other miscellaneous income | 66 | 188 |
| Total revenue | 2,001 | 6,832 |
| Interest on deposits | 427 | 1,411 |
| Provision for credit losses | 1,546 | 2,845 |
| Salaries and employee benefits | 292 | 292 |
| Credit enhancement servicing expenses | 25 | 275 |
| Credit enhancement guarantee expenses | 96 | 971 |
| Other expenses | 152 | 154 |
| Total expenses | 2,538 | 5,948 |
| Income (loss) from discontinued operations before income tax | (537) | 884 |
| Income tax expense (benefit) | (161) | 265 |
| Income (loss) from discontinued operations, net of tax | $ (376) | $ 619 |

Interest on deposits reflects an allocation of funding costs attributable to the credit card loan portfolio based on average outstanding credit card loan balances at an assumed cost of funds rate of 4.0% for the applicable period. The deposit liabilities used to fund the credit card loan portfolio are not part of the planned disposal and remain in continuing operations; accordingly, no deposit liabilities are presented within liabilities of discontinued operations.

As of September 30, 2026, no gain or loss on the disposal of the discontinued credit card business has been recognized, as the divestiture of the credit card loan portfolio and related assets and liabilities had not been completed as of the balance sheet date. The Company is targeting completion of the sale of its credit card business, including certain credit card assets acquired in the Tallied transaction, by the second quarter of 2027.

**Note 4 – Investments**

***Investment Securities Available-for-Sale, at Fair Value***

The Company's available-for-sale ("AFS") investment portfolio consists of U.S. Treasury securities. The Company reports debt securities AFS on the Company's consolidated balance sheets at fair value. The amortized cost, gross unrealized gains and losses, and estimated fair value of investment securities AFS as of September 30, 2026 and December 31, 2025, are summarized as follows:

| | September 30, 2026 | | | |
|---|---|---|---|---|
| *($ in thousands)* | Amortized Cost | Unrealized Gain | Unrealized Loss | Estimated Fair Value |
| U.S. Treasury securities | $ 25,016 | $ 5 | $ (23) | $ 24,998 |

| | December 31, 2025 | | | |
|---|---|---|---|---|
| *($ in thousands)* | Amortized Cost | Unrealized Gain | Unrealized Loss | Estimated Fair Value |
| U.S. Treasury securities | $ 27,531 | $ 224 | $ — | $ 27,755 |

The following table presents the amortized cost and estimated fair value of investment securities AFS at September 30, 2026, by contractual maturity:

| *($ in thousands)* | Amortized Cost | Estimated Fair Value |
|---|---|---|
| Due in one year or less | $ 25,016 | $ 24,998 |
| Total securities AFS | $ 25,016 | $ 24,998 |

At September 30, 2026, debt securities AFS with a fair value of $25.0 million were pledged as collateral for a credit line held by the Bank. Accrued interest receivable on debt securities AFS totaled $0.2 million and $0.5 million at September 30, 2026 and December 31, 2025, respectively, and was included in other assets on the consolidated balance sheets.

***Investment Securities Held-to-Maturity, at Cost***

The Company's held-to-maturity ("HTM") investment portfolio consists of agency mortgage-backed securities and agency collateralized mortgage obligations. The Company reports debt securities HTM on the Company's consolidated balance sheets at carrying value which is amortized cost. The amortized cost, unrealized gains and losses, and estimated fair values of the Company's debt securities HTM at September 30, 2026 and December 31, 2025, are summarized as follows:

| | September 30, 2026 | | | | |
|---|---|---|---|---|---|
| *($ in thousands)* | Amortized Cost | Allowance for Credit Losses | Unrealized Gain | Unrealized Loss | Estimated Fair Value |
| Mortgage-backed securities | $ 4,264 | $ — | $ — | $ (522) | $ 3,742 |
| Collateralized mortgage obligations | 4,150 | — | — | (612) | 3,538 |
| Total securities held-to-maturity | $ 8,414 | $ — | $ — | $ (1,134) | $ 7,280 |

| | December 31, 2025 | | | | |
|---|---|---|---|---|---|
| *($ in thousands)* | Amortized Cost | Allowance for Credit Losses | Unrealized Gain | Unrealized Loss | Estimated Fair Value |
| Mortgage-backed securities | $ 4,961 | $ — | $ 1 | $ (456) | $ 4,506 |
| Collateralized mortgage obligations | 4,966 | — | 5 | (495) | 4,476 |
| Total securities held-to-maturity | $ 9,927 | $ — | $ 6 | $ (951) | $ 8,982 |

The amortized cost and estimated market value of debt securities HTM at September 30, 2026, by contractual maturity, are shown below. Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

| *($ in thousands)* | Amortized Cost | Estimated Fair Value |
|---|---|---|
| Due after one year through five years | $ 834 | $ 803 |
| Due after five years through ten years | 2,090 | 1,859 |
| Due after ten years | 5,490 | 4,618 |
| Total securities held-to-maturity | $ 8,414 | $ 7,280 |

At September 30, 2026, HTM debt securities with a book value of $8.4 million were pledged as collateral for a credit line held by the Bank.

***Credit Quality Indicators & Allowance for Credit Losses - HTM and AFS***

For debt securities HTM and AFS, the Company evaluates the credit risk of its securities on at least a quarterly basis. The Company estimates expected credit losses on debt securities HTM and AFS on a collective basis by major security type. Accrued interest receivable on debt securities HTM and AFS is excluded from the estimate of credit losses. At September 30, 2026 and December 31, 2025, there was no ACL related to debt securities HTM or AFS as the portfolio consists of U.S. government-issued or guaranteed agency securities considered to have minimal credit risk.

The Company had twenty securities, consisting of nine collateralized mortgage obligations, ten mortgage-backed securities and one U.S. Treasury security, in an unrealized loss position at September 30, 2026 and seventeen securities, consisting of

eight collateralized mortgage obligations and nine mortgage-backed securities in an unrealized loss position at December 31, 2025. The following tables present the estimated fair value and gross unrealized losses of debt securities HTM and AFS, aggregated by category and length of time in a continuous unrealized loss position at September 30, 2026 and December 31, 2025:

| | September 30, 2026 | | | | | |
|---|---|---|---|---|---|---|
| | Less than 12 months | | 12 Months or More | | Total | |
| *($ in thousands)* | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses |
| Available-for-sale: | | | | | | |
| U.S. Treasury securities | $ 9,995 | $ (23) | $ — | $ — | $ 9,995 | $ (23) |
| Total | $ 9,995 | $ (23) | $ — | $ — | $ 9,995 | $ (23) |
| Held-to-maturity: | | | | | | |
| Mortgage-backed securities | $ 228 | $ (3) | $ 3,514 | $ (519) | $ 3,742 | $ (522) |
| Collateralized mortgage obligations | 1,118 | (160) | 2,406 | (452) | 3,524 | (612) |
| Total | $ 1,346 | $ (163) | $ 5,920 | $ (971) | $ 7,266 | $ (1,134) |

| | December 31, 2025 | | | | | |
|---|---|---|---|---|---|---|
| | Less than 12 months | | 12 Months or More | | Total | |
| *($ in thousands)* | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses | Fair Value | Unrealized Losses |
| Held-to-maturity: | | | | | | |
| Mortgage-backed securities | $ — | $ — | $ 4,164 | $ (456) | $ 4,164 | $ (456) |
| Collateralized mortgage obligations | 39 | — | 3,372 | (495) | 3,411 | (495) |
| Total | $ 39 | $ — | $ 7,536 | $ (951) | $ 7,575 | $ (951) |

There were no sales or transfers of investment securities and no realized gains or losses on these securities during the nine months ended September 30, 2026 or 2025.

***FHLB Stock***

The Bank is a member of the Federal Home Loan Bank ("FHLB") system. As a member, the Bank is required to maintain a minimum level of investment in FHLB stock based on a percentage of the Bank's previous year-end assets and the Bank's FHLB advances outstanding. At September 30, 2026 and December 31, 2025, the Bank owned $0.6 million and $0.4 million, respectively, of FHLB stock, which is carried at cost. The Company evaluated the carrying value of its FHLB stock investment at September 30, 2026 and determined that it was not impaired. This evaluation considered the long-term nature of the investment, the current financial and liquidity position of the FHLB, repurchase activity of excess stock by the FHLB at its carrying value, the return on the investment from recurring and special dividends, and the Company's intent and ability to hold this investment for a period of time sufficient to recover its recorded investment.

**Note 5 – Loans**

**Loans held-for-investment, net** – The Company's loans held-for-investment outstanding by general ledger classification as of September 30, 2026 and December 31, 2025, consisted of the following:

| *($ in thousands)* | September 30, 2026 | December 31, 2025 |
|---|---|---|
| SBA[1] | $ 135,780 | $ 205,308 |
| Commercial leases | 79,102 | 68,848 |
| Commercial, non-real estate | 3,157 | 4,266 |
| Residential real estate | 79,934 | 60,531 |
| Strategic Program loans: | | |
| Strategic Program loans - with credit enhancement | 146,241 | 59,877 |
| Strategic Program loans - without credit enhancement | 36,902 | 21,905 |
| Commercial real estate: | | |
| Owner occupied | 87,465 | 85,326 |
| Non-owner occupied | 2,247 | 1,665 |
| Consumer | 14,321 | 22,166 |
| Total loans held-for-investment | $ 585,149 | $ 529,892 |
| Allowance for credit losses | (79,821) | (32,772) |
| Total loans held-for-investment, net | $ 505,328 | $ 497,120 |

[1] Included in the SBA loans held-for-investment above are $44.0 million and $102.5 million of loans guaranteed by the SBA as of September 30, 2026 and December 31, 2025, respectively.

The Bank sells participation interests in some loans it originates and may acquire a participation interest in loans originated by others. All reported amounts reflect only the Bank's ownership interest in the loans.

**Strategic Program Loans** – The Company originates loans with various third-party loan origination platforms that use technology and other innovative systems to streamline the origination of unsecured and secured consumer and business loans to a wide array of borrowers within certain approved credit profiles. Loans issued by the Company through these programs follow and are limited to specific predetermined underwriting criteria. The Company earns monthly minimum program fees from these third parties. Based on the volume of loans originated by the Company related to each Strategic Program, an additional fee equal to a percentage of the loans generated under the Strategic Program may be collected. The program fee is included within non-interest income on the consolidated statements of income.

The Company generally retains the loans and/or receivables for a number of business days after origination before selling the loans and/or receivables to the Strategic Program provider or another investor. Interest income is earned by the Company while holding the loans. These loans are classified as held-for-sale on the balance sheet and measured at the lower of cost or market.

The Company may choose to retain all or part of the originated loans or receivables, rather than selling them in their entirety. The portion that remains with the Company is classified as held-for-investment on the balance sheet.

The Company is generally the servicer of the loans it originates through Strategic Programs. The Company earns a servicing fee equal to a percentage of the outstanding balance of the loans generated under Strategic Programs for servicing such loans. In turn, the Strategic Program service providers, subject to the Company's approval and oversight, typically serve as sub-servicer and perform primary servicing duties including loan collections, modifications, charging-off, reporting and monitoring, for which the Company incurs a cost.

Each Strategic Program provider establishes a "reserve" deposit account with the Company to reasonably ensure the strategic programs will have sufficient funds available to purchase the loans. The agreements generally require that the reserve account deposit balance does not fall below an agreed upon dollar or percentage threshold related to the total loans currently outstanding as held-for-sale by the Company for the specific Strategic Program. If necessary, the Company has the right to withdraw amounts from the reserve account to fulfill loan purchaser obligations created under the program

agreements. Total cash held in reserve at the Company by Strategic Program providers for loans without credit enhancement at September 30, 2026 and December 31, 2025, was $43.5 million and $53.4 million, respectively.

Strategic Program providers that participate in the Company's credit enhanced balance sheet program guarantee the credit and fraud losses by maintaining a reserve deposit account with the Bank. This reserve deposit account is intended to protect the Bank by ensuring that sufficient funds are available to cover any credit and fraud losses, and the Strategic Program provider must periodically replenish the account as needed to meet the required balance. Collateral reserve balances associated with the Company's credit enhanced balance sheet program totaled $7.4 million and $5.4 million at September 30, 2026 and December 31, 2025, respectively.

Strategic Program loans retained and held-for-sale as of September 30, 2026 and December 31, 2025, are summarized as follows:

| *($ in thousands)* | **September 30, 2026** | **December 31, 2025** |
|---|---|---|
| Strategic Program loans retained: | | |
| Strategic Program loans - with credit enhancement | $ 146,241 | $ 59,877 |
| Strategic Program loans - without credit enhancement | 36,902 | 21,905 |
| Strategic Program loans held-for-sale | 134,661 | 146,473 |
| Total Strategic Program loans | $ 317,804 | $ 228,255 |

***Allowance for Credit Losses:*** In determining an appropriate amount for the allowance, the Bank segmented and aggregated the loan portfolio based on the FDIC Consolidated Reports of Condition and Income ("Call Report") codes. These classifications, which in general are based upon the nature of the collateral and type of borrower, are different than the classifications adopted for other financial reporting purposes, which are based upon the proposed use of the loan proceeds. The following pool segments were identified as of September 30, 2026 and December 31, 2025 for the purpose of estimating the ACL:

| *($ in thousands)* | **September 30, 2026** | **December 31, 2025** |
|---|---|---|
| Construction and land development | $ 62,024 | $ 49,391 |
| Residential real estate | 43,887 | 56,810 |
| Residential real estate multifamily | 3,638 | 3,196 |
| Commercial real estate: | | |
| Owner occupied | 174,563 | 211,933 |
| Non-owner occupied | 8,082 | 9,644 |
| Commercial and industrial | 16,735 | 26,422 |
| Consumer | 14,320 | 22,166 |
| Lease financing receivables | 78,757 | 68,548 |
| Retained Strategic Program loans: | | |
| Strategic Program loans - with credit enhancement | 146,241 | 59,877 |
| Strategic Program loans - without credit enhancement | 36,902 | 21,905 |
| Total loans held-for-investment | $ 585,149 | $ 529,892 |

Activity in the ACL by common characteristic loan pools was as follows for the periods indicated:

| | Three Months Ended September 30, 2026 | | | | |
|---|---|---|---|---|---|
| *($ in thousands)* | **Beginning Balance** | **Provision for (Reversal of) Credit Losses** | **Charge-Offs** | **Recoveries** | **Ending Balance** |
| Construction and land development | $ 1,231 | $ 42 | $ — | $ — | $ 1,273 |
| Residential real estate | 870 | (108) | (98) | 279 | 943 |
| Residential real estate multifamily | 70 | 1 | — | — | 71 |
| Commercial real estate: | | | | | |
| Owner occupied | 4,153 | (91) | (826) | 423 | 3,659 |
| Non-owner occupied | 88 | (15) | — | 14 | 87 |
| Commercial and industrial | 1,091 | 90 | (165) | 4 | 1,020 |
| Consumer | 467 | (1) | (13) | 5 | 458 |
| Lease financing receivables | 2,016 | (44) | (48) | 3 | 1,927 |
| Retained Strategic Program loans: | | | | | |
| Strategic Program loans - with credit enhancement | 28,642 | 45,392 | (8,216) | 161 | 65,979 |
| Strategic Program loans - without credit enhancement | 5,223 | 1,324 | (2,528) | 385 | 4,404 |
| Total allowance for credit losses on financing receivables | $ 43,851 | $ 46,590 | $ (11,894) | $ 1,274 | $ 79,821 |
| Unfunded lending commitments | 697 | 157 | — | — | 854 |
| Total allowance for credit losses | $ 44,548 | $ 46,747 | $ (11,894) | $ 1,274 | $ 80,675 |

| | Nine Months Ended September 30, 2026 | | | | |
|---|---|---|---|---|---|
| *($ in thousands)* | **Beginning Balance** | **Provision for (Reversal of) Credit Losses** | **Charge-Offs** | **Recoveries** | **Ending Balance** |
| Construction and land development | $ 970 | $ 303 | $ — | $ — | $ 1,273 |
| Residential real estate | 777 | 378 | (495) | 283 | 943 |
| Residential real estate multifamily | 62 | 9 | — | — | 71 |
| Commercial real estate: | | | | | |
| Owner occupied | 3,267 | 3,318 | (3,682) | 756 | 3,659 |
| Non-owner occupied | 104 | 426 | (457) | 14 | 87 |
| Commercial and industrial | 773 | 1,580 | (1,375) | 42 | 1,020 |
| Consumer | 679 | 67 | (302) | 14 | 458 |
| Lease financing receivables | 1,838 | 489 | (466) | 66 | 1,927 |
| Retained Strategic Program loans: | | | | | |
| Strategic Program loans - with credit enhancement | 18,372 | 66,635 | (19,303) | 275 | 65,979 |
| Strategic Program loans - without credit enhancement | 5,930 | 5,204 | (7,927) | 1,197 | 4,404 |
| Total allowance for credit losses | $ 32,772 | $ 78,409 | $ (34,007) | $ 2,647 | $ 79,821 |
| Unfunded lending commitments | 558 | 296 | — | — | 854 |
| Total allowance for credit losses | $ 33,330 | $ 78,705 | $ (34,007) | $ 2,647 | $ 80,675 |

| ($ in thousands) | Three Months Ended September 30, 2025 | | | | |
|---|---|---|---|---|---|
| | Beginning Balance | Provision for (Reversal of) Credit Losses | Charge-Offs | Recoveries | Ending Balance |
| Construction and land development | $ 981 | $ 86 | $ — | $ — | $ 1,067 |
| Residential real estate | 635 | 117 | (33) | 3 | 722 |
| Residential real estate multifamily | 40 | 16 | — | — | 56 |
| Commercial real estate: | | | | | |
| Owner occupied | 2,947 | 511 | (258) | 90 | 3,290 |
| Non-owner occupied | 104 | (18) | — | — | 86 |
| Commercial and industrial | 449 | 434 | (409) | 1 | 475 |
| Consumer | 718 | 182 | (119) | 3 | 784 |
| Lease financing receivables | 1,685 | 18 | (52) | 52 | 1,703 |
| Retained Strategic Program loans: | | | | | |
| Strategic Program loans - with credit enhancement | 2,469 | 8,850 | (105) | — | 11,214 |
| Strategic Program loans - without credit enhancement | 6,219 | 2,462 | (2,641) | 341 | 6,381 |
| Total allowance for credit losses on financing receivables | $ 16,247 | $ 12,658 | $ (3,617) | $ 490 | $ 25,778 |
| Unfunded lending commitments | 423 | 141 | — | — | 564 |
| Total allowance for credit losses | $ 16,670 | $ 12,799 | $ (3,617) | $ 490 | $ 26,342 |

| ($ in thousands) | Nine Months Ended September 30, 2025 | | | | |
|---|---|---|---|---|---|
| | Beginning Balance | Provision for (Reversal of) Credit Losses | Charge-Offs | Recoveries | Ending Balance |
| Construction and land development | $ 374 | $ 693 | $ — | $ — | $ 1,067 |
| Residential real estate | 788 | 175 | (250) | 9 | 722 |
| Residential real estate multifamily | 38 | 18 | — | — | 56 |
| Commercial real estate: | | | | | |
| Owner occupied | 2,834 | 959 | (628) | 125 | 3,290 |
| Non-owner occupied | 113 | (27) | — | — | 86 |
| Commercial and industrial | 700 | 252 | (492) | 15 | 475 |
| Consumer | 638 | 480 | (347) | 13 | 784 |
| Lease financing receivables | 1,387 | 511 | (221) | 26 | 1,703 |
| Retained Strategic Program loans: | | | | | |
| Strategic Program loans - with credit enhancement | 109 | 11,210 | (105) | — | 11,214 |
| Strategic Program loans - without credit enhancement | 6,195 | 6,490 | (7,304) | 1,000 | 6,381 |
| Total allowance for credit losses | $ 13,176 | $ 20,761 | $ (9,347) | $ 1,188 | $ 25,778 |
| Unfunded lending commitments | 464 | 100 | — | — | 564 |
| Total allowance for credit losses | $ 13,640 | $ 20,861 | $ (9,347) | $ 1,188 | $ 26,342 |

Nonaccrual and past due loans are summarized below as of September 30, 2026 and December 31, 2025:

**September 30, 2026**

| | Loans Past Due and Still Accruing | | | | | | |
|---|---|---|---|---|---|---|---|
| *($ in thousands)* | 30-89 Days Past Due | 90 Days and Greater | Total | Nonaccrual Loans with no ACL[1] | Nonaccrual Loans with ACL | Current Loans | Total Loans |
| Construction and land development | $ 636 | $ — | $ 636 | $ 837 | $ — | $ 60,551 | $ 62,024 |
| Residential real estate | 363 | — | 363 | 9,889 | 107 | 33,528 | 43,887 |
| Residential real estate multifamily | — | — | — | — | — | 3,638 | 3,638 |
| Commercial real estate: | | | | | | | |
| Owner occupied | — | — | — | 18,428 | 2,009 | 154,126 | 174,563 |
| Non-owner occupied | — | — | — | 2,011 | — | 6,071 | 8,082 |
| Commercial and industrial | 26 | — | 26 | 1,192 | 55 | 15,462 | 16,735 |
| Consumer | 140 | — | 140 | — | 2 | 14,178 | 14,320 |
| Commercial leases | 338 | — | 338 | 232 | 283 | 77,904 | 78,757 |
| Retained Strategic Program loans | 17,661 | 1,456 | 19,117 | — | — | 164,026 | 183,143 |
| Total loans held-for-investment | $ 19,164 | $ 1,456 | $ 20,620 | $ 32,589 | $ 2,456 | $ 529,484 | $ 585,149 |

[1] Included in the nonaccrual loan balances are $17.3 million of SBA 7(a) loan balances guaranteed by the SBA.

**December 31, 2025**

| | Loans Past Due and Still Accruing | | | | | | |
|---|---|---|---|---|---|---|---|
| *($ in thousands)* | 30-89 Days Past Due | 90 Days and Greater | Total | Nonaccrual Loans with no ACL[1] | Nonaccrual Loans with ACL | Current Loans | Total Loans |
| Construction and land development | $ — | $ — | $ — | $ 2,303 | $ — | $ 47,088 | $ 49,391 |
| Residential real estate | — | — | — | 7,568 | 3,742 | 45,500 | 56,810 |
| Residential real estate multifamily | — | — | — | — | — | 3,196 | 3,196 |
| Commercial real estate: | | | | | | | |
| Owner occupied | — | — | — | 23,511 | 413 | 188,009 | 211,933 |
| Non-owner occupied | — | — | — | 2,781 | — | 6,863 | 9,644 |
| Commercial and industrial | — | — | — | 2,265 | — | 24,157 | 26,422 |
| Consumer | 312 | 20 | 332 | — | 53 | 21,781 | 22,166 |
| Commercial leases | 14 | — | 14 | 181 | 567 | 67,786 | 68,548 |
| Retained Strategic Program loans | 4,879 | 109 | 4,988 | — | — | 76,794 | 81,782 |
| Total loans held-for-investment | $ 5,205 | $ 129 | $ 5,334 | $ 38,609 | $ 4,775 | $ 481,174 | $ 529,892 |

[1] Included in the nonaccrual loan balances are $24.1 million of SBA 7(a) loan balances guaranteed by the SBA.

There was no interest income recognized for the three months ended September 30, 2026 and 2025 while loans were classified as nonaccrual. The amount of accrued interest that was reversed against interest income on nonaccrual loans was approximately $23.7 thousand and $0.2 million for the three months ended September 30, 2026 and 2025, respectively, and $0.2 million and $0.8 million for the nine months ended September 30, 2026 and 2025, respectively.

The allowance for credit losses represents management's estimate of lifetime credit losses inherent in loans as of the balance sheet date. The allowance for credit losses is estimated by management using relevant available information, from

both internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. The Bank measures expected credit losses for loans on a pooled basis when similar risk characteristics exist. Generally, collectively assessed loans are grouped by Call Report code and then risk grade grouping.

In addition to past due and nonaccrual status criteria, the Company also evaluates loans using a loan grading system. Internal loan grades are based on current financial information, historical payment experience, and credit documentation, among other factors. Performance-based grades are summarized below:

*Pass* – A Pass asset is higher quality and does not fit any of the other categories described below. The likelihood of loss is believed to be remote.

*Watch* – A Watch asset may be a larger loan or one that places a heavier reliance on collateral due to the relative financial strength of the borrower. The assets may be maintenance intensive requiring closer monitoring. The obligor is believed to have an adequate primary source of repayment.

*Special Mention* – A Special Mention asset has potential weaknesses that may be temporary or, if left uncorrected, may result in a loss. While concerns exist, the Company believes that it is currently protected against a default and loss is considered unlikely and not imminent.

*Substandard* – A Substandard asset is believed to be inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Assets so classified have identified weaknesses and are characterized by the possibility that the Company may sustain some loss if deficiencies are not corrected.

*Doubtful* – A doubtful asset has an existing weakness or weaknesses that make collection or liquidation in full, on the basis of currently existing facts and conditions, highly questionable and improbable.

*Loss* – A loss asset has an existing weakness or weaknesses that render the loan uncollectible and of such little value that continuing to carry as an asset on the Company's books is not warranted. This classification does not mean that the loan has absolutely no recovery or salvage value, but rather it is not practical nor desirable to defer writing off this basically worthless asset, even though partial recovery may be effected in the future.

*Not Rated* – For certain Strategic Program loans, the Company does not evaluate and risk rate the loans in the same manner as other loans in the Company's portfolio. The Not Rated loans are typically homogenous, smaller dollar balances approved using abridged underwriting methods that allow the Company to streamline the loan approval process and increase efficiency. Credit quality for Strategic Program loans is highly correlated with delinquency levels.

The following table presents the amortized cost of the Company's loan and lease portfolio by collateral type, risk rating and origination year as of September 30, 2026, in addition to the gross writeoff by collateral type for the nine months ended September 30, 2026. The loans are grouped based on how they are assessed under CECL.

| | Loans and Leases Amortized Cost Basis by Origination Year | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **September 30, 2026** | **2026** | **2025** | **2024** | **2023** | **2022** | **Prior** | **Revolving Loans** | **Total** |
| *($ in thousands)* | | | | | | | | |
| **Construction and land development** | | | | | | | | |
| Pass | $ 26,846 | $ 22,768 | $ 3,052 | $ 922 | $ 2,098 | $ 36 | $ — | $ 55,722 |
| Watch | 631 | 1,722 | 1,625 | — | 1,487 | — | — | 5,465 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | — | 636 | — | 201 | — | — | — | 837 |
| Total | 27,477 | 25,126 | 4,677 | 1,123 | 3,585 | 36 | — | 62,024 |
| Current period gross writeoff | — | — | — | — | — | — | — | — |
| | | | | | | | | |
| **Residential real estate** | | | | | | | | |
| Pass | 3,019 | 1,131 | 689 | 2,200 | 466 | 787 | 9,629 | 17,921 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Watch | 3,710 | 2,178 | 3,577 | 1,090 | 1,342 | 893 | — | 12,790 |
| Special Mention | — | — | — | 2,833 | 119 | 6 | — | 2,958 |
| Substandard | — | 3,350 | — | 708 | 5,637 | 523 | — | 10,218 |
| Total | 6,729 | 6,659 | 4,266 | 6,831 | 7,564 | 2,209 | 9,629 | 43,887 |
| Current period gross writeoff | — | (357) | — | (98) | (24) | (16) | | (495) |
| | | | | | | | | |
| **Residential real estate multifamily** | | | | | | | | |
| Pass | 1,441 | 82 | 885 | 338 | 218 | 101 | — | 3,065 |
| Watch | — | — | — | 523 | — | 50 | — | 573 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | — | — | — |
| Total | 1,441 | 82 | 885 | 861 | 218 | 151 | — | 3,638 |
| Current period gross writeoff | — | — | — | — | — | — | — | — |
| | | | | | | | | |
| **Commercial real estate - owner occupied** | | | | | | | | |
| Pass | 12,922 | 33,826 | 14,667 | 3,723 | 1,201 | 3,892 | — | 70,231 |
| Watch | 13,729 | 22,817 | 12,876 | 7,911 | 10,611 | 5,699 | — | 73,643 |
| Special Mention | — | — | 1,438 | 6,895 | — | 982 | — | 9,315 |
| Substandard | — | 7,792 | 1,228 | 5,595 | 4,009 | 2,750 | — | 21,374 |
| Total | 26,651 | 64,435 | 30,209 | 24,124 | 15,821 | 13,323 | — | 174,563 |
| Current period gross writeoff | — | (1,825) | (42) | (385) | (753) | (677) | — | (3,682) |
| | | | | | | | | |
| **Commercial real estate - non-owner occupied** | | | | | | | | |
| Pass | 1,102 | — | — | 187 | 1,192 | 420 | — | 2,901 |
| Watch | — | — | — | 2,752 | 331 | 86 | — | 3,169 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | 2,012 | — | — | 2,012 |
| Total | 1,102 | — | — | 2,939 | 3,535 | 506 | — | 8,082 |
| Current period gross writeoff | — | — | — | — | (457) | — | — | (457) |
| | | | | | | | | |
| **Commercial and industrial** | | | | | | | | |
| Pass | 122 | 1,195 | 1,557 | 176 | 569 | 317 | — | 3,936 |
| Watch | 2,124 | 2,051 | 2,045 | 2,193 | 819 | 395 | — | 9,627 |
| Special Mention | — | 408 | 367 | 247 | — | 15 | — | 1,037 |
| Substandard | — | 81 | 207 | 852 | 639 | 356 | — | 2,135 |
| Total | 2,246 | 3,735 | 4,176 | 3,468 | 2,027 | 1,083 | — | 16,735 |
| Current period gross writeoff | — | (180) | (604) | (180) | (347) | (64) | — | (1,375) |
| | | | | | | | | |
| **Consumer** | | | | | | | | |
| Pass | 1,431 | 5,669 | 4,908 | 1,881 | 231 | 78 | — | 14,198 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Watch | — | — | 26 | 10 | 3 | 15 | — | 54 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | — | 52 | 14 | 2 | — | — | — | 68 |
| Total | 1,431 | 5,721 | 4,948 | 1,893 | 234 | 93 | — | 14,320 |
| Current period gross writeoff | — | (140) | (124) | (13) | (25) | — | — | (302) |
| | | | | | | | | |
| **Lease financing receivables** | | | | | | | | |
| Pass | 28,890 | 26,510 | 13,958 | 7,711 | 817 | — | — | 77,886 |
| Watch | — | — | — | — | 21 | — | — | 21 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | 178 | 335 | 297 | 40 | — | — | — | 850 |
| Total | 29,068 | 26,845 | 14,255 | 7,751 | 838 | — | — | 78,757 |
| Current period gross writeoff | — | (355) | (111) | — | — | — | — | (466) |
| | | | | | | | | |
| **Retained Strategic Program loans** | | | | | | | | |
| Pass | — | — | — | — | — | — | — | — |
| Watch - with credit enhancement | — | — | — | — | — | — | — | — |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | — | — | — |
| Not Rated-without credit enhancement | 28,501 | 6,817 | 1,460 | 12 | 106 | 6 | — | 36,902 |
| Not Rated-with credit enhancement | 49,905 | 13,137 | — | — | — | — | 83,199 | 146,241 |
| Total | 78,406 | 19,954 | 1,460 | 12 | 106 | 6 | 83,199 | 183,143 |
| Current period gross writeoff-without credit enhancement | (2,002) | (5,528) | (316) | (17) | (37) | (27) | — | (7,927) |
| Current period gross writeoff-with credit enhancement | (5,949) | (13,354) | — | — | — | — | — | (19,303) |
| Total current period gross writeoff | (7,951) | (18,882) | (316) | (17) | (37) | (27) | — | (27,230) |
| | | | | | | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Total portfolio loans receivable | $ 174,551 | $ 152,557 | $ 64,876 | $ 49,002 | $ 33,928 | $ 17,407 | $ 92,828 | $ 585,149 |
| Total current period gross writeoff | $ (7,951) | $ (21,739) | $ (1,197) | $ (693) | $ (1,643) | $ (784) | $ — | $ (34,007) |

The following table presents the amortized cost of the Company's loan and lease portfolio by collateral type, risk rating and origination year as of December 31, 2025, in addition to the gross writeoff by collateral type for the year ended December 31, 2025. The loans are grouped based on how they are assessed under CECL.

| | Loans and Leases Amortized Cost Basis by Origination Year | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **December 31, 2025** | **2025** | **2024** | **2023** | **2022** | **2021** | **Prior** | **Revolving Loans** | **Total** |
| *($ in thousands)* | | | | | | | | |
| **Construction and land development** | | | | | | | | |
| Pass | $ 27,622 | $ 12,368 | $ 1,926 | $ 4,414 | $ 758 | $ — | $ — | $ 47,088 |
| Watch | — | — | — | — | — | — | — | — |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | — | — | 2,303 | — | — | — | — | 2,303 |
| Total | 27,622 | 12,368 | 4,229 | 4,414 | 758 | — | — | 49,391 |
| Current period gross writeoff | — | — | — | — | — | — | — | — |
| **Residential real estate** | | | | | | | | |
| Pass | 4,845 | 1,829 | 1,080 | 896 | 900 | 848 | — | 10,398 |
| Watch | 8,408 | 5,514 | 15,974 | 4,059 | 685 | 956 | — | 35,596 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | 3,742 | — | 36 | 6,864 | 38 | 136 | — | 10,816 |
| Total | 16,995 | 7,343 | 17,090 | 11,819 | 1,623 | 1,940 | — | 56,810 |
| Current period gross writeoff | (100) | (162) | (419) | — | (236) | (37) | — | (954) |
| **Residential real estate multifamily** | | | | | | | | |
| Pass | 308 | 1,573 | 344 | 243 | 79 | — | — | 2,547 |
| Watch | — | — | 568 | — | 56 | 25 | — | 649 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | — | — | — |
| Total | 308 | 1,573 | 912 | 243 | 135 | 25 | — | 3,196 |
| Current period gross writeoff | — | — | — | — | — | — | — | — |
| **Commercial real estate - owner occupied** | | | | | | | | |
| Pass | 53,297 | 23,246 | 5,313 | 3,529 | 1,841 | 5,845 | — | 93,071 |
| Watch | 30,356 | 8,131 | 31,716 | 15,745 | 4,282 | 3,690 | — | 93,920 |
| Special Mention | — | — | — | 583 | — | 436 | — | 1,019 |
| Substandard | — | 359 | 8,491 | 12,026 | 205 | 2,842 | — | 23,923 |
| Total | 83,653 | 31,736 | 45,520 | 31,883 | 6,328 | 12,813 | — | 211,933 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Current period gross writeoff | — | (18) | (113) | (1,111) | (77) | (513) | — | (1,832) |
| **Commercial real estate - non-owner occupied** | | | | | | | | |
| Pass | — | — | 193 | 1,221 | — | 7 | — | 1,421 |
| Watch | — | — | 2,978 | 1,449 | 904 | 110 | — | 5,441 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | 2,782 | — | — | — | 2,782 |
| Total | — | — | 3,171 | 5,452 | 904 | 117 | — | 9,644 |
| Current period gross writeoff | — | — | — | — | — | — | — | — |
| **Commercial and industrial** | | | | | | | | |
| Pass | 1,991 | 1,458 | 617 | 1,458 | 225 | 253 | — | 6,002 |
| Watch | 5,286 | 3,921 | 6,355 | 3,921 | 316 | 244 | — | 20,043 |
| Special Mention | — | — | — | — | — | 11 | — | 11 |
| Substandard | — | — | — | — | — | 366 | — | 366 |
| Total | 7,277 | 5,379 | 6,972 | 5,379 | 541 | 874 | — | 26,422 |
| Current period gross writeoff | (65) | (258) | (231) | (252) | (24) | (103) | — | (933) |
| **Consumer** | | | | | | | | |
| Pass | 9,418 | 9,282 | 2,617 | 494 | 87 | 155 | — | 22,053 |
| Watch | — | 33 | 10 | — | 18 | — | — | 61 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | 11 | 16 | 3 | 21 | 1 | — | — | 52 |
| Total | 9,429 | 9,331 | 2,630 | 515 | 106 | 155 | — | 22,166 |
| Current period gross writeoff | (251) | (175) | (100) | (20) | (11) | (2) | — | (559) |
| **Lease financing receivables** | | | | | | | | |
| Pass | 34,283 | 20,138 | 11,753 | 1,836 | — | — | — | 68,010 |
| Watch | — | — | — | — | — | — | — | — |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | 322 | 126 | 90 | — | — | — | — | 538 |
| Total | 34,605 | 20,264 | 11,843 | 1,836 | — | — | — | 68,548 |
| Current period gross writeoff | — | (125) | (169) | — | — | — | — | (294) |
| **Retained Strategic Program loans** | | | | | | | | |
| Pass | — | — | — | — | — | — | — | — |
| Watch - with credit enhancement | 24,869 | — | — | — | — | — | — | 24,869 |
| Special Mention | — | — | — | — | — | — | — | — |
| Substandard | — | — | — | — | — | — | — | — |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Not Rated-without credit enhancement | 19,002 | 2,354 | 107 | 336 | 106 | — | — | 21,905 |
| Not Rated-with credit enhancement | 34,500 | 508 | — | — | — | — | — | 35,008 |
| Total | 78,371 | 2,862 | 107 | 336 | 106 | — | — | 81,782 |
| Current period gross writeoff-without credit enhancement | (4,565) | (4,769) | (418) | (269) | (167) | (14) | — | (10,202) |
| Current period gross writeoff-with credit enhancement | (1,633) | (6) | | | | | | (1,639) |
| Total current period gross writeoff | (6,198) | (4,775) | (418) | (269) | (167) | (14) | — | (11,841) |
| Total portfolio loans receivable | $ 258,260 | $ 90,856 | $ 92,474 | $ 61,877 | $ 10,501 | $ 15,924 | $ — | $ 529,892 |
| Total current period gross writeoff | $ (6,614) | $ (5,513) | $ (1,450) | $ (1,652) | $ (515) | $ (669) | $ — | $ (16,413) |

**Allowance for Credit Losses - Strategic Program Loans with Credit Enhancement**

The Company partners with certain Strategic Program service providers who offer credit enhancement on loans, indemnifying or reimbursing the Bank for credit and fraud losses. In line with GAAP, we estimate and record expected loss provisions for these loans without factoring in the credit enhancement. When these provisions are recorded, a corresponding credit enhancement asset is recognized, reflecting anticipated recoveries under the service provider's guarantee. Reimbursements are made through a deposit reserve account, which the provider replenishes periodically. The credit enhancement asset is reduced as payments or recoveries are received from the provider or its reserve account. The table below shows the activity in the credit enhancement asset for the periods indicated:

| *($ in thousands)* | As of and For the Nine Months Ended September 30, 2026 | As of and For the Year Ended December 31, 2025 |
|---|---|---|
| Credit enhancement asset at beginning of period | $ 18,386 | $ 111 |
| Credit enhancement income | 66,635 | 19,899 |
| Credit losses settled with partner during period | (20,465) | (1,624) |
| Credit enhancement reclassification[(1)] | (309) | — |
| Credit enhancement asset at end of period | $ 64,247 | $ 18,386 |

[(1)]Credit enhancement asset related to loans reclassified following a strategic program provider's exit from the credit enhancement program.

**Loan Modifications to Borrowers Experiencing Financial Difficulty**

Loan modifications to borrowers experiencing financial difficulty are executed to provide temporary relief from contractual obligations, address constraints on repayment capacity, and mitigate potential losses to the Company. In the normal course of business, modifications may also be pursued for competitive purposes or to enhance our collateral position. Where a borrower faces financial hardship, modifications may offer either temporary accommodations or permanent adjustments to the original loan terms.

***Modified Loans Held-for-Investment (Excluding Retained Strategic Program Loans)***

The following tables present the amortized cost basis of loans held-for-investment at September 30, 2026 or 2025 modified to borrowers experiencing financial difficulty, disaggregated by loan type and type of concession granted. There

were no such modifications during the three months ended September 30, 2026.

| | Nine Months Ended September 30, 2026 | |
|---|---|---|
| *($ in thousands)* | **Payment Delay** | **% of Loan Class** |
| Commercial real estate – owner occupied | $ 1,681 | 1.0 % |
| Total | $ 1,681 | |

| | Three Months Ended September 30, 2025 | |
|---|---|---|
| *($ in thousands)* | **Payment Delay** | **% of Loan Class** |
| Commercial real estate – owner occupied | $ 239 | 0.1 % |
| Commercial and industrial | 140 | 0.4 % |
| Total | $ 379 | |

| | Nine Months Ended September 30, 2025 | | | |
|---|---|---|---|---|
| *($ in thousands)* | **Payment Delay** | **Payment Delay and Interest Rate Reduction** | **Total** | **% of Loan Class** |
| Residential real estate | $ — | $ 5,581 | $ 5,581 | 9.9 % |
| Commercial real estate – owner occupied | 391 | — | 391 | 0.2 % |
| Commercial real estate – non-owner occupied | — | 609 | 609 | 6.2 % |
| Commercial and industrial | 140 | — | 140 | 0.4 % |
| Total | $ 531 | $ 6,190 | $ 6,721 | |

The following table describes the financial effect as of September 30, 2026 of the loan modifications made to borrowers experiencing financial difficulty:

| | **Payment Delay** |
|---|---|
| | **Financial Effect** |
| Commercial real estate – owner occupied | Weighted-average payment delay of 1.5 years |

The following tables describe the financial effect as of September 30, 2025 of the loan modifications made to borrowers experiencing financial difficulty:

| | **Payment Delay** |
|---|---|
| | **Financial Effect** |
| Commercial real estate – owner occupied | Weighted-average payment delay of 2.6 years |
| Commercial and industrial | Weighted-average payment delay of 1.9 years |

| | Payment Delay and Interest Rate Reduction |
|---|---|
| | **Financial Effect** |
| Residential real estate | Weighted-average payment delay of 2.0 years. Weighted-average contractual interest rate reduced from 10.25% to 0.00% for the first 12 months, then to 1.50%, with previously accrued interest deferred to the end of the forbearance period. The borrower subsequently defaulted under the forbearance agreement, which terminated the rate reduction and the deferral of previously accrued interest. No principal or interest has been forgiven or reduced. |
| Commercial real estate – non-owner occupied | Payment delay of 2.0 years. Contractual interest rate reduced from 10.75% to 0.00% for the first 12 months, then to 1.50%, with previously accrued interest deferred to the end of the forbearance period. The borrower subsequently defaulted under the forbearance agreement, which terminated the rate reduction and the deferral of previously accrued interest. No principal or interest has been forgiven or reduced. |

As of September 30, 2026 and September 30, 2025, the Company had no additional commitments to lend to borrowers experiencing financial difficulty whose loan terms were modified during the nine months preceding each respective date. The Company closely monitors the performance of the loans that are modified to borrowers experiencing financial difficulty to understand the effectiveness of its modification efforts. All of the modified loans were current as of September 30, 2026. Loans modified during the twelve months ended September 30, 2026 and 2025, totaling $1.7 million and $6.7 million, respectively, remained on nonaccrual status at each date and were less than 30 days past due under their respective modified terms. Loans modified more than twelve months prior to September 30, 2026, including those that defaulted during 2026, are excluded from this population.

The following tables provide the amortized cost basis of modified loans that had a payment default during the period and were modified in the twelve months before default to borrowers experiencing financial difficulty. There were no payment defaults during the three and nine months ended September 30, 2025 of modified loans that were modified during the previous twelve months.

| | Amortized Cost Basis of Modified Loans That Subsequently Defaulted During the Three Months Ended September 30, 2026 |
|---|---|
| *($ in thousands)* | **Payment Delay** |
| Commercial real estate – owner occupied | $ 513 |
| Total | $ 513 |

| | Amortized Cost Basis of Modified Loans That Subsequently Defaulted During the Nine Months Ended September 30, 2026 | | |
|---|---|---|---|
| *($ in thousands)* | **Payment Delay** | **Payment Delay and Interest Rate Reduction** | **Total** |
| Residential real estate | $ — | $ 4,303 | $ 4,303 |
| Commercial real estate – owner occupied | 513 | — | 513 |
| Commercial real estate – non-owner occupied | — | 526 | 526 |
| Total | $ 513 | $ 4,829 | $ 5,342 |

***Modified Retained Strategic Program Loans***

Retained Strategic Program loans of $183.1 million and $81.8 million as of September 30, 2026 and December 31, 2025, respectively, consist of personal loans to individuals and loans to businesses. A significant amount of the retained Strategic Program loans are made to subprime borrowers. The subprime borrowers' ability to repay the loans according to the

original loan terms can be compromised by both short-term financial challenges, such as unexpected car repairs or physical injury, and longer-term financial challenges, such as a job loss or more serious injury or illness.

In certain circumstances, some of the Company's strategic programs will modify the original loan terms to optimize the recovery of principal and interest. The loan modifications may include (1) a delay in payment and extension of the loan term, or (2) accrued interest forgiveness and interest rate and payment reductions. As of September 30, 2026 and December 31, 2025, the balance of outstanding modified loans to individuals in the retained portfolio was approximately $0.3 million and $0.2 million, respectively. The Company does not have any obligation to fund additional amounts to the borrowers. If after modification, some or all of the loan is determined to be uncollectible, the full balance determined to be uncollectible is charged off. The amount charged off is included in the Company's vintage analysis used to estimate the Company's allowance for credit losses.

**Collateral-Dependent Loans**

A collateral-dependent loan is a nonaccrual loan for which the Bank relies substantially on the operation or sale of the collateral for repayment. In evaluating the overall risk associated with a loan, the Company considers (1) character, overall financial condition and resources, and payment record of the borrower; (2) the prospects for support from any financially responsible guarantors; and (3) the nature and degree of protection provided by the cash flow and value of any underlying collateral. The loan may become collateral-dependent when foreclosure is probable or the borrower is experiencing financial difficulty and its sources of repayment become inadequate over time. At such time, the Company develops an expectation that repayment will be provided substantially through the operation or sale of the collateral.

The following tables present the amortized cost basis of collateral-dependent loans by class of loans as of the periods indicated:

| **As of September 30, 2026** | | **Collateral Type** | | |
|---|---|---|---|---|
| *($ in thousands)* | **Allowance for Credit Losses** | **Real Estate** | **Personal Property** | **Total** |
| Construction and land development | $ — | $ 837 | $ — | $ 837 |
| Residential real estate | 1 | 9,996 | — | 9,996 |
| Commercial real estate: | | | | |
| Owner occupied | 61 | 20,436 | — | 20,436 |
| Non-owner occupied | — | 2,012 | — | 2,012 |
| Commercial and industrial | 55 | — | 1,247 | 1,247 |
| Consumer | 2 | — | 2 | 2 |
| Commercial leases | 170 | — | 515 | 515 |
| Total | $ 289 | $ 33,281 | $ 1,764 | $ 35,045 |

The amount of collateral-dependent loans as of September 30, 2026 include $17.3 million of SBA 7(a) loan balances that are guaranteed by the SBA.

| **As of December 31, 2025** | | **Collateral Type** | | |
|---|---|---|---|---|
| *($ in thousands)* | **Allowance for Credit Losses** | **Real Estate** | **Personal Property** | **Total** |
| Construction and land development | $ — | $ 2,303 | $ — | $ 2,303 |
| Residential real estate | 45 | 11,310 | — | 11,310 |
| Commercial real estate: | | | | |
| Owner occupied | — | 23,923 | — | 23,923 |
| Non-owner occupied | — | 2,781 | — | 2,781 |
| Commercial and industrial | — | — | 2,265 | 2,265 |
| Consumer | 52 | — | 53 | 53 |
| Commercial leases | 325 | — | 749 | 749 |
| Total | $ 422 | $ 40,317 | $ 3,067 | $ 43,384 |

The amount of collateral-dependent loans as of December 31, 2025 include $24.1 million of SBA 7(a) loan balances that are guaranteed by the SBA.

**Note 6 – SBA Servicing Asset, Net**

The Company periodically sells the guaranteed portions of SBA loans and retains rights to service the loans. Loans serviced for others are not included in the accompanying balance sheets. The unpaid principal balances of SBA loans serviced for others was $304.8 million and $275.8 million at September 30, 2026 and December 31, 2025, respectively. The Company's SBA servicing asset is recognized in other assets on the consolidated balance sheets.

The following table summarizes SBA servicing asset, net activity for the periods indicated:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *($ in thousands)* | **2026** | **2025** | **2026** | **2025** |
| Balance at beginning of period | $ 3,801 | $ 3,227 | $ 3,547 | $ 3,273 |
| Additions to servicing asset | 665 | 608 | 1,845 | 1,363 |
| Amortization of servicing asset | (518) | (207) | (1,190) | (793) |
| Change in valuation allowance | (36) | (507) | (290) | (722) |
| Balance at end of period | $ 3,912 | $ 3,121 | $ 3,912 | $ 3,121 |
| SBA servicing asset, fair value | $ 3,912 | $ 3,121 | $ 3,912 | $ 3,121 |

Activity in the valuation allowance for the SBA servicing asset was as follows for the periods indicated:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *($ in thousands)* | **2026** | **2025** | **2026** | **2025** |
| Balance at beginning of period | $ (2,464) | $ (1,501) | $ (2,210) | $ (1,286) |
| Impairment | (36) | (507) | (290) | (802) |
| Recovery | — | — | — | 80 |
| Balance at end of period | $ (2,500) | $ (2,008) | $ (2,500) | $ (2,008) |

The valuation allowance has been established to reduce the amortized cost of the SBA servicing asset to its estimated fair value; accordingly, the net carrying amount equals estimated fair value at each period end. Recovery or impairment adjustments to servicing rights are mainly due to market-based assumptions associated with discounted cash flows, loan prepayment speeds, and changes in interest rates. A significant change in these assumptions could result in a significant change in the SBA servicing asset carrying amount.

The Company assumed a weighted average prepayment rate of 19.1%, weighted average term of 3.41 years, and a weighted average discount rate of 12.0% at September 30, 2026.

The Company assumed a weighted average prepayment rate of 19.1%, weighted average term of 3.46 years, and a weighted average discount rate of 12.3% at December 31, 2025.

**Note 7 – Capital Requirements**

The Bank is subject to various regulatory capital requirements administered by federal and State of Utah banking agencies (the regulators). Failure to meet minimum capital requirements can initiate certain mandatory, and possibly additional discretionary, actions by regulators that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of the Bank's assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The Bank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk-weighting, and other factors. Prompt corrective action provisions are not applicable to the bank holding company.

Beginning January 1, 2020, the Bank qualified and elected to use the community bank leverage ratio ("CBLR") framework for quantitative measures which requires the Bank to maintain minimum amounts and ratios of Tier 1 capital to average total consolidated assets. Management believes, as of September 30, 2026 and December 31, 2025, that the Bank's capital levels exceed the regulatory floors required to be classified as a well-capitalized bank.

As of September 30, 2026 and December 31, 2025, the most recent notification from the FDIC categorized the Bank as well-capitalized under the regulatory framework for prompt corrective action (there are no conditions or events since that notification that management believes have changed the Bank's category). The following table sets forth the actual capital amounts and ratios for the Bank and the minimum amount and ratio of capital required to be categorized as well-capitalized as of the dates indicated:

| | Actual | | Well-Capitalized Requirement | |
|---|---|---|---|---|
| *($ in thousands)* | **Amount** | **Ratio** | **Amount** | **Ratio** |
| **September 30, 2026** | | | | |
| Leverage ratio (CBLR election) | $ 164,826 | 18.1% | $ 72,969 | 8.0% |
| **December 31, 2025** | | | | |
| Leverage ratio (CBLR election) | $ 153,219 | 16.9% | $ 81,608 | 9.0% |

The well-capitalized requirement was 9.0% until July 1, 2026, at which time it was reduced to 8.0%.

***Dividends***

Federal statute and federal and state regulations and supervisory guidance, as well as prudent capital management practices, limits the dividends that a bank holding company should pay as dividends or other distribution of capital. Generally, dividends should be paid only if the existing capital and future earnings expectations exceeds its current and estimated future capital needs, and payment of such dividend or capital distribution does not compromise the entity's compliance with the capital rules or the current and future safety and soundness of the holding company or its subsidiary banks. If a subsidiary bank is significantly undercapitalized, or undercapitalized without an acceptable capital restoration plan, regulators may require prior Federal Reserve approval for any dividend or capital distribution.

In addition, since FinWise Bancorp is a legal entity separate and distinct from the Bank and does not conduct stand-alone operations, an ability to pay dividends depends on the ability of the Bank to pay dividends to FinWise Bancorp. The FDIC and the Utah Department of Financial Institutions ("UDFI") may, under certain circumstances, prohibit the payment of dividends to FinWise Bancorp from the Bank. Utah corporate law also requires that dividends can only be paid out of funds legally available.

The Company has not paid any cash dividends on its common stock since inception and it does not intend to pay cash dividends in the foreseeable future. However, the Company's Board of Directors may declare a cash or stock dividend out of retained earnings provided the regulatory capital ratio and other regulatory requirements are met. The Company plans to maintain capital ratios that meet or exceed the well-capitalized standards per the regulations and, therefore, would limit dividends to amounts that are appropriate to maintain those well-capitalized regulatory capital ratios.

**Note 8 – Commitments and Contingencies**

***Federal Home Loan Bank Secured Line of Credit***

As of September 30, 2026 and December 31, 2025, the Bank's available line of credit with the FHLB to borrow funds was $7.0 million and $20.5 million, respectively. All borrowings are short-term and the interest rate is equal to the correspondent bank's daily federal funds purchase rate. As of September 30, 2026 and December 31, 2025, no amounts were outstanding under the line of credit. Loans totaling $11.6 million and $34.2 million were pledged to secure the FHLB line of credit as of September 30, 2026 and December 31, 2025, respectively.

***Federal Reserve Bank Lines of Credit***

At September 30, 2026 and December 31, 2025, the Bank had a maximum borrowing capacity of $168.4 million and $193.8 million, respectively, with the FRB, including the secured borrowing capacity through the Discount Window and the Borrower-in-Custody ("BIC") program, to the extent of collateral pledged. Loans totaling $207.1 million and $235.8 million and securities of $33.4 million and $37.4 million were pledged to secure these lines of credit with the FRB as of

September 30, 2026 and December 31, 2025, respectively. The Company had no advances outstanding under either program as of September 30, 2026 and December 31, 2025.

***Other Lines of Credit***

The Bank had an available unsecured line of credit with Pacific Coast Bankers' Bank to borrow up to $10.0 million in overnight funds at September 30, 2026 and December 31, 2025. Through Zions Bank, the Bank had an available unsecured line of credit of $5.0 million at September 30, 2026 and December 31, 2025. The Bank had an available line of credit with Bankers' Bank of the West to borrow up to $1.1 million in overnight funds at September 30, 2026 and December 31, 2025. The Bank had no outstanding balances on such unsecured or secured lines of credit as of September 30, 2026 and December 31, 2025.

**Financial Instruments with Off-Balance-Sheet Risk**

***Commitments to Extend Credit***

In the ordinary course of business, the Bank has entered into commitments to extend credit to customers which have not yet been exercised. These financial instruments include commitments to extend credit in the form of loans and credit card arrangements. Those instruments involve to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the balance sheets. For credit card customers, the Company reserves the right to modify or terminate the terms and conditions of credit card accounts at its discretion. It is important to note that a significant portion of the Company's commitments and undrawn credit card lines are not fully utilized by customers, so the total amount of these commitments does not necessarily reflect the Company's future cash obligations. The Company assesses each customer's credit profile individually to determine creditworthiness. The Company's commitments to extend credit as of the periods indicated are summarized below. Since commitments associated with commitments to extend credit may expire unused, the amounts shown in the table below do not necessarily reflect the actual future cash funding requirements.

At September 30, 2026 and December 31, 2025, financial instruments with off-balance-sheet risk were as follows:

| *($ in thousands)* | September 30, 2026 | December 31, 2025 |
|---|---|---|
| Revolving, open-end lines of credit | $ 3,016 | $ 2,566 |
| Credit card arrangements | 290,322 | 305,313 |
| Undisbursed commercial real estate loans | 43,491 | 32,414 |
| Other unused commitments | 3,759 | 384 |
| Total unfunded loan commitments | $ 340,588 | $ 340,677 |

***Allowance for Credit Losses on Unfunded Commitments***

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 cancelable by the Company. The allowance for credit losses on unfunded commitments is included in other liabilities on the consolidated balance sheets and is adjusted through a charge to provision for credit loss expense on the consolidated statements of income. The allowance for credit losses on unfunded commitments 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 allowance for credit losses on unfunded commitments was $0.9 million and $0.6 million as of September 30, 2026 and December 31, 2025, respectively.

**Class Action Litigation**

In July 2025, the Company notified approximately 600,000 individuals of an alleged data breach in which their personal data was exposed by a former employee following termination of their employment. Subsequently, several class action lawsuits were filed, all of which have been consolidated into a single class action lawsuit in Utah federal court. The Company participated in a pre-discovery mediation with the plaintiffs' attorneys on March 17, 2026, which resulted in a settlement agreement that was submitted to the court for approval on May 8, 2026. On July 1, 2026 the court preliminarily approved the settlement fund, which, including all fees and expense associated with the proceedings, is expected to be covered in full by the Company's cyber insurance policy. The court is scheduled to consider final approval of the settlement agreement on December 10, 2026.

**Note 9 – Stock-Based Compensation**

***Stock Option Plans***

The Company utilizes stock-based compensation plans, as well as discretionary grants, for employees, directors and consultants to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentives and to promote the success of the Company's business.

The 2019 Stock Plan ("2019 Plan") was adopted on June 20, 2019 following approval by the Company's Board of Directors and shareholders. The 2019 Plan will terminate as to future awards 10 years from the later of the effective date or the earlier of the most recent Board or stockholder approval of an increase in the number of shares reserved for issuance under the 2019 Plan. On June 25, 2026, the shareholders of the Company approved an amendment to the 2019 Plan increasing the number of shares of common stock reserved for issuance under the plan by an additional 750,000 shares to 2,530,000. At September 30, 2026, 662,740 shares under the 2019 Plan were available for future issuance.

The 2016 Stock Plan ("2016 Plan") was adopted on April 20, 2017 following approval by the Company's Board of Directors and shareholders. The 2016 Plan authorizes the issuance of 299,628 common shares. The 2016 Plan will terminate on April 20, 2027. At September 30, 2026, 3,189 shares under the 2016 Plan were available for future issuance.

The 2019 Plan and the 2016 Plan (collectively, the "Plans") provide for the issuance of non-statutory stock options and restricted stock to employees, directors and consultants. The Plans also provide for the issuance of incentive stock options only to employees. The stock-based incentive awards for the Plans are granted at an exercise price not less than the fair market value of the Company's common stock on the date of grant in the case of stock options. Restricted stock is valued based on the fair market value of the Company's common stock on the grant date. Vesting of the options vary by employee or director and can have a term no more than 10 years, with the options generally having vesting periods ranging from 1 to 5 years. Restricted stock vests over periods ranging from approximately 1 to 5 years. Upon the exercise of stock
options, the Company issues new authorized shares.

Under the Plans, if an award expires or becomes unexercisable without having been exercised in full, or is surrendered pursuant to an exchange program, the unpurchased shares that were subject thereto shall become available for future grant or sale under the Plans. However, shares that have actually been issued under the Plans, or upon exercise of an award, shall not be returned to the Plans and shall not become available for future distribution under the Plans, except that if unvested shares of restricted stock are repurchased by the Company at their original purchase price, such shares shall become available for future grant under the Plans.

***Stock Options***

The following summarizes stock option activity for the nine months ended September 30, 2026:

| | Stock Options | Weighted Average Exercise Price | Weighted Average Remaining Contractual Life (in years) | Aggregate Intrinsic Value |
|---|---|---|---|---|
| Outstanding at December 31, 2025 | 726,491 | $ 5.90 | 4.9 | $ 8,744,727 |
| Options exercised | (65,698) | 5.75 | | 684,754 |
| Options forfeited | (3,281) | 9.74 | | |
| Outstanding at September 30, 2026 | 657,512 | $ 5.90 | 4.1 | $ 3,565,398 |
| Options vested and exercisable at September 30, 2026 | 654,172 | $ 5.87 | 4.1 | $ 3,564,574 |

***Restricted Stock***

The following summarizes restricted stock activity for the nine months ended September 30, 2026:

| | Number of Shares | Weighted Average Grant Date Fair Value |
|---|---|---|
| Unvested as of December 31, 2025 | 651,221 | $ 12.34 |
| Granted | 320,483 | 14.45 |
| Vested | (213,074) | 12.20 |
| Forfeited | (75,736) | 12.42 |
| Unvested as of September 30, 2026 | 682,894 | $ 13.37 |

The total fair value of restricted stock that vested during the nine months ended September 30, 2026 and 2025 was $3.1 million and $2.1 million, respectively.

***Unrecognized Stock-based Compensation Expense***

As of September 30, 2026, the Company had unrecognized stock-based compensation expense of approximately $5.4 million, which is expected to be recognized over the remaining weighted average recognition period of 1.5 years.

**Note 10 – Fair Value of Financial Instruments**

The Company measures and discloses certain assets and liabilities at fair value. 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 at the measurement date (that is, not a forced liquidation or distressed sale). GAAP establishes a consistent framework for measuring fair value and disclosure requirements about fair value measurements. Among other things, the standard requires us to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's estimates for market assumptions. These two types of inputs create the following fair value hierarchy.

**Level 1** – Quoted prices in active markets for identical instruments. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. A quoted price in an active market provides the most reliable evidence of fair value and shall be used to measure fair value whenever available.

**Level 2** – Observable inputs other than Level 1 including quoted prices in active markets for similar instruments, quoted prices in less active markets for identical or similar instruments, or other observable inputs that can be corroborated by observable market data.

**Level 3** – Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation also includes observable inputs from nonbinding single dealer quotes not corroborated by observable market data. In developing Level 3 measurements, management incorporates whatever market data might be available and uses discounted cash flow models where appropriate. These calculations include projections of future cash flows, including appropriate default and loss assumptions, and market-based discount rates.

The estimated fair value amounts of financial instruments have been determined by the Company using available market information and appropriate valuation methodologies. However, considerable judgment is required to interpret data to develop the estimates of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize at a future date. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts. In addition, reasonable comparability between financial institutions may not be likely due to the wide range of permitted valuation techniques and numerous estimates that must be made given the absence of active secondary markets for many of the financial instruments. This lack of uniform valuation methodologies also introduces a greater degree of subjectivity to these estimated fair values. Transfers between levels of the fair value hierarchy are deemed to occur at the end of the reporting period. There were no transfers between fair value levels for the three and nine months ended September 30, 2026 and 2025.

The following methods were used to estimate the fair value of each class of financial instruments on a recurring basis:

**Investment securities available-for-sale**: Investment securities available-for-sale consist of U.S. Treasury securities and are carried at fair value. The Company estimates the fair value of investment securities available-for-sale using current

active market quotes, if available, which are considered Level 1 measurements. Level 1 measurements include securities issued by the U.S. Treasury.

**Investment in Business Funding Group, LLC (" BFG")**: The Company's valuation technique utilized the average of the discounted cash flow method and the Guideline Public Company method. A 4.5% discount for non-voting shares was applied to the valuation to arrive at fair value as of September 30, 2026 and December 31, 2025. The calculation of fair value utilized significant unobservable inputs, including projected cash flows, growth rates, and discount rates. The Company's investment in BFG is recognized in other assets on the consolidated balance sheets.

**Derivative instruments:** The Company's derivative instruments consist of interest rate swaps accounted for as cash flow hedges. The Company's derivative instruments are carried at fair value and considered Level 2 measurements. The Company measures fair value of interest rate swaps utilizing market observable inputs, such as forecasted yield curves.

The table below presents the Company's financial instruments valued on a recurring basis at the periods indicated:

| | | September 30, 2026 | December 31, 2025 |
|---|---|---|---|
| *($ in thousands)* | Level | Estimated Fair Value | Estimated Fair Value |
| Financial assets: | | | |
| U.S. Treasury securities | 1 | $ 24,998 | $ 27,755 |
| Investment in BFG | 3 | $ 7,700 | $ 9,000 |
| Financial liabilities: | | | |
| Derivative liability | 2 | $ 14 | $ 148 |

The table below presents a reconciliation of the Company's investment in BFG classified as a Level 3 financial instrument and measured at fair value on a recurring basis for the periods indicated:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *($ in thousands)* | 2026 | 2025 | 2026 | 2025 |
| Beginning balance | $ 8,600 | $ 8,400 | $ 9,000 | $ 7,700 |
| Change in fair value of BFG | (900) | 200 | (1,300) | 900 |
| Ending balance | $ 7,700 | $ 8,600 | $ 7,700 | $ 8,600 |

The table below presents the Company's financial instruments valued on a nonrecurring basis at the periods indicated:

| *($ in thousands)* | | Fair Value Measurements Using | | |
|---|---|---|---|---|
| **Description of Financial Instrument** | **Fair Value** | **Level 1** | **Level 2** | **Level 3** |
| **September 30, 2026** | | | | |
| Nonrecurring assets: | | | | |
| Individually evaluated loans | $ 35,045 | $ — | $ — | $ 35,045 |
| **December 31, 2025** | | | | |
| Nonrecurring assets: | | | | |
| Individually evaluated loans | $ 43,384 | $ — | $ — | $ 43,384 |

**Individually evaluated loans** – The loan amounts above represent loans individually evaluated that have been adjusted to the lower of cost or fair value. When collateral-dependent loans are individually evaluated, they are measured using the current fair value of the collateral securing these loans, less selling costs. The fair value of real estate collateral is determined using collateral valuations or a discounted cash flow analysis using inputs such as discount rates, sale prices of similar assets, and term of expected disposition. Some appraised values are adjusted based on management's review and analysis, which may include historical knowledge, changes in market conditions, estimated selling and other anticipated costs, and/or expertise and knowledge. The loss, if any, represents charge-offs on loans when the fair value of the collateral is less than the carrying amount of the loan.

**Quantitative information for Level 3 fair value measurements** – The following table presents information about quantitative inputs and assumptions used to fair value Level 3 nonrecurring assets as of September 30, 2026 and December 31, 2025:

| *($ in thousands)* | Fair Value | Valuation Technique | Unobservable Input | Range (Weighted Average) |
|---|---|---|---|---|
| **September 30, 2026** | | | | |
| Individually evaluated loans | $ 35,045 | Market comparable | Discount to appraisal value for estimated selling costs | 11.40% |
| **December 31, 2025** | | | | |
| Individually evaluated loans | $ 43,384 | Market comparable | Discount to appraisal value for estimated selling costs | 11.40% |

The range and weighted average of the significant unobservable inputs used to fair value the investment in BFG as of September 30, 2026 and as of December 31, 2025 are shown in the following table:

| *($ in thousands)* | September 30, 2026 Range (Weighted Average) | December 31, 2025 Range (Weighted Average) |
|---|---|---|
| **Discounted Cash Flows** | | |
| Revenue growth rate | 12.9% | 12.9% |
| Expense growth rate | 14.8% | 14.8% |
| Discount rate | 30.0% | 25.0% |
| Lack of marketability discount | 20.0% | 20.0% |
| | | |
| **Guideline Public Company** | | |
| Multiples of enterprise value | 2.5x to 4.0x | 3.5x to 5.3x |

The tables below present the carrying amount and estimated fair value of the Company's financial instruments at the periods indicated, excluding financial instruments classified within assets and liabilities of discontinued operations (see Note 3 - Discontinued Operations):

| | September 30, 2026 | | | | |
|---|---|---|---|---|---|
| | | | Fair Value Measurements Using | | |
| *($ in thousands)* | Carrying Amount | Estimated Fair Value | Level 1 | Level 2 | Level 3 |
| **Financial assets:** | | | | | |
| Cash and cash equivalents | $ 92,572 | $ 92,572 | $ 92,572 | $ — | $ — |
| Investment securities available-for-sale | 24,998 | 24,998 | 24,998 | — | — |
| Investment securities held-to-maturity | 8,414 | 7,280 | — | 7,280 | — |
| Investment in FHLB stock | 581 | 581 | — | 581 | — |
| Loans held-for-investment, net | 505,328 | 563,944 | — | — | 563,944 |
| Strategic Program loans held-for-sale | 134,661 | 134,661 | — | 134,661 | — |
| Accrued interest receivable | 1,379 | 1,379 | — | 1,379 | — |
| SBA servicing asset, net | 3,912 | 3,912 | — | 3,912 | — |
| Investment in BFG | 7,700 | 7,700 | — | — | 7,700 |
| **Financial liabilities:** | | | | | |
| Total deposits | $ 707,601 | $ 664,009 | $ — | $ 664,009 | $ — |
| Accrued interest payable | 2,355 | 2,355 | — | 2,355 | — |
| Derivative liability | 14 | 14 | — | 14 | — |

| | December 31, 2025 | | | | |
|---|---|---|---|---|---|
| | | | Fair Value Measurements Using | | |
| *($ in thousands)* | Carrying Amount | Estimated Fair Value | Level 1 | Level 2 | Level 3 |
| **Financial assets:** | | | | | |
| Cash and cash equivalents | $ 163,400 | $ 163,400 | $ 163,400 | $ — | $ — |
| Investment securities available-for-sale | 27,755 | 27,755 | 27,755 | — | — |
| Investment securities held-to-maturity | 9,927 | 8,982 | — | 8,982 | — |
| Investment in FHLB stock | 440 | 440 | — | 440 | — |
| Loans held-for-investment, net | 497,120 | 532,040 | — | — | 532,040 |
| Strategic Program loans held-for-sale | 146,473 | 146,473 | — | 146,473 | — |
| Accrued interest receivable | 3,707 | 3,707 | — | 3,707 | — |
| SBA servicing asset, net | 3,547 | 3,547 | — | 3,547 | — |
| Investment in BFG | 9,000 | 9,000 | — | — | 9,000 |
| **Financial liabilities:** | | | | | |
| Total deposits | $ 754,561 | $ 727,637 | $ — | $ 727,637 | $ — |
| Accrued interest payable | 2,632 | 2,632 | — | 2,632 | — |
| Derivative liability | 148 | 148 | — | 148 | — |

**Note 11 – Income Taxes**

For the three months ended September 30, 2026 and 2025, income tax expense was $2.7 million and $1.5 million, respectively, resulting in an effective income tax rate of 21.0% and 23.7%, respectively. For the nine months ended September 30, 2026 and 2025, income tax expense was $4.4 million and $4.1 million, respectively, resulting in an effective income tax rate of 22.8% and 25.2%, respectively. The effective tax rate differs from the statutory rate of 21.0% during the three months ended September 30, 2026 primarily due to state and local income taxes and certain non-deductible executive compensation offset in part by the effect of presenting the bargain purchase gain net of deferred taxes.

**Note 12 – Derivatives and Hedging Activities**

**Risk Management Objective of Using Derivatives**

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. Such derivatives were used to hedge the variable cash flows associated with existing variable-rate deposits.

For derivatives designated and that qualify as cash flow hedges of interest rate risk, the gain or loss on the derivative is recorded in accumulated other comprehensive income (loss) ("OCI" and "OCL") and subsequently reclassified into interest expense in the same period(s) during which the hedged transaction affects earnings. Amounts reported in accumulated OCI/OCL related to derivatives will be reclassified to interest on deposits as interest payments are made on the Company's variable-rate deposits. During the twelve months following September 30, 2026, the Company estimates that an additional $1.2 thousand will be reclassified as an increase to interest expense.

**Fair Value of Derivative Instruments on the Consolidated Balance Sheets**

The tables below present the notional amount, location, and fair value of the Company's derivative financial instruments on the consolidated balance sheets as of the periods indicated:

**Derivative Liabilities**

| | As of September 30, 2026 | | |
|---|---|---|---|
| *($ in thousands)* | **Notional Amount** | **Balance Sheet Location** | **Fair Value** |
| **Derivatives designated as hedging instruments:** | | | |
| Interest rate swaps | $ 80,000 | Other liabilities | $ 14 |
| Total | | | $ 14 |

**Derivative Liabilities**

| | As of December 31, 2025 | | |
|---|---|---|---|
| *($ in thousands)* | **Notional Amount** | **Balance Sheet Location** | **Fair Value** |
| **Derivatives designated as hedging instruments:** | | | |
| Interest rate swaps | $ 80,000 | Other liabilities | $ 148 |
| Total | | | $ 148 |

**Effect of Cash Flow Hedge Accounting on Accumulated Other Comprehensive Income (Loss)**

The tables below present the pre-tax effect of cash flow hedge accounting on accumulated other comprehensive income (loss) for the periods indicated:

| | Three Months Ended September 30, 2026 | | |
|---|---|---|---|
| *($ in thousands)* | **Amount of Gain (Loss) Recognized in OCI on Derivative** | **Location of Gain (Loss) Recognized from Accumulated OCI into Income** | **Amount of Gain (Loss) Reclassified from Accumulated OCI into Income** |
| **Derivatives in Cash Flow Hedging Relationships:** | | | |
| Interest rate swaps | $ (10) | Interest on deposits | $ (18) |
| Total | $ (10) | | $ (18) |

| ($ in thousands) | Three Months Ended September 30, 2025 | | |
|---|---|---|---|
| | Amount of Gain (Loss) Recognized in OCI on Derivative | Location of Gain (Loss) Recognized from Accumulated OCI into Income | Amount of Gain (Loss) Reclassified from Accumulated OCI into Income |
| **Derivatives in Cash Flow Hedging Relationships:** | | | |
| Interest rate swaps | $ 64 | Interest on deposits | $ 115 |
| Total | $ 64 | | $ 115 |

| ($ in thousands) | Nine Months Ended September 30, 2026 | | |
|---|---|---|---|
| | Amount of Gain (Loss) Recognized in OCI on Derivative | Location of Gain (Loss) Recognized from Accumulated OCI into Income | Amount of Gain (Loss) Reclassified from Accumulated OCI into Income |
| **Derivatives in Cash Flow Hedging Relationships:** | | | |
| Interest rate swaps | $ 125 | Interest on deposits | $ (65) |
| Total | $ 125 | | $ (65) |

| ($ in thousands) | Nine Months Ended September 30, 2025 | | |
|---|---|---|---|
| | Amount of Gain (Loss) Recognized in OCI on Derivative | Location of Gain (Loss) Recognized from Accumulated OCI into Income | Amount of Gain (Loss) Reclassified from Accumulated OCI into Income |
| **Derivatives in Cash Flow Hedging Relationships:** | | | |
| Interest rate swaps | $ (162) | Interest on deposits | $ 340 |
| Total | $ (162) | | $ 340 |

**Effect of Cash Flow Hedge Accounting on the Statements of Income**

The tables below present the effect of the Company's derivative financial instruments on the consolidated statements of income for the periods indicated:

| ($ in thousands) | Three Months Ended September 30, 2026 | Three Months Ended September 30, 2025 |
|---|---|---|
| | Location and Amount of Gain (Loss) Recognized in Income on Cash Flow Hedging Relationships | Location and Amount of Gain (Loss) Recognized in Income on Cash Flow Hedging Relationships |
| Location of gain (loss) recognized in income | Interest on deposits | Interest on deposits |
| Total amounts of income and expense line items presented in the consolidated statements of income in which the effects of cash flow hedges are recorded | $ (18) | $ 115 |
| | | |
| The effects of cash flow hedging: | | |
| Interest rate swaps: | | |
| Amount of gain (loss) reclassified from accumulated OCI into income | $ (18) | $ 115 |

| *($ in thousands)* | Nine Months Ended September 30, 2026<br>Location and Amount of Gain (Loss) Recognized in Income on Cash Flow Hedging Relationships | Nine Months Ended September 30, 2025<br>Location and Amount of Gain (Loss) Recognized in Income on Cash Flow Hedging Relationships |
|---|---|---|
| Location of gain (loss) recognized in income | Interest on deposits | Interest on deposits |
| Total amounts of income and expense line items presented in the consolidated statements of income in which the effects of cash flow hedges are recorded | $ (65) | $ 340 |
| | | |
| The effects of cash flow hedging: | | |
| Interest rate swaps: | | |
| Amount of gain (loss) reclassified from accumulated OCI into income | $ (65) | $ 340 |

**Offsetting Derivative Assets and Liabilities**

The tables below present a gross presentation, the effects of offsetting, and a net presentation of the Company's derivatives as of September 30, 2026 and December 31, 2025. The net amounts of derivative assets and liabilities can be reconciled to the tabular disclosure of fair value. The tabular disclosure of fair value provides the location that derivative assets and liabilities are presented on the consolidated balance sheets.

| **As of September 30, 2026**<br>*($ in thousands)* | **Gross Amounts of Recognized Liabilities** | **Gross Amounts Offset in the Statement of Financial Position** | **Net Amounts of Liabilities presented in the Statement of Financial Position** | **Gross Amounts Not Offset in the Statement of Financial Position**<br>**Financial Instruments** | **Cash Collateral Pledged** | **Net Amount** |
|---|---|---|---|---|---|---|
| Liabilities: | | | | | | |
| Interest rate swaps | $ 14 | $ — | $ 14 | $ — | $ — | $ 14 |

| **As of December 31, 2025**<br>*($ in thousands)* | **Gross Amounts of Recognized Liabilities** | **Gross Amounts Offset in the Statement of Financial Position** | **Net Amounts of Liabilities presented in the Statement of Financial Position** | **Gross Amounts Not Offset in the Statement of Financial Position**<br>**Financial Instruments** | **Cash Collateral Pledged** | **Net Amount** |
|---|---|---|---|---|---|---|
| Liabilities: | | | | | | |
| Interest rate swaps | $ 148 | $ — | $ 148 | $ — | $ — | $ 148 |

**Note 13 – Related Party Transactions**

In the ordinary course of business, the Bank may grant loans to certain executive officers and directors and the companies with which they are associated. The Company had *de minimis* loans outstanding to related parties as of September 30, 2026 and December 31, 2025. Total deposits from certain executive officers and directors and the companies with which they are associated were $2.6 million and $1.2 million as of September 30, 2026 and December 31, 2025, respectively.

BFG is a small business loan broker, primarily under the SBA's 7(a) loan program. The Company has a 20% ownership in the outstanding membership units of BFG. The Company underwrites loans sourced by BFG in its normal course of business. If approved and funded, the Company pays BFG a commission fee based on the amount funded. There is no guarantee or commitment made by the Company to BFG to approve or fund loans referred by BFG. The Company is able to use its sole discretion in deciding to approve and fund loans referred by BFG.

The following table represents a summary of related party transactions with BFG for the periods indicated:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| *($ in thousands)* | **2026** | **2025** | **2026** | **2025** |
| SBA 7(a) loans sourced from BFG | $ 11,050 | $ 22,785 | $ 45,534 | $ 70,527 |
| Commission fees paid to BFG | $ 442 | $ 911 | $ 1,805 | $ 2,821 |
| Distributions received from BFG[1] | $ 20 | $ 440 | $ 210 | $ 1,200 |

[1] Recorded in the consolidated statements of income in other miscellaneous income

**Note 14 – Earnings per Share**

The two-class method is used in the calculation of basic and diluted earnings per share as the restricted stock awards are deemed to be participating securities. Under the two-class method, earnings available to common shareholders for the period are allocated between common shareholders and participating securities according to participation rights in undistributed earnings. The following table is a reconciliation of the components used to derive basic and diluted earnings

per share for the three and nine months ended September 30, 2026 and 2025 (in thousands, except share and per share amounts):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2026 | 2025 | 2026 | 2025 |
| **Numerator:** | | | | |
| Net income from continuing operations | $ 10,422 | $ 4,891 | $ 14,295 | $ 12,176 |
| Less: net income attributable to participating securities, continuing operations[1] | (39) | (239) | (84) | (514) |
| Net income after participating securities, continuing operations | $ 10,383 | $ 4,652 | $ 14,211 | $ 11,662 |
| | | | | |
| Income (loss) from discontinued operations, net of tax | $ (376) | $ — | $ 619 | $ — |
| Less: net (income) loss attributable to participating securities, discontinued operations[1] | 1 | — | (4) | — |
| Net income (loss) after participating securities, discontinued operations | $ (375) | $ — | $ 615 | $ — |
| | | | | |
| **Denominator:** | | | | |
| Weighted average shares outstanding, basic | 13,154,827 | 12,859,264 | 13,096,197 | 12,786,167 |
| Weighted average effect of dilutive securities: | | | | |
| Stock options | 370,937 | 584,767 | 414,492 | 581,129 |
| Warrants | 137,048 | 171,323 | 150,077 | 162,707 |
| Weighted average shares outstanding, diluted | 13,662,812 | 13,615,354 | 13,660,766 | 13,530,003 |
| Earnings per share, basic: | | | | |
| Earnings from continuing operations | $ 0.79 | $ 0.36 | $ 1.09 | $ 0.91 |
| Earnings (loss) from discontinued operations | (0.03) | — | 0.04 | — |
| Net income per common share, basic | $ 0.76 | $ 0.36 | $ 1.13 | $ 0.91 |
| Earnings per share, diluted: | | | | |
| Earnings from continuing operations | $ 0.76 | $ 0.34 | $ 1.05 | $ 0.86 |
| Earnings (loss) from discontinued operations | (0.03) | — | 0.04 | — |
| Net income per common share, diluted | $ 0.73 | $ 0.34 | $ 1.09 | $ 0.86 |
| Anti-dilutive stock options excluded from the calculation of diluted earnings per share | — | 658 | — | — |

[1] Represents earnings attributable to holders of unvested restricted stock issued to the Company's directors and employees. Effective December 31, 2025, executive management elected to waive the dividend rights on their unvested restricted stock awards, and this waiver extends to restricted stock awards granted in 2026 to directors and various other employees. As a result, these unvested shares are no longer treated as participating securities and are excluded from the two-class method calculation of EPS. The impact on basic and diluted earnings per share was de minimis, and previously reported periods are not affected.

**Note 15 – Accumulated Other Comprehensive Income (Loss)**

The following tables present changes to accumulated other comprehensive income (loss) by component for the periods indicated (in thousands):

| | Available-for-Sale Securities | Cash Flow Hedges | Accumulated OCI/OCL |
|---|---|---|---|
| **Balance at June 30, 2026** | $ 18 | $ (4) | $ 14 |
| Other comprehensive loss before reclassifications and income tax | (43) | (10) | (53) |
| Amounts reclassified from accumulated other comprehensive income | — | 18 | 18 |
| Income tax (expense) benefit | 12 | (2) | 10 |
| Total other comprehensive income (loss), net of tax | (31) | 6 | (25) |
| **Balance at September 30, 2026** | $ (13) | $ 2 | $ (11) |

| | Available-for-Sale Securities | Cash Flow Hedges | Accumulated OCI |
|---|---|---|---|
| **Balance at June 30, 2025** | $ 80 | $ (78) | $ 2 |
| Other comprehensive income before reclassifications and income tax | 117 | 64 | 181 |
| Amounts reclassified from accumulated other comprehensive income | — | (115) | (115) |
| Income tax (expense) benefit | (29) | 13 | (16) |
| Total other comprehensive income (loss), net of tax | 88 | (38) | 50 |
| **Balance at September 30, 2025** | $ 168 | $ (116) | $ 52 |

| | Available-for-Sale Securities | Cash Flow Hedges | Accumulated OCI/OCL |
|---|---|---|---|
| **Balance at December 31, 2025** | $ 167 | $ (141) | $ 26 |
| Other comprehensive income (loss) before reclassifications and income tax | (243) | 125 | (118) |
| Amounts reclassified from accumulated other comprehensive income | — | 65 | 65 |
| Income tax (expense) benefit | 63 | (47) | 16 |
| Total other comprehensive income (loss), net of tax | (180) | 143 | (37) |
| **Balance at September 30, 2026** | $ (13) | $ 2 | $ (11) |

| | Available-for-Sale Securities | Cash Flow Hedges | Accumulated OCI |
|---|---|---|---|
| **Balance at December 31, 2024** | $ (73) | $ 260 | $ 187 |
| Other comprehensive income (loss) before reclassifications and income tax | 322 | (162) | 160 |
| Amounts reclassified from accumulated other comprehensive income | — | (340) | (340) |
| Income tax (expense) benefit | (81) | 126 | 45 |
| Total other comprehensive income (loss), net of tax | 241 | (376) | (135) |
| **Balance at September 30, 2025** | $ 168 | $ (116) | $ 52 |

**Note 16 – Segments**

The Company operates three reportable segments: traditional banking, banking as a service ("BaaS"), and treasury and administration. The Company's traditional banking segment provides loan and deposit products and services to consumers and businesses nationally and in and around the Salt Lake City, Utah metropolitan statistical area ("MSA"). The Company's BaaS segment provides lending, card and payments solutions nationally to fintech brands. The treasury and administration segment consists of investments, deposits sourced nationally to support the business segments, interest charged to the traditional banking and BaaS segments on funding provided to those businesses, and other items not specific to the traditional banking or BaaS segments.

The accounting policies applicable to the Company's segments are consistent with those described in the notes to consolidated financial statements included in the 2025 Form 10-K. Intersegment interest and expense transactions are recorded at the Company's cost; there is no intercompany profit or loss on intersegment transactions. The Company has implemented a transfer pricing process that credits or charges the traditional banking and BaaS segments with intra bank interest income or expense, with the treasury and administration segment as the offset for those entries.

The CODM, the Company's chief executive officer and president, evaluates segment performance and allocates resources using both income or loss before other allocated operating expenses and net income.

In the tables below, a non-GAAP subtotal is shown captioned "Income (loss) before other operating expense allocation". That subtotal presents an income (loss) subtotal before consideration of allocated corporate expenses which might be fixed, semi-fixed or otherwise resist changes without regard to a particular line of business. The following tables provide segment information for the periods indicated (in thousands):

| | At and for the Three Months Ended September 30, 2026 | | | | |
|---|---|---|---|---|---|
| | Traditional Banking | BaaS | Treasury and Administration | Intersegment Eliminations[1] | Total |
| Interest income | $ 6,777 | $ 38,802 | $ 4,300 | $ (3,104) | $ 46,775 |
| Interest expense | 2,489 | 1,225 | 4,247 | (3,104) | 4,857 |
| Net interest income | 4,288 | 37,577 | 53 | — | 41,918 |
| Non-interest income | 3,527 | 51,358 | 6,214 | — | 61,099 |
| Non-interest expense: | | | | | |
| Salaries and benefits | 1,311 | 2,432 | 188 | — | 3,931 |
| Other non-interest expense | 987 | 25,941 | (13) | — | 26,915 |
| Provision for credit losses | 776 | 45,971 | — | — | 46,747 |
| Income before other operating expense allocation | 4,741 | 14,591 | 6,092 | — | 25,424 |
| Other operating expense allocations | 1,906 | 10,266 | — | — | 12,172 |
| Income from continuing operations before income taxes | 2,835 | 4,325 | 6,092 | — | 13,252 |
| Provision for income taxes from continuing operations | 679 | 1,073 | 1,078 | — | 2,830 |
| **Net income from continuing operations** | 2,156 | 3,252 | 5,014 | — | 10,422 |
| Loss from discontinued operations, net of tax | — | (376) | — | — | (376) |
| **Net income** | $ 2,156 | $ 2,876 | $ 5,014 | $ — | $ 10,046 |
| | | | | | |
| **September 30, 2026** | | | | | |
| **Other segment disclosures:** | | | | | |
| Total assets | $ 390,913 | $ 287,686 | $ 279,726 | $ — | $ 958,325 |

| | At and for the Three Months Ended September 30, 2025 | | | | |
|---|---|---|---|---|---|
| | Traditional Banking | BaaS | Treasury and Administration | Intersegment Eliminations[1] | Total |
| Interest income | $ 8,638 | $ 13,901 | $ 4,837 | $ (3,410) | $ 23,966 |
| Interest expense | 3,655 | 757 | 4,357 | (3,410) | 5,359 |
| Net interest income | 4,983 | 13,144 | 480 | — | 18,607 |
| Non-interest income | 3,466 | 14,560 | 647 | — | 18,673 |
| Non-interest expense: | | | | | |
| Salaries and benefits | 1,112 | 1,220 | 197 | — | 2,529 |
| Other non-interest expense | 1,632 | 2,885 | 94 | — | 4,611 |
| Provision for credit losses | 1,412 | 11,387 | — | — | 12,799 |
| Income before other operating expense allocation | 4,293 | 12,212 | 836 | — | 17,341 |
| Other operating expense allocations | 3,211 | 7,719 | — | — | 10,930 |
| Income before taxes | 1,082 | 4,493 | 836 | — | 6,411 |
| Income tax expense | 276 | 1,066 | 178 | — | 1,520 |
| **Net income** | $ 806 | $ 3,427 | $ 658 | $ — | $ 4,891 |
| | | | | | |
| **September 30, 2025** | | | | | |
| **Other segment disclosures:** | | | | | |
| Total assets | $ 484,671 | $ 211,990 | $ 203,268 | $ — | $ 899,929 |

| | For the Nine Months Ended September 30, 2026 | | | | |
|---|---|---|---|---|---|
| | Traditional Banking | BaaS | Treasury and Administration | Intersegment Eliminations[1] | Total |
| Interest income | $ 20,532 | $ 87,859 | $ 13,630 | $ (9,753) | $ 112,268 |
| Interest expense | 8,333 | 3,085 | 12,888 | (9,753) | 14,553 |
| Net interest income | 12,199 | 84,774 | 742 | — | 97,715 |
| Non-interest income | 8,735 | 83,766 | 6,004 | — | 98,505 |
| Non-interest expense: | | | | | |
| Salaries and benefits | 3,953 | 7,062 | 586 | — | 11,601 |
| Other non-interest expense | 3,130 | 51,804 | 125 | — | 55,059 |
| Provision for credit losses | 6,554 | 72,151 | — | — | 78,705 |
| Income before other operating expense allocation | 7,297 | 37,523 | 6,035 | — | 50,855 |
| Other operating expense allocations | 5,392 | 27,030 | — | — | 32,422 |
| Income from continuing operations before income taxes | 1,905 | 10,493 | 6,035 | — | 18,433 |
| Provision for income taxes from continuing operations | 434 | 2,328 | 1,376 | — | 4,138 |
| **Net income from continuing operations** | 1,471 | 8,165 | 4,659 | — | 14,295 |
| Income from discontinued operations, net of tax | — | 619 | — | — | 619 |
| **Net income** | $ 1,471 | $ 8,784 | $ 4,659 | $ — | $ 14,914 |

| | For the Nine Months Ended September 30, 2025 | | | | |
|---|---|---|---|---|---|
| | Traditional Banking | BaaS | Treasury and Administration | Intersegment Eliminations[1] | Total |
| Interest income | $ 25,130 | $ 33,058 | $ 13,635 | $ (9,580) | $ 62,243 |
| Interest expense | 10,574 | 1,727 | 11,908 | (9,580) | 14,629 |
| Net interest income | 14,556 | 31,331 | 1,727 | — | 47,614 |
| Non-interest income | 8,477 | 26,646 | 2,117 | — | 37,240 |
| Non-interest expense: | | | | | |
| Salaries and benefits | 3,043 | 3,633 | 604 | — | 7,280 |
| Other non-interest expense | 4,076 | 4,741 | 267 | — | 9,084 |
| Provision for credit losses | 3,159 | 17,702 | — | — | 20,861 |
| Income before other operating expense allocation | 12,755 | 31,901 | 2,973 | — | 47,629 |
| Other operating expense allocations | 11,477 | 19,879 | — | — | 31,356 |
| Income before taxes | 1,278 | 12,022 | 2,973 | — | 16,273 |
| Income tax expense | 322 | 3,026 | 749 | — | 4,097 |
| **Net income** | $ 956 | $ 8,996 | $ 2,224 | $ — | $ 12,176 |

[1] Interest income and expense are allocated to segments based on their respective funding requirements using an internal transfer pricing methodology. The treasury and administration segment earns interest income from providing funds to the traditional banking and BaaS segments, which in turn incur corresponding interest expense. These internal interest flows are eliminated at the consolidated level through the intersegment/eliminations column.

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

*The following discussion and analysis is intended as a review and summary of significant factors affecting our financial condition and results of operations for the periods indicated and should be read together with our consolidated audited financial statements and related notes thereto included in the 2025 Form 10-K and our unaudited consolidated financial statements included in Part I, Item 1 of this Report. In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions that could cause actual results to differ materially from our expectations. Factors that could cause such differences are discussed in the sections of this Report and our 2025 Form 10-K entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" and elsewhere in this Report. We assume no obligation to update any of these forward-looking statements except to the extent required by law.*

*The following discussion pertains to our historical results, on a consolidated basis. However, because we conduct all material business operations through our wholly owned subsidiary, FinWise Bank, the discussion and analysis relates to activities primarily conducted at the subsidiary level.*

### Critical Accounting Estimates

The accompanying management's discussion and analysis of financial condition and results of operations is based upon our unaudited consolidated financial statements included in Part I, Item 1 of this Report. The preparation of these unaudited consolidated financial statements in accordance with GAAP requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosure of contingent assets and liabilities. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under current circumstances, results of which form the basis for making judgments about the carrying value of certain assets and liabilities that are not readily available from other sources. We evaluate our estimates on an ongoing basis. Actual results may differ from these estimates under different assumptions or conditions.

Our critical accounting estimates primarily relate to the allowance for credit losses. See Note 1 - Summary of Significant Accounting Policies to the consolidated financial statements included in Part II, Item 8 in our 2025 Form 10-K for information on our accounting policy related to this critical accounting estimate.

There have been no material changes during the nine months ended September 30, 2026 to the methods we used and judgments we made relating to critical accounting estimates from those disclosed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the 2025 Form 10-K.

### Business Overview

FinWise Bancorp is a Utah corporation and the parent company of FinWise Bank and FinWise Investment, LLC. Our assets consist primarily of our investment in the Bank and all of our material business activities are conducted through the Bank.

We gather deposits in the Salt Lake City, Utah MSA through our one branch and nationwide from our Strategic Program service providers, SBA 7(a) borrowers, institutional deposit exchanges, brokered deposit arrangements and other deposit sources. Attracting nationwide deposits from the general public, businesses and other financial institutions, and investing those deposits, together with borrowings and other sources of funds, is also critical to our banking business.

Our banking business offers a diverse range of commercial and retail banking products and services, and consists primarily of originating loans in a variety of sectors. While our commercial and residential real estate lending and other products and services offered from our branch continue to be concentrated in and around the Salt Lake City, Utah MSA, our third-party loan origination relationships have allowed us to expand into markets across the United States. These relationships were developed to support our ability to generate significant loan volume across diverse consumer and commercial markets and have been the primary source of our growth and our consistent ability to operate profitability since developing the third-party loan origination business.

Our financial condition and results of operations depend primarily on our ability to originate loans and leases directly, or by using our strategic relationships with third-party loan origination platforms, to earn interest and non-interest income.

Our lending focuses on two main lending areas: (1) traditional lending which includes SBA 7(a) loans, residential and commercial real estate, and commercial leasing; and (2) Strategic Programs lending which includes held-for-sale, credit enhanced, and retained loans. For a description and analysis of our loan categories, see "Financial Condition."

*Reportable Segments*

Historically, we managed our business as a single operating and reportable segment. In the third quarter of 2025, after completing a technology initiative to capture and report segment-specific financial data, we revised our reportable segments. Due to significant operational growth and how our chief operating decision maker ("CODM") reviews operating results and allocates resources, we manage our business through three reportable segments: traditional banking, banking as a service ("BaaS") and treasury and administration. It is not practicable to provide prior period reportable segment results as segregating the data in a meaningful way would require unreasonable effort due to limitations in historical records.

The traditional banking segment provides loan and deposit products and services to consumers and businesses nationally and in and around the Salt Lake City, Utah MSA. The BaaS segment provides lending, card and payments solutions nationally to fintech brands. The treasury and administration segment consists of investments, deposits sourced nationally to support the business segments, and other items not specific to the traditional banking or BaaS segments.

*Acquisition and Discontinued Operations*

In July 2026, we acquired certain assets and assumed certain liabilities of Tallied Technologies, Inc. ("Tallied"). The transaction added card issuing and program management technology, along with an experienced team, that expands our ability to support credit card programs for our fintech partners. Concurrent with the acquisition, we determined that investing in credit card receivables was not a strategy we would pursue, and the Board of Directors approved a plan to exit the credit card invest and hold business and to divest the credit card loan portfolio and certain acquired assets and liabilities while retaining the technology and credit card servicing platform. The disposal group consists of the credit card portfolio as well as the program sponsor relationship, program records, and associated cardholder rewards liability acquired as part of the Tallied transaction. Accordingly, the results of the credit card business are presented as discontinued operations for the periods presented in this Report, and the related assets and liabilities are classified as assets and liabilities of discontinued operations on the balance sheet as of September 30, 2026.

This decision reflects a deliberate shift in how FinWise participates in the credit card business. The acquired technology platform and team are being retained and integrated, and they are central to our strategy. Rather than holding credit card receivables on its balance sheet, FinWise intends to use these capabilities to support card programs for its fintech partners through a capital-efficient model consistent with its broader banking-as-a-service strategy. In its current condition, the acquired platform is not yet ready for that intended use, and management plans to invest in enhancements and integration of the platform to complete its build-out. Exiting the credit card investment and related activities allows management to concentrate resources on completing those enhancements and to redeploy capital toward our fintech lending and partner programs.

**Executive Summary**

This executive summary provides certain 2026 and 2025 consolidated financial highlights from the discussion and analysis that follows:

- For the three months ended September 30, 2026, originations increased to $2.1 billion from $1.8 billion when compared to the three months ended September 30, 2025. For the nine months ended September 30, 2026, originations increased to $5.4 billion from $4.5 billion when compared to the nine months ended September 30, 2025. The growth in originations in 2026 compared to 2025 primarily reflects the rapid growth of a credit enhancement lending relationship, and an increase in volume from certain established strategic programs.

- Net interest margin ("NIM") was 19.58% for the three months ended September 30, 2026, compared to 9.09% for the three months ended September 30, 2025. NIM was 15.50% for the nine months ended September 30, 2026, compared to 8.44% for the nine months ended September 30, 2025. NIM is impacted by income earned from interest-earning assets and interest costs incurred on interest-bearing liabilities and increased significantly for the three and nine months ended September 30, 2026 compared to the same periods in 2025 due to the growth of the credit enhanced loan program.

- Net income was $10.0 million and $4.9 million for the three months ended September 30, 2026 and 2025, respectively, and $14.9 million and $12.2 million for the nine months ended September 30, 2026 and 2025, respectively. The three and nine months ended September 30, 2026 included a non-recurring, bargain purchase gain net of deferred taxes of $6.5 million recognized in connection with the Tallied acquisition. For the three and nine months ended September 30, 2026, discontinued operations resulted in a loss, net of tax of $0.4 million and income, net of tax of $0.6 million, respectively.

- Total assets decreased by $18.8 million to $958.3 million as of September 30, 2026 compared to December 31, 2025, principally due to a $70.8 million decrease in cash and cash equivalents, primarily reflecting a $47.0 million decrease in deposits, and decreases of $11.8 million in Strategic Program loans held-for-sale and $6.6 million in assets of discontinued operations. These decreases were partially offset by increases of $45.9 million in the credit enhancement asset, $22.6 million in other assets and $8.2 million in loans held for investment, net, reflecting growth in credit-enhanced loans net of a higher allowance for credit losses.

**Results of Operations**

Unless otherwise indicated, the following discussion of results of operations reflects the results of continuing operations and excludes the results of our discontinued credit card operations. See Note 3 – Discontinued Operations for additional information regarding the discontinued credit card business.

*Net Income Overview*

The following table sets forth the principal components of net income for the periods indicated:

| | Three Months Ended September 30, | | | Nine Months Ended September 30, | | |
|---|---|---|---|---|---|---|
| *($ in thousands)* | **2026** | **2025** | **% Change** | **2026** | **2025** | **% Change** |
| Interest income | $ 46,775 | $ 23,966 | 95.2 % | $ 112,268 | $ 62,243 | 80.4 % |
| Interest expense | (4,857) | (5,359) | (9.4)% | (14,553) | (14,629) | (0.5)% |
| Net interest income | 41,918 | 18,607 | 125.3 % | 97,715 | 47,614 | 105.2 % |
| Provision for credit losses | (46,747) | (12,799) | 265.2 % | (78,705) | (20,861) | 277.3 % |
| Non-interest income | 60,825 | 18,052 | 236.9 % | 98,242 | 36,199 | 171.4 % |
| Non-interest expense | (42,744) | (17,449) | 145.0 % | (98,819) | (46,679) | 111.7 % |
| Provision for income taxes | (2,830) | (1,520) | 86.2 % | (4,138) | (4,097) | 1.0 % |
| Income (loss) from discontinued operations, net of tax | (376) | — | 100.0 % | 619 | — | 100.0 % |
| Net income | $ 10,046 | $ 4,891 | 105.4 % | $ 14,914 | $ 12,176 | 22.5 % |

*Net Interest Income and NIM*

Net interest income was the primary contributor to our earnings in 2026 and 2025. Net interest income is affected by changes in the amount and mix of interest-earning assets and interest-bearing liabilities, referred to as “volume changes.” It is also affected by changes in yields earned on interest-earning assets and rates paid on interest-bearing deposits and other borrowed funds, referred to as “rate changes.”

Net interest income increased for the three months ended September 30, 2026, compared to the same period in 2025, primarily due to growth in credit enhanced loans, as well as a change in estimate, based on additional information and experience, regarding the allocation of interest received on credit enhanced loans in excess of the amount we retain. We now estimate that all excess interest is attributable to servicing and credit guarantee expense. In the prior year, it had estimated that a portion was attributable to origination costs, or finders’ fees, which was reported in net interest income.

Net interest income increased for the nine months ended September 30, 2026, compared to the same period in 2025, primarily due to growth in credit-enhanced loans which drove the increase in average interest-earning assets of $102.9 million, higher yields on interest-earning assets, partially offset by an increase in the average interest-bearing liabilities of $67.3 million mainly attributable to the increase in brokered deposits used to fund our loan growth.

NIM increased to 19.58% for the three months ended September 30, 2026 from 9.09% for the three months ended September 30, 2025 and increased to 15.50% for the nine months ended September 30, 2026 from 8.44% for the nine months ended September 30, 2025, primarily from growth in the higher-yielding credit-enhanced loan portfolio and higher yields on loans held-for-investment, the change in estimated allocation of excess interest as previously described, and lower rates paid on deposits.

*Average Balances and Yields*. The following tables present average balances for assets and liabilities, the total dollar amounts of interest income from interest-earning assets, the total dollar amounts of interest expense on interest-bearing liabilities, the resulting average yields and costs, and NIM. The yields and costs for the periods indicated are derived by dividing the annualized income or expense by the average balances for assets or liabilities, respectively, for the periods presented. The weighted average yields and rates include amortization of fees, costs, premiums and discounts, which are considered adjustments to yield/rates. Average balances have been calculated using daily averages.

| | Three Months Ended September 30, | | | | | |
|---|---|---|---|---|---|---|
| | 2026 | | | 2025 | | |
| *($ in thousands)* | Average Balance | Interest | Average Yield/Cost | Average Balance | Interest | Average Yield/Cost |
| Interest-earning assets: | | | | | | |
| Interest-bearing deposits | $ 91,527 | $ 891 | 3.86% | $ 97,404 | $ 1,074 | 4.37% |
| Investment securities | 34,567 | 315 | 3.62% | 39,497 | 360 | 3.61% |
| Loans held-for-sale | 126,691 | 5,315 | 16.64% | 132,314 | 6,219 | 18.65% |
| Loans held-for-investment[1] | 608,198 | 41,245 | 26.90% | 542,595 | 16,313 | 11.93% |
| Total interest-earning assets[4] | 860,983 | 47,766 | 22.01% | 811,810 | 23,966 | 11.71% |
| Noninterest-earning assets | 72,080 | | | 73,023 | | |
| Total assets | $ 933,063 | | | $ 884,833 | | |
| Interest-bearing liabilities: | | | | | | |
| Demand | $ 81,283 | $ 738 | 3.60% | $ 69,941 | $ 630 | 3.57% |
| Savings | 12,958 | 16 | 0.48% | 12,271 | 54 | 1.75% |
| Money market accounts | 21,255 | 186 | 3.47% | 24,629 | 237 | 3.82% |
| Certificates of deposit | 422,854 | 4,343 | 4.07% | 417,059 | 4,438 | 4.22% |
| Total deposits | 538,350 | 5,283 | 3.89% | 523,900 | 5,359 | 4.06% |
| Other borrowings | — | — | —% | — | — | —% |
| Total interest-bearing liabilities[4] | 538,350 | 5,283 | 3.89% | 523,900 | 5,359 | 4.06% |
| Noninterest-bearing deposits | 162,609 | | | 140,499 | | |
| Noninterest-bearing liabilities | 32,110 | | | 36,552 | | |
| Shareholders' equity | 199,994 | | | 183,882 | | |
| Total liabilities and shareholders' equity | $ 933,063 | | | $ 884,833 | | |
| Net interest income and interest rate spread[2] | | $ 42,483 | 18.12% | | $ 18,607 | 7.65% |
| Net interest margin[3] | | | 19.58% | | | 9.09% |
| Ratio of average interest-earning assets to average interest-bearing liabilities | | | 159.93% | | | 154.96% |

| ($ in thousands) | Nine Months Ended September 30, 2026 Average Balance | 2026 Interest | 2026 Average Yield/Rate | 2025 Average Balance | 2025 Interest | 2025 Average Yield/Rate |
|---|---|---|---|---|---|---|
| Interest-earning assets: | | | | | | |
| Interest-bearing deposits | $ 104,059 | $ 2,909 | 3.74% | $ 90,422 | $ 2,932 | 4.34% |
| Investment securities | 36,256 | 991 | 3.65% | 41,233 | 1,140 | 3.70% |
| Loans held-for-sale | 123,250 | 16,059 | 17.42% | 110,635 | 16,119 | 19.48% |
| Loans held-for-investment[1] | 593,297 | 95,327 | 21.48% | 511,677 | 42,052 | 10.99% |
| Total interest-earning assets[4] | 856,862 | 115,286 | 17.99% | 753,967 | 62,243 | 11.04% |
| Noninterest-earning assets | 71,451 | | | 65,149 | | |
| Total assets | $ 928,313 | | | $ 819,116 | | |
| Interest-bearing liabilities: | | | | | | |
| Demand | $ 82,016 | $ 2,137 | 3.48% | $ 70,390 | $ 1,879 | 3.57% |
| Savings | 11,148 | 64 | 0.76% | 10,519 | 76 | 0.97% |
| Money market accounts | 22,213 | 580 | 3.49% | 20,169 | 571 | 3.78% |
| Certificates of deposit | 434,965 | 13,183 | 4.05% | 381,912 | 12,103 | 4.24% |
| Total deposits | 550,342 | 15,964 | 3.88% | 482,990 | 14,629 | 4.05% |
| Other borrowings | — | — | —% | 17 | — | 0.05% |
| Total interest-bearing liabilities[4] | 550,342 | 15,964 | 3.88% | 483,007 | 14,629 | 4.05% |
| Noninterest-bearing deposits | 144,299 | | | 124,286 | | |
| Noninterest-bearing liabilities | 36,465 | | | 32,743 | | |
| Shareholders' equity | 197,207 | | | 179,080 | | |
| Total liabilities and shareholders' equity | $ 928,313 | | | $ 819,116 | | |
| Net interest income and interest rate spread[2] | | $ 99,322 | 14.11% | | $ 47,614 | 6.99% |
| Net interest margin[3] | | | 15.50% | | | 8.44% |
| Ratio of average interest-earning assets to average interest- bearing liabilities | | | 155.70% | | | 156.10% |

[1] Loans placed on nonaccrual status are included in loan balances. See "Nonperforming Assets" below.

[2] Interest spread is the weighted average yield on interest-earning assets, less the weighted average rate incurred on interest-bearing liabilities.

[3] Net interest margin is net interest income, expressed as a percentage of average earning assets.

[4] Includes interest income of $1.0 million and $3.0 million and interest expense of $0.4 million and $1.4 million from discontinued operations for the three and nine months ended September 30, 2026, respectively.

*Rate/Volume Analysis.* The following table sets forth the effects of changing rates and volumes on our net interest income based on average balances. The rate column shows the effects attributable to changes in average rate. The volume column shows the effects attributable to changes in average volume. For purposes of this table, changes attributable to changes in both average rate and average volume that cannot be segregated have been allocated proportionally based on the changes due to rate and the changes due to volume.

| ($ in thousands) | Three Months Ended September 30, 2026 vs 2025 Increase (Decrease) Due to Change in: Rate | Volume | Total | Nine Months Ended September 30, 2026 vs 2025 Increase (Decrease) Due to Change in: Rate | Volume | Total |
|---|---|---|---|---|---|---|
| Interest income: | | | | | | |
| Interest-bearing deposits with the Federal Reserve, non-U.S. central banks and other banks | $ (121) | $ (62) | $ (183) | $ 253 | $ (276) | $ (23) |
| Investment securities | 1 | (46) | (45) | (15) | (134) | (149) |
| Loans held-for-sale | (648) | (256) | (904) | 767 | (827) | (60) |
| Loans held-for-investment | 22,741 | 2,191 | 24,932 | 45,647 | 7,628 | 53,275 |
| Total interest income | 21,973 | 1,827 | 23,800 | 46,652 | 6,391 | 53,043 |
| Interest expense: | | | | | | |
| Demand | 5 | 103 | 108 | (46) | 304 | 258 |
| Savings | (41) | 3 | (38) | (17) | 5 | (12) |
| Money market accounts | (20) | (31) | (51) | (28) | 37 | 9 |
| Certificates of deposit | (156) | 61 | (95) | (514) | 1,594 | 1,080 |
| Total interest-bearing liabilities | (212) | 136 | (76) | (605) | 1,940 | 1,335 |
| Change in net interest income | $ 22,185 | $ 1,691 | $ 23,876 | $ 47,257 | $ 4,451 | $ 51,708 |

*Provision for Credit Losses*

The following tables present the components of the provision for credit losses for the periods indicated:

| ($ in thousands) | Three Months Ended September 30, 2026 | 2025 | Change $ | % |
|---|---|---|---|---|
| Provision for credit losses: | | | | |
| Strategic Program loans - with credit enhancement[1] | $ 45,392 | $ 8,850 | $ 36,542 | 412.9 % |
| Strategic Program loans - without credit enhancement | 1,324 | 2,462 | (1,138) | (46.2)% |
| All other loans (core portfolio) | (126) | 1,346 | (1,472) | NM |
| Provision for credit losses on loans | 46,590 | 12,658 | 33,932 | 268.1 % |
| Provision for credit losses on unfunded commitments | 157 | 141 | 16 | NM |
| Provision for credit losses | $ 46,747 | $ 12,799 | $ 33,948 | 265.2 % |

| ($ in thousands) | Nine Months Ended September 30, 2026 | 2025 | Change $ | % |
|---|---|---|---|---|
| Provision for credit losses: | | | | |
| Strategic Program loans - with credit enhancement[1] | $ 66,635 | $ 11,210 | $ 55,425 | 494.4 % |
| Strategic Program loans - without credit enhancement | 5,204 | 6,490 | (1,286) | (19.8)% |
| All other loans (core portfolio) | 6,570 | 3,061 | 3,509 | 114.6 % |
| Provision for credit losses on loans | 78,409 | 20,761 | 57,648 | 277.7 % |
| Provision for credit losses on unfunded commitments | 296 | 100 | 196 | NM |
| Provision for credit losses | $ 78,705 | $ 20,861 | $ 57,844 | 277.3 % |

NM denotes the percentage change is not meaningful

(1) For credit enhanced loans, fintech partners are required to maintain a deposit account at FinWise, which is used to recover charge-offs. The provision for credit losses on these loans differs from the core portfolio, as it is fully offset by expected recoveries under the partner guarantee, which is recognized as credit enhancement income in non-interest income.

The increase in our provision for credit losses for the three and nine months ended September 30, 2026, compared to the same period in 2025, was primarily related to growth in the credit-enhanced portfolio, partially offset by lower provisioning in the traditional bank portfolio as migration to classified status declined, and on Strategic Program loans without credit enhancement.

*Non-interest Income*

The following tables present the components of non-interest income for the periods indicated:

| | Three Months Ended September 30, | | Change | |
|---|---|---|---|---|
| *($ in thousands)* | **2026** | **2025** | **$** | **%** |
| Non-interest income: | | | | |
| Strategic Program fees | $ 6,573 | $ 6,180 | $ 393 | 6.4% |
| Gain on sale of loans | 1,866 | 1,854 | 12 | 0.6% |
| SBA loan servicing fees, net | 79 | (242) | 321 | 132.6% |
| Change in fair value on investment in BFG | (900) | 200 | (1,100) | (550.0%) |
| Credit enhancement income | 45,392 | 8,762 | 36,630 | 418.1% |
| Bargain purchase gain | 6,456 | — | 6,456 | 100.0% |
| Other miscellaneous income | 1,359 | 1,298 | 61 | 4.7% |
| Total non-interest income | $ 60,825 | $ 18,052 | $ 42,773 | 236.9% |

| | Nine Months Ended September 30, | | Change | |
|---|---|---|---|---|
| *($ in thousands)* | **2026** | **2025** | **$** | **%** |
| Non-interest income: | | | | |
| Strategic Program fees | $ 17,463 | $ 16,546 | $ 917 | 5.5% |
| Gain on sale of loans | 4,798 | 4,183 | 615 | 14.7% |
| SBA loan servicing fees, net | 316 | (160) | 476 | 297.5% |
| Change in fair value on investment in BFG | (1,300) | 900 | (2,200) | (244.4%) |
| Credit enhancement income | 66,635 | 11,122 | 55,513 | 499.1% |
| Bargain purchase gain | 6,456 | — | 6,456 | 100.0% |
| Other miscellaneous income | 3,874 | 3,608 | 266 | 7.4% |
| Total non-interest income | $ 98,242 | $ 36,199 | $ 62,043 | 171.4% |

NM denotes the percentage change is not meaningful

The increases in total non-interest income for the three and nine months ended September 30, 2026, compared to the same periods in 2025, were primarily due to an increase in credit enhancement income, driven by growth in credit-enhanced loan balances, and the $6.5 million bargain purchase gain recognized in connection with the Tallied acquisition. These increases were partially offset by a decrease in the fair value of our investment in BFG. Additionally, during the nine months ended September 30, 2026, the increased sales of the guaranteed portions of SBA 7(a) loans led to an increase in gains on loan sales of $0.6 million and an increase in loan origination volume led to higher Strategic Program fees of $0.9 million.

*Non-interest Expense*

The following tables presents the components of non-interest expense for the periods indicated:

| ($ in thousands) | Three Months Ended September 30, 2026 | 2025 | Change $ | Change % |
|---|---|---|---|---|
| Non-interest expense: | | | | |
| Salaries and employee benefits | $ 12,483 | $ 10,814 | $ 1,669 | 15.4% |
| Professional services | 1,426 | 876 | 550 | 62.8% |
| Occupancy and equipment expenses | 440 | 456 | (16) | (3.5%) |
| Credit enhancement servicing expense | 4,284 | 248 | 4,036 | NM |
| Credit enhancement guarantee expense | 20,049 | 1,720 | 18,329 | NM |
| Other operating expenses | 4,062 | 3,335 | 727 | 21.8% |
| Total non-interest expense | $ 42,744 | $ 17,449 | $ 25,295 | 145.0% |

NM denotes the percentage change is not meaningful

| ($ in thousands) | Nine Months Ended September 30, 2026 | 2025 | Change $ | Change % |
|---|---|---|---|---|
| Non-interest expense: | | | | |
| Salaries and employee benefits | $ 34,583 | $ 31,131 | $ 3,452 | 11.1% |
| Professional Services | 3,452 | 2,732 | 720 | 26.4% |
| Occupancy and equipment expenses | 1,282 | 1,443 | (161) | (11.2%) |
| Credit enhancement servicing expense | 7,975 | 260 | 7,715 | NM |
| Credit enhancement guarantee expense | 41,045 | 1,809 | 39,236 | NM |
| Other operating expenses | 10,482 | 9,304 | 1,178 | 12.7% |
| Total non-interest expense | $ 98,819 | $ 46,679 | $ 52,140 | 111.7% |

NM denotes the percentage change is not meaningful

The increase in total non-interest expense for the three and nine months ended September 30, 2026, compared to the same period in 2025, was primarily due to an increase in credit enhancement guarantee and servicing expenses resulting from growth in credit-enhanced loans, and higher salaries and employee benefits, principally from increased headcount, including employees added in connection with the Tallied acquisition.

*Provision for Income Taxes*

Our provision for income taxes for the three and nine months ended September 30, 2026 and 2025 resulted in an effective income tax rate of 21.0%, 23.7%, 22.8% and 25.2% respectively. The effective tax rate differed from the federal statutory rate of 21.0% for the three and nine months ended September 30, 2026 principally due to state and local income taxes and certain non-deductible executive compensation, offset in part by the effect of presenting the bargain purchase gain net of deferred taxes.

*Net Income*

Net income was $10.0 million and $4.9 million for the three months ended September 30, 2026 and 2025, respectively, and $14.9 million and $12.2 million for the nine months ended September 30, 2026 and 2025, respectively. Net income from continuing operations was $10.4 million and $4.9 million for the three months ended September 30, 2026 and 2025, respectively and $14.3 million and $12.2 million for the nine months ended September 30, 2026 and 2025, respectively. The three and nine months ended September 30, 2026 included a non-recurring, bargain purchase gain net of deferred taxes of $6.5 million recognized in connection with the Tallied acquisition; this gain was exempt from income tax as the related deferred taxes were recorded in acquisition accounting. Discontinued operations resulted in a loss, net of tax, of $0.4 million and income, net of tax of $0.6 million for the three and nine months ended September 30, 2026, respectively. The remaining changes in net income for the three and nine months ended September 30, 2026, compared to the same periods in 2025, were primarily the result of the factors discussed in the foregoing sections.

**Segment Results**

As further described in Note 16, Segments, in Part I, Item 1 of this Report, our operations are comprised of three reportable segments: traditional banking, banking as a service and treasury and administration.

The traditional banking segment provides loan and deposit products and services to consumers and businesses nationally and in and around the Salt Lake City, Utah MSA. The BaaS segment provides lending, card and payments solutions nationally to fintech brands. The treasury and administration segment consists of investments, deposits sourced nationally to support the business segments, interest charged to the traditional banking and BaaS segments on funding provided to those businesses, and other items not specific to the traditional banking or BaaS segments.

In the tables below, a non-GAAP subtotal is shown, captioned "Income (loss) before other operating expense allocation". That subtotal presents an income (loss) subtotal before consideration of allocated corporate expenses which might be fixed, semi-fixed or otherwise resist changes without regard to a particular line of business. The following tables provide segment information for the periods indicated (in thousands):

| | At and for the Three Months Ended September 30, 2026 | | | | |
|---|---|---|---|---|---|
| | **Traditional Banking** | **BaaS** | **Treasury and Administration** | **Intersegment Eliminations[1]** | **Total** |
| Interest income | $ 6,777 | $ 38,802 | $ 4,300 | $ (3,104) | $ 46,775 |
| Interest expense | 2,489 | 1,225 | 4,247 | (3,104) | 4,857 |
| Net interest income | 4,288 | 37,577 | 53 | — | 41,918 |
| Non-interest income | 3,527 | 51,358 | 6,214 | — | 61,099 |
| Non-interest expense: | | | | | |
| Salaries and benefits | 1,311 | 2,432 | 188 | — | 3,931 |
| Other non-interest expense | 987 | 25,941 | (13) | — | 26,915 |
| Provision for credit losses | 776 | 45,971 | — | — | 46,747 |
| **Income before other operating expense allocation** | 4,741 | 14,591 | 6,092 | — | 25,424 |
| **Other operating expense allocations** | 1,906 | 10,266 | — | — | 12,172 |
| Income from continuing operations before income taxes | 2,835 | 4,325 | 6,092 | — | 13,252 |
| Provision for income taxes from continuing operations | 679 | 1,073 | 1,078 | — | 2,830 |
| Net income from continuing operations | 2,156 | 3,252 | 5,014 | — | 10,422 |
| Loss from discontinued operations, net of tax | — | (376) | — | | (376) |
| **Net income** | $ 2,156 | $ 2,876 | $ 5,014 | $ — | $ 10,046 |
| | | | | | |
| **September 30, 2026** | | | | | |
| **Other segment disclosures:** | | | | | |
| Total assets | $ 390,913 | $ 287,686 | $ 279,726 | $ — | $ 958,325 |

| | At and for the Three Months Ended September 30, 2025 | | | | |
|---|---|---|---|---|---|
| | Traditional Banking | BaaS | Treasury and Administration | Intersegment Eliminations[1] | Total |
| Interest income | $ 8,638 | $ 13,901 | $ 4,837 | $ (3,410) | $ 23,966 |
| Interest expense | 3,655 | 757 | 4,357 | (3,410) | 5,359 |
| Net interest income | 4,983 | 13,144 | 480 | — | 18,607 |
| Non-interest income | 3,466 | 14,560 | 647 | — | 18,673 |
| Non-interest expense: | | | | | |
| Salaries and benefits | 1,112 | 1,220 | 197 | — | 2,529 |
| Other non-interest expense | 1,632 | 2,885 | 94 | — | 4,611 |
| Provision for credit losses | 1,412 | 11,387 | — | — | 12,799 |
| **Income before other operating expense allocation** | 4,293 | 12,212 | 836 | — | 17,341 |
| **Other operating expense allocations** | 3,211 | 7,719 | — | — | 10,930 |
| Income before taxes | 1,082 | 4,493 | 836 | — | 6,411 |
| Income tax expense | 276 | 1,066 | 178 | — | 1,520 |
| **Net income** | $ 806 | $ 3,427 | $ 658 | $ — | $ 4,891 |
| | | | | | |
| **September 30, 2025** | | | | | |
| **Other segment disclosures:** | | | | | |
| Total assets | $ 484,671 | $ 211,990 | $ 203,268 | $ — | $ 899,929 |

| | For the Nine Months Ended September 30, 2026 | | | | |
|---|---|---|---|---|---|
| | Traditional Banking | BaaS | Treasury and Administration | Intersegment Eliminations[1] | Total |
| Interest income | $ 20,532 | $ 87,859 | $ 13,630 | $ (9,753) | $ 112,268 |
| Interest expense | 8,333 | 3,085 | 12,888 | (9,753) | 14,553 |
| Net interest income | 12,199 | 84,774 | 742 | — | 97,715 |
| Non-interest income | 8,735 | 83,766 | 6,004 | — | 98,505 |
| Non-interest expense: | | | | | |
| Salaries and benefits | 3,953 | 7,062 | 586 | — | 11,601 |
| Other non-interest expense | 3,130 | 51,804 | 125 | — | 55,059 |
| Provision for credit losses | 6,554 | 72,151 | — | — | 78,705 |
| **Income before other operating expense allocation** | 7,297 | 37,523 | 6,035 | — | 50,855 |
| **Other operating expense allocations** | 5,392 | 27,030 | — | — | 32,422 |
| Income from continuing operations before income taxes | 1,905 | 10,493 | 6,035 | — | 18,433 |
| Provision for income taxes from continuing operations | 434 | 2,328 | 1,376 | — | 4,138 |
| Net income from continuing operations | 1,471 | 8,165 | 4,659 | — | 14,295 |
| Income from discontinued operations, net of tax | — | 619 | — | — | 619 |
| **Net income** | $ 1,471 | $ 8,784 | $ 4,659 | $ — | $ 14,914 |

| | For the Nine Months Ended September 30, 2025 | | | | |
|---|---|---|---|---|---|
| | Traditional Banking | BaaS | Treasury and Administration | Intersegment Eliminations[1] | Total |
| Interest income | $ 25,130 | $ 33,058 | $ 13,635 | $ (9,580) | $ 62,243 |
| Interest expense | 10,574 | 1,727 | 11,908 | (9,580) | 14,629 |
| Net interest income | 14,556 | 31,331 | 1,727 | — | 47,614 |
| Non-interest income | 8,477 | 26,646 | 2,117 | — | 37,240 |
| Non-interest expense: | | | | | |
| Salaries and benefits | 3,043 | 3,633 | 604 | — | 7,280 |
| Other non-interest expense | 4,076 | 4,741 | 267 | — | 9,084 |
| Provision for credit losses | 3,159 | 17,702 | — | — | 20,861 |
| **Income before other operating expense allocation** | 12,755 | 31,901 | 2,973 | — | 47,629 |
| **Other operating expense allocations** | 11,477 | 19,879 | — | — | 31,356 |
| Income before taxes | 1,278 | 12,022 | 2,973 | — | 16,273 |
| Income tax expense | 322 | 3,026 | 749 | — | 4,097 |
| **Net income** | $ 956 | $ 8,996 | $ 2,224 | $ — | $ 12,176 |

[1] Interest income and expense are allocated to segments based on their respective funding requirements using an internal transfer pricing methodology. The treasury and administration segment earns interest income from providing funds to the traditional banking and BaaS segments, which in turn incur corresponding interest expense. These internal interest flows are eliminated at the consolidated level through the intersegment/eliminations column.

The BaaS segment continued to demonstrate strong revenue growth for the three and nine months ended September 30, 2026, driven by the ongoing expansion of our credit enhanced loans program and loan originations, reflecting significant increases in both net interest income and non-interest income year-over-year. Traditional banking results improved compared to the prior year periods as fewer loans migrated to non-performing status, particularly within the SBA portfolio, resulting in lower provision for credit losses. Treasury and administration delivered meaningfully improved results for both periods, partially supported by the bargain purchase gain recognized on the previously described acquisition and growth in segment assets, while continuing to optimize liquidity and support the funding needs of our other operating segments.

Looking ahead, we expect continued growth in BaaS as we expand our fintech partnerships and product offerings. Traditional banking performance will be influenced by interest rate trends and credit quality and treasury and administration will remain focused on optimizing liquidity and supporting business growth. We continue to monitor regulatory developments and market conditions that may impact segment performance.

**Financial Condition**

The following table summarizes selected components of our consolidated balance sheets as of September 30, 2026 and December 31, 2025:

| | As of | | Change | |
|---|---|---|---|---|
| *($ in thousands)* | **September 30, 2026** | **December 31, 2025** | **$** | **%** |
| Interest-bearing deposits in other banks | $ 83,786 | $ 151,318 | $ (67,532) | (44.6)% |
| Investment securities available-for-sale, at fair value | 24,998 | 27,755 | (2,757) | (9.9)% |
| Investment securities held-to-maturity, net | 8,414 | 9,927 | (1,513) | (15.2)% |
| Strategic Program loans held-for-sale, at lower of cost or fair value | 134,661 | 146,473 | (11,812) | (8.1)% |
| Loans held-for-investment, net | 505,328 | 497,120 | 8,208 | 1.7 % |
| Total assets | 958,325 | 977,135 | (18,810) | (1.9)% |
| Deposits | 707,601 | 754,561 | (46,960) | (6.2)% |
| Total liabilities | 750,275 | 783,940 | (33,665) | (4.3)% |
| Total shareholders' equity | 208,050 | 193,195 | 14,855 | 7.7 % |
| Total equity to total assets | 21.7 % | 19.8 % | | 1.9 % |

*Interest-Bearing Deposits in Other Banks*

The decrease in interest-bearing deposits in other banks from December 31, 2025 to September 30, 2026, was primarily due to excess cash carried at year end 2025 and lower funding requirements for the Strategic Program loans held-for-investment portfolio. Aside from minimal balances held with our correspondent banks, the majority of our interest-bearing deposits are held at the Federal Reserve.

*Securities*

We use our securities portfolio to provide a source of liquidity, provide an appropriate return on funds invested, manage interest rate risk, meet collateral requirements and meet regulatory capital requirements.

We classify investment securities as either held-to-maturity or available-for-sale based on our intentions and our ability to hold such securities until maturity. In determining such classifications, securities that we have the intent and the ability to hold until maturity are classified as held-to-maturity and carried at amortized cost. All other securities are designated as available-for-sale and carried at estimated fair value with unrealized gains and losses included in shareholders' equity on an after-tax basis.

The following table summarizes the contractual maturities and weighted-average yields of our investment securities at September 30, 2026. The weighted average yield of investment securities was calculated using the sum of all interest that the investments generate, divided by the average book value. There are no tax-exempt securities.

| | **1 Year or Less** | **1 - 5 Years** | **5 - 10 Years** | **Over 10 Years** | **Total** |
|---|---|---|---|---|---|
| Securities available-for-sale: | | | | | |
| U.S. Treasuries | 4.18 % | — % | — % | — % | 4.18 % |
| | | | | | |
| Securities held-to-maturity: | | | | | |
| Mortgage-backed securities | — % | 3.38 % | 1.31 % | 1.99 % | 1.76 % |
| Collateralized mortgage obligations | — % | 3.14 % | — % | 2.29 % | 2.40 % |
| Total | 4.18 % | 3.23 % | 1.31 % | 2.19 % | 3.65 % |

There were no sales or transfers of investment securities between classifications during the nine months ended September 30, 2026 and 2025.

At September 30, 2026, we had a total of twenty securities in an unrealized loss position, consisting of nine collateralized mortgage obligations,ten mortgage-backed securities and one U.S. Treasury security. At December 31, 2025, we had a total of seventeen securities in an unrealized loss position, consisting of eight collateralized mortgage obligations and nine mortgage-backed securities.

*Strategic Program Loans Held-for-Sale*

We, through our Strategic Program service providers, offer unsecured and secured consumer and business loans to borrowers within certain approved credit profiles nationwide. Loans originated through these programs are limited to predetermined Bank underwriting criteria, which has been approved by our board of directors. We generally retain the loans and/or receivables for a number of business days after origination before selling the loans and/or receivables to the Strategic Program provider or another investor. Interest income is earned by us while holding the loans. These loans are classified as held-for-sale on the balance sheet and measured at the lower of cost or market.

Our Strategic Program loans held-for-sale decreased $11.8 million as of September 30, 2026 compared to December 31, 2025, primarily as a result of lower originations for certain programs.

*Loans Held-for-Investment Portfolio*

The following table summarizes our loan portfolio held-for-investment by loan program as of the dates indicated:

| | As of September 30, 2026 | | As of December 31, 2025 | |
|---|---|---|---|---|
| *($ in thousands)* | **Amount** | **% of Total Loans** | **Amount** | **% of Total Loans** |
| SBA[(1)] | $ 135,780 | 23.2% | $ 205,308 | 38.7% |
| Commercial leases | 79,102 | 13.5% | 68,848 | 13.0% |
| Commercial, non-real estate | 3,157 | 0.5% | 4,266 | 0.8% |
| Residential real estate | 79,934 | 13.7% | 60,531 | 11.4% |
| Strategic Program loans: | | | | |
| Strategic Program loans - with credit enhancement | 146,241 | 25.0% | 59,877 | 11.3% |
| Strategic Program loans - without credit enhancement | 36,902 | 6.3% | 21,905 | 4.1% |
| Commercial real estate: | | | | |
| Owner occupied | 87,465 | 14.9% | 85,326 | 16.1% |
| Non-owner occupied | 2,247 | 0.4% | 1,665 | 0.3% |
| Consumer | 14,321 | 2.5% | 22,166 | 4.3% |
| Total loans held-for-investment | $ 585,149 | 100.0% | $ 529,892 | 100.0% |

(1) SBA loans as of September 30, 2026 and December 31, 2025 include $44.0 million and $102.5 million, respectively, of SBA 7(a) loan balances that are guaranteed by the SBA.

We manage our loan portfolio based on factors that include concentrations per loan program and aggregated portfolio, industry of operation and geographies. We also monitor the impact of identified and estimated losses on capital as well as the pricing characteristics of each product. The following provides a general description and the risk characteristics relevant to each of our loan products. Each loan is assigned a risk grade during the origination and closing process by credit administration personnel based on criteria described later in this section. We analyze the resulting ratings, as well as other external statistics and factors such as delinquency, to track the migration performance of the portfolio balances. This ratings analysis is performed at least quarterly.

*SBA*

We originate and service loans partially guaranteed by the SBA under its Section 7(a) loan program for small businesses and professionals throughout the United States. Through our diversification efforts, we have built an SBA 7(a) portfolio that we believe positions us to better withstand economic shifts. For example, we focus on industries such as non-store retailers (e-commerce), ambulatory healthcare services, professional, scientific and technical services (including law firms), and merchant wholesalers.

As of September 30, 2026 and December 31, 2025, we had total SBA 7(a) loans of $135.8 million and $205.3 million, respectively, representing 23.2% and 38.7% of our total loans held-for-investment, respectively. Loans are sourced primarily through our referral relationship with BFG. Although BFG actively markets throughout the United States, we have developed a lending presence in the New York and New Jersey geographies due to its physical location in New York. The maximum SBA 7(a) loan amount is $5.0 million. Underwriting is generally based on commercial credit metrics where the primary repayment source is borrower cash flow, secondary is personal guarantor cash flow and tertiary is the sale of collateral pledged. These loans may be secured by commercial and residential mortgages as well as liens on business assets. In addition to typical underwriting metrics, we review the nature of the business, use of proceeds, length of time in business and management experience to help us target loans that we believe have lower credit risk. The SBA 7(a) program generally provides 50%, 75%, 85% and 90% guarantees for eligible SBA 7(a) loans. The guaranty is conditional and covers a portion of the risk of payment default by the borrower, but not the risk of improper underwriting, closing or servicing by the lender. As such, prudent underwriting, closing and servicing processes are essential to effective utilization of the SBA 7(a) program. We will sell interests in the SBA-guaranteed portion (typically 75% of the principal balance) of a majority of the loans we originate at a premium in the secondary market while retaining all servicing rights and the unguaranteed portion when market pricing for SBA loans are favorable. We will retain both the guaranteed portion and unguaranteed portion on our balance sheet when market pricing for SBA loans is less favorable and to season the new SBA loans to obtain optimal pricing. During the nine months ended September 30, 2026, we sold $78.5 million of the guaranteed principal balances of SBA loans.

*Commercial leases*

As of September 30, 2026 and December 31, 2025, we had total commercial leases of $79.1 million and $68.8 million, respectively, representing 13.5% and 13.0% of our total loans held-for-investment, respectively. Underwriting for smaller credit requests from customers is generally based on an internal credit scorecard, incorporating several customer and structure attributes including: severity and aging of delinquency; number of credit inquiries; loan-to-value ratio; term; and payment-to-income ratio. We periodically update our underwriting scorecard, which can have an impact on our credit tier scoring. Underwriting for larger credit requests from customers is generally based on commercial credit metrics where the primary repayment source considered is borrower cash flow, secondary is personal guarantor cash flow (when applicable) and tertiary is the sale of collateral pledged. The nature of the business, use of proceeds, length of time in business, management experience, repayment ability, credit history, ratio calculations and assessment of collateral adequacy are also underwriting considerations. These leases are generally secured by liens on business assets leased or purchased with Company funds. Historically, we have retained these leases on our balance sheet for investment; however, we may sell leases to certain purchasers from time to time.

*Commercial, non-real estate*

Commercial non-real estate loans consist of loans and leases made to commercial enterprises that are not secured by real estate. As of September 30, 2026 and December 31, 2025, we had total commercial non-real estate loans of $3.2 million and $4.3 million, respectively, representing 0.5% and 0.8% of our total loans held-for-investment, respectively. Any loan, lease, line of credit, or letter of credit (including any unfunded commitments) and any interest obtained in such loans made by another lender to individuals, sole proprietorships, partnerships, corporations, or other business enterprises for commercial, industrial, agricultural, or professional purposes, not secured by real estate, but not for personal expenditure purposes are included in this category. For example, commercial vehicle term loans and commercial working capital term loans are included in this product loan category. Underwriting is generally based on commercial credit metrics where the primary repayment source is borrower cash flow, secondary is personal guarantor cash flow (when applicable) and tertiary is the sale of collateral pledged. The nature of the business, use of proceeds, length of time in business, management experience, repayment ability, credit history, ratio calculations and assessment of collateral adequacy are all considerations. These loans are generally secured by liens on business assets. Historically, we have retained these loans on our balance sheet for investment.

*Residential real estate*

Residential real estate loans include construction, lot and land development loans that are for the purpose of acquisition and development of property to be improved through the construction of residential buildings, and loans secured by other residential real estate. As of September 30, 2026 and December 31, 2025, we had total residential real estate loans of $79.9 million and $60.5 million, respectively, representing 13.7% and 11.4% of our total loans held-for-investment, respectively. Construction loans are usually paid off through the conversion to permanent financing from third-party lending institutions. Lot loans may be paid off as the borrower converts to a construction loan. At the completion of the construction project, if the loan is converted to permanent financing by us or if scheduled loan amortization begins, it is then reclassified from

construction to single-family dwelling. Underwriting of construction and development loans typically includes analysis of the general market conditions associated with the area and type of project being funded in addition to the borrower's financial condition and ability to meet the required debt obligation. These loans are generally secured by mortgages for residential property located primarily in the Salt Lake City, Utah MSA, and we obtain guarantees from responsible parties. Historically, we have retained these loans on our balance sheet for investment.

*Strategic Program loans*

Through our Strategic Program service providers, we issue unsecured and secured consumer and business loans to borrowers within certain approved credit profiles nationwide. Although we have generally sold most of these loans, we may choose to hold more of the funded loans and/or receivables based on a number of factors including the amount of our available capital. As of September 30, 2026 and December 31, 2025, we had total Strategic Program loans held-for-investment of $183.1 million and $81.8 million, respectively, representing 31.3% and 15.4% of our total loans held-for-investment, respectively. Loans originated through the Strategic Program are limited to predetermined Bank underwriting criteria, which has been approved by our board of directors. The primary form of repayment on these loans is from the borrower's personal or business cash flow. Secured loans are secured by liens on consumer or business assets, as applicable. We reserve the right to sell any portion of funded loans and/or receivables directly to the Strategic Program service providers or other investors. We generally retain the legal right to service all these loans, but contract with the Strategic Program service provider or another approved sub-servicer to service these loans on our behalf.

Strategic Program loans with credit enhancement

The Strategic Program loans with credit enhancement are distinct from our traditional loan portfolio. A specified percentage of the outstanding Strategic Program loan balances, representing interest and potentially other revenue sources associated with the program, is retained in a restricted deposit account, from which FinWise recovers its share of any charged-off principal and interest on the related loans. Interest and fees collected in excess of the amounts needed to maintain the deposit balance at the required level are paid to the fintech. In addition, the sponsoring fintech company guarantees that FinWise is reimbursed for the credit and fraud losses associated with these loans. Credit enhanced Strategic Program loans totaled $146.2 million and $59.9 million as of September 30, 2026 and December 31, 2025, representing 25.0% and 11.3% of our total loans held-for-investment, respectively. This significant increase reflects the expansion of the credit enhanced program and its impact on our balance sheet. The Reconciliations of Non-GAAP Financial Measures section of this report below further details the impact of the credit enhancement program on our allowance for credit losses and related non-GAAP financial measures.

Strategic Program loans without credit enhancement

Strategic Program loans without credit enhancement totaled $36.9 million and $21.9 million as of September 30, 2026 and December 31, 2025, representing 6.3% and 4.1% of our total loans held-for-investment, respectively. Unlike the credit enhanced loans, these non-credit enhanced loans do not benefit from a third-party guarantee or indemnification of credit and fraud losses by the Strategic Program service provider. As a result, the Bank retains the full interest and fee income as well as the credit and fraud losses associated with these loans, and they are subject to our standard credit risk management, monitoring, and allowance for credit losses under the CECL model. The accounting for non-credit enhanced Strategic Program loans is consistent with our other held-for-investment loan portfolios. While the non-credit enhanced Strategic Program loans represent a smaller portion of our overall loan portfolio, they provide additional diversification and support our broader fintech strategy.

*Commercial real estate*

Commercial real estate loans include loans to individuals, sole proprietors, partnerships, corporations, or other business enterprises for commercial, industrial, agricultural, or professional purposes, secured by real estate, but not for personal expenditure purposes. As of September 30, 2026 and December 31, 2025, we had total commercial real estate loans of $89.7 million and $87.0 million, respectively, representing 15.3% and 16.4% of our total loans held-for-investment, respectively. Of these amounts, $87.5 million and $85.3 million represented owner occupied properties as of September 30, 2026 and December 31, 2025, respectively. Underwriting is generally based on commercial credit metrics where the primary repayment source is borrower cash flow, secondary is personal guarantor cash flow (when applicable) and tertiary is the sale of collateral pledged. The nature of the business, use of proceeds, length of time in business, management experience, repayment ability, credit history, ratio calculations and assessment of collateral adequacy are all considerations. In addition to real estate, these loans may also be secured by liens on business assets. Historically, we have retained these loans on our balance sheet for investment.

*Consumer*

Consumer lending provides financing for personal, family, or household purposes on a nationwide basis. Most of these loans are originated through our loan origination system platform and come from a variety of sources, including other approved merchant or dealer relationships and lending platforms. As of September 30, 2026 and December 31, 2025, we had total consumer loans of $14.3 million and $22.2 million, respectively, representing 2.5% and 4.3% of our total loans held-for-investment, respectively. We use a debt-to-income ("DTI") ratio test to determine whether an applicant will be able to service the debt. The DTI ratio compares the applicant's anticipated monthly expenses and total monthly obligations to the applicant's monthly gross income. Our policy is to limit the DTI ratio to 45% after calculating interest payments related to the new loan. Loan officers, at their discretion, may make exceptions to this ratio if the loan is within their authorized lending limit. DTI ratios of no more than 50% may be approved subject to an increase in interest rate. Strong offsetting factors such as higher discretionary income or large down payments are used to justify exceptions to these guidelines. All exceptions are documented and reported. While the loans are generally for the purchase of goods which may afford us a purchase money security interest, these loans are underwritten as if they were unsecured. On larger loans, we may file a Uniform Commercial Code financing form. Historically, we have retained these loans on our balance sheet for investment.

*Loan Maturity*

The following table details the contractual maturity ranges of loans in our loan portfolio and the amount of such loans with fixed and variable rates in each maturity range as of September 30, 2026:

| | Remaining Contractual Maturity Held-for-Investment | | | | |
|---|---|---|---|---|---|
| *($ in thousands)* | **One Year or Less** | **After One Year and Through Five Years** | **After Five Years and Through Fifteen Years** | **After Fifteen Years** | **Total** |
| **Fixed rate loans:** | | | | | |
| SBA | $ 400 | $ 1,558 | $ 2,368 | $ 1,035 | $ 5,361 |
| Commercial leases | 24,511 | 52,816 | 1,775 | — | 79,102 |
| Commercial, non-real estate | 900 | 2,230 | 27 | — | 3,157 |
| Residential real estate | 9,280 | 7,001 | 149 | — | 16,430 |
| Strategic Program loans | 169,890 | 10,399 | 2,796 | 42 | 183,127 |
| Commercial real estate | | | | | |
| Owner occupied | 3,089 | 6,645 | 1,723 | — | 11,457 |
| Non-owner occupied | 211 | 592 | 1,026 | 66 | 1,895 |
| Consumer | 4,555 | 8,646 | 1,119 | — | 14,320 |
| Subtotal fixed rate loans | 212,836 | 89,887 | 10,983 | 1,143 | 314,849 |
| | | | | | |
| **Variable rate loans:** | | | | | |
| SBA | 11,508 | 44,755 | 51,726 | 22,430 | 130,419 |
| Commercial leases | — | — | — | — | — |
| Commercial, non-real estate | — | — | — | — | — |
| Residential real estate | 56,697 | 4,407 | 2,399 | — | 63,503 |
| Strategic Program loans | 16 | — | — | — | 16 |
| Commercial real estate | | | | | |
| Owner occupied | 8,804 | 34,951 | 30,829 | 1,426 | 76,010 |
| Non-owner occupied | 352 | — | — | — | 352 |
| Consumer | — | — | — | — | — |
| Subtotal variable rate loans | 77,377 | 84,113 | 84,954 | 23,856 | 270,300 |
| Total | $ 290,213 | $ 174,000 | $ 95,937 | $ 24,999 | $ 585,149 |

*Nonperforming Assets*

Loans are considered past due if the required principal and interest payments have not been received as of the date such payments were contractually due. Loans are placed on nonaccrual status when, in management's opinion, the borrower may be unable to meet payment obligations as they become due, as well as when required by regulatory provisions. Loans may be placed on nonaccrual status regardless of whether such loans are actually past due. In general, we place loans on nonaccrual status when they become 90 days past due unless they are both well secured and in the process of collection. We also place loans on nonaccrual status if they are less than 90 days past due if the collection of principal or interest is in doubt. When interest accrual is discontinued, all unpaid accrued interest is reversed from income. Interest income is subsequently recognized only to the extent recoveries received (either from payments received from the customer, derived from the disposition of collateral or from legal action, such as judgment enforcement) exceed liquidation expenses incurred and outstanding principal.

A nonaccrual asset may be restored to accrual status when (1) none of its principal and interest is due and unpaid, and we expect repayment of the remaining contractual principal and interest, or (2) when asset otherwise becomes well secured and is not in the process of collection.

Any loan, or portion of a loan, which we deem to be uncollectible is charged off to the extent of the anticipated loss. In general, the reported balance of commercial loans that are past due for 90 days or more are reduced to the estimated net realizable value. Consumer loans and credit card balances are charged off at no later than 120 days and 180 days, respectively. We believe our disciplined lending approach and focused management of nonperforming assets has resulted in sound asset quality and timely resolution of problem assets. We have several procedures in place to assist us in maintaining the overall quality of our loan portfolio. We have established underwriting guidelines to be followed by our loan officers, and we also monitor our delinquency levels for any negative or adverse trends. There can be no assurance, however, that our loan portfolio will not become subject to increasing pressures from deteriorating borrower credit due to general economic conditions.

We had a total of $37.1 million in nonperforming assets as of September 30, 2026, which included $17.7 million of SBA 7(a) loan balances that are guaranteed by the SBA. We had $43.9 million in nonperforming assets which included $0.5 million in material loan modifications at December 31, 2025. The amount of nonperforming assets as of December 31, 2025 includes $24.4 million of SBA 7(a) loan balances that are guaranteed by the SBA. The decrease in nonperforming assets from the prior year was primarily attributable to a decrease in the SBA 7(a) loan portfolio being classified as nonaccrual mainly due to paydowns.

Our Strategic Program service providers also provide for loan modifications to borrowers. The service providers are authorized to make the loan modifications consistent with modification program terms previously approved by FinWise but without prior FinWise consent on the specific loans in order to react to immediately to borrower contact and optimize collections. As of September 30, 2026 the balance of outstanding loan modifications was approximately $0.3 million.

*Credit Risk Profile*

We believe that we underwrite loans carefully and thoroughly, limiting our lending activities to those products and services where we have the resources and expertise to lend profitably without undue credit risk. We require all loans to conform to our underwriting policies (or otherwise be identified as exceptions to policy and monitored and reported on, at minimum, quarterly) and be granted on a sound basis. Loans are made with a primary emphasis on loan profitability, credit risk and concentration exposures.

We are proactive in our approach to identifying and resolving problem loans and are focused on working with the borrowers and guarantors of problem loans to provide loan modifications when warranted. When considering how to best diversify our loan portfolio, we consider several factors including our aggregate and product-line specific concentration risks, our business line expertise, and the ability of our infrastructure to appropriately support the product. While certain product lines generate higher net charge-offs, our exposure is carefully monitored and mitigated by our concentration policies and reserved for by the credit loss allowance we maintain. Specifically, retention of certain Strategic Program loans with higher default rates accounts for a disproportionate amount of our charge-offs. In addition to our oversight of the credit policies and processes associated with these programs, we limit within our concentration policies the aggregate exposure of these loans as a percentage of the total loan portfolio, carefully monitor certain vintage loss-indicative factors such as first payment default and marketing channels, and appropriately provision for these balances so that the cumulative charge-off rates remain consistent with management expectations. While the level of nonperforming assets fluctuates in response to changing economic and market conditions, the relative size and composition of the loan portfolio, and our management’s degree of success in resolving problem assets, we believe our proactive stance to early identification and intervention is the key to successfully managing our loan portfolio.

Accurate and timely loan risk grading is considered a critical component of an effective credit risk management system. Loan grades take into consideration the borrower’s financial condition, industry trends, and the economic environment. Loan risk grades are changed as necessary to reflect the risk inherent in the loan. Among other things, we use loan risk grading information for loan pricing, risk and collection management and determining credit loss reserve adequacy. Further, on a quarterly basis, the Loan Committee holds a Loan Risk Grade meeting to review all loans in our portfolio for accurate risk grading. Any required changes to the loan risk grading are made after the Loan Risk Grade meeting to provide for accurate reporting. Reporting is achieved in Loan Committee minutes, which minutes are reviewed by the Board. We supplement credit department supervision of the loan underwriting, approval, closing, servicing and risk grading process with periodic loan reviews by risk department personnel specific to the testing of controls.

We use a grading system to rank the quality of each loan. The grade is periodically evaluated and adjusted as performance dictates. Internal loan grades are based on current financial information, historical payment experience, and credit documentation, among other factors. The following guidelines govern the assignment of these risk grades. We do not currently grade Strategic Program loans held-for-investment due to their small balances and similar characteristics. As

credit quality for Strategic Program loans have been highly correlated with delinquency levels, the Strategic Program loans are evaluated collectively for impairment.

Pass – A Pass asset is higher quality and does not fit any of the other categories described below. The likelihood of loss is believed to be remote.

Watch – A Watch asset may be a larger loan or one that places a heavier reliance on collateral due to the relative financial strength of the borrower. The assets may be maintenance intensive requiring closer monitoring. The obligor is believed to have an adequate primary source of repayment. New loans pursuant to the SBA 7(a) program are classified as watch loans until they have a demonstrated period of satisfactory performance, typically 18 months.

Special Mention – A Special Mention asset has potential weaknesses that may be temporary or, if left uncorrected, may result in a loss. While concerns exist, we believe that it is currently protected against a default and loss is considered unlikely and not imminent.

Substandard – A Substandard asset is believed to be inadequately protected by the current sound worth and paying capacity of the obligor or of the collateral pledged, if any. Assets so classified have identified weaknesses and are characterized by the possibility that we may sustain some loss if deficiencies are not corrected.

Doubtful – A doubtful asset has an existing weakness or weaknesses that make collection or liquidation in full, on the basis of currently existing facts and conditions, highly questionable and improbable.

Loss – A loss asset has an existing weakness or weaknesses that render the loan uncollectible and of such little value that continuing to carry as an asset on our books is not warranted. This classification does not mean that the loan has absolutely no recovery or salvage value, but rather it is not practical nor desirable to defer writing off this basically worthless asset, even though partial recovery may be affected in the future.

Not Rated – For certain Strategic Program and consumer loans, we do not evaluate and risk rate the loans in the same manner as other loans in our portfolio. The Not Rated loans are typically homogenous, smaller dollar balances approved using abridged underwriting methods that allow us to streamline the loan approval process and increase efficiency. Credit quality for Strategic Program loans has been highly correlated with delinquency levels.

See Note 5 - Loans to the consolidated financial statements included in Part I, Item 1 for more information on the credit quality of our loans held-for-investment (“LHFI”) portfolio.

*Allowance for Credit Losses*

The estimate of credit loss incorporates assumptions for both the likelihood and amount of funding over the estimated life of the commitments, including adjustments for current conditions and reasonable and supportable forecasts. Management periodically reviews and updates its assumptions for estimated funding rates. Our judgment in determining the adequacy of the allowance is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available and as situations and information change. We evaluate the ACL on at least a quarterly basis and take into consideration such factors as changes in the nature and volume of the loan portfolio, overall portfolio quality, review of specific problem loans and current economic conditions and trends that may affect the borrower’s ability to repay. The quality of the loan portfolio and the adequacy of the ACL is reviewed by regulatory examinations and our auditors.

Credit losses are charged against the ACL when we believe that the collectability of the principal loan balance is unlikely. Subsequent recoveries, if any, are credited to the ACL when received. The amortized cost basis of loans does not include accrued interest receivable, which is included in other assets on the consolidated balance sheets. The provision for credit losses on the consolidated statements of income is a combination of the provision for credit losses and the provision for unfunded loan commitments.

The following table presents a summary of changes in the ACL for the periods and dates indicated:

| *($ in thousands)* | Three Months Ended September 30, 2026 | Three Months Ended September 30, 2025 | Nine Months Ended September 30, 2026 | Nine Months Ended September 30, 2025 |
|---|---|---|---|---|
| Allowance for credit losses: | | | | |
| Beginning balance | $ 43,851 | $ 16,247 | $ 32,772 | $ 13,176 |
| Provision for credit losses | 46,590 | 12,658 | 78,409 | 20,761 |
| **Charge-offs** | | | | |
| Construction and land development | — | — | — | — |
| Residential real estate | (98) | (33) | (495) | (250) |
| Residential real estate multifamily | — | — | — | — |
| Commercial real estate | | | | |
| Owner occupied | (826) | (258) | (3,682) | (628) |
| Non-owner occupied | — | — | (457) | — |
| Commercial and industrial | (165) | (409) | (1,375) | (492) |
| Consumer | (13) | (119) | (302) | (347) |
| Lease financing receivables | (48) | (52) | (466) | (221) |
| Strategic Program loans: | | | | |
| Strategic Program loans - with credit enhancement | (8,216) | (105) | (19,303) | (105) |
| Strategic Program loans - without credit enhancement | (2,528) | (2,641) | (7,927) | (7,304) |
| **Recoveries** | | | | |
| Construction and land development | — | — | — | — |
| Residential real estate | 279 | 3 | 283 | 9 |
| Residential real estate multifamily | — | — | — | — |
| Commercial real estate | | | | |
| Owner occupied | 423 | 90 | 756 | 125 |
| Non-owner occupied | 14 | — | 14 | — |
| Commercial and industrial | 4 | 1 | 42 | 15 |
| Consumer | 5 | 3 | 14 | 13 |
| Lease financing receivables | 3 | 52 | 66 | 26 |
| Strategic Program loans[(1)] | 546 | 341 | 1,472 | 1,000 |
| Ending balance | $ 79,821 | $ 25,778 | $ 79,821 | $ 25,778 |

[(1)] Recoveries related to Strategic Program loans that were reimbursed fully on the credit enhanced portfolio totaled $9.5 million and $1.0 thousand for the three months ended September 30, 2026 and September 30, 2025, respectively, and $20.5 million and $2.0 thousand for the nine months ended September 30, 2026 and September 30, 2025, respectively.

The following table shows the allocation of the ACL and the percentage of loans in each category to total loans as of September 30, 2026 and December 31, 2025. The ACL related to Strategic Programs constitutes 88.2% and 74.2% of the total ACL while comprising 31.3% and 15.4%, respectively, of total loans held-for-investment as of September 30, 2026 and December 31, 2025, respectively. The percentage of ACL related to Strategic Program loans retained reflects the increased credit risks associated with certain retained Strategic Program loans.

| ($ in thousands) | September 30, 2026 Amount | September 30, 2026 Percent of Loans in Category to Total Loans | December 31, 2025 Amount | December 31, 2025 Percent of Loans in Category to Total Loans |
|---|---|---|---|---|
| Construction and land development | $ 1,273 | 10.6% | $ 970 | 9.3% |
| Residential real estate | 943 | 7.5% | 777 | 10.7% |
| Residential real estate multifamily | 71 | 0.6% | 62 | 0.6% |
| Commercial real estate | | | | |
| Owner occupied | 3,659 | 29.8% | 3,267 | 40.0% |
| Non-owner occupied | 87 | 1.4% | 104 | 1.9% |
| Commercial and industrial | 1,020 | 2.9% | 773 | 5.0% |
| Consumer | 458 | 2.4% | 679 | 4.2% |
| Lease financing receivables | 1,927 | 13.5% | 1,838 | 12.9% |
| Strategic Program loans: | | | | |
| Strategic Program loans - with credit enhancement | 65,979 | 25.0% | 18,372 | 11.3% |
| Strategic Program loans - without credit enhancement | 4,404 | 6.3% | 5,930 | 4.1% |
| Total | $ 79,821 | 100.0% | $ 32,772 | 100.0% |

The following table reflects the ratios of the ACL to total LHFI, nonaccrual loans to total LHFI, and the ACL to nonaccrual loans by CECL loan category as of September 30, 2026:

| | ACL to Total LHFI | Nonaccrual Loans to Total LHFI | ACL to Nonaccrual Loans |
|---|---|---|---|
| Construction and land development | 2.1 % | 1.3 % | 152.1 % |
| Residential real estate | 2.1 % | 22.8 % | 9.4 % |
| Residential real estate multifamily | 2.0 % | — % | — % |
| Commercial real estate | | | |
| Owner occupied | 2.1 % | 11.7 % | 17.9 % |
| Non-owner occupied | 1.1 % | 24.9 % | 4.3 % |
| Commercial and industrial | 6.1 % | 7.5 % | 81.8 % |
| Consumer | 3.2 % | — % | 22,900.0 % |
| Lease financing receivables | 2.4 % | 0.7 % | 374.2 % |
| Strategic Program loans | 38.4 % | — % | — % |
| Total | 13.6 % | 6.0 % | 227.8 % |

The following table reflects the ratios of the ACL to total LHFI, nonaccrual loans to total LHFI, and the ACL to nonaccrual loans by CECL loan category as of December 31, 2025:

| | ACL to Total LHFI | Nonaccrual Loans to Total LHFI | ACL to Nonaccrual Loans |
|---|---|---|---|
| Construction and land development | 2.0 % | 4.7 % | 42.1 % |
| Residential real estate | 1.4 % | 19.9 % | 6.9 % |
| Residential real estate multifamily | 1.9 % | — % | — % |
| Commercial real estate | | | |
| Owner occupied | 1.5 % | 11.3 % | 13.7 % |
| Non-owner occupied | 1.1 % | 28.8 % | 3.7 % |
| Commercial and industrial | 2.9 % | 8.6 % | 34.1 % |
| Consumer | 3.1 % | 0.2 % | 1,281.1 % |
| Lease financing receivables | 2.7 % | 1.1 % | 245.7 % |
| Strategic Program loans | 29.7 % | — % | — % |
| Total | 6.2 % | 7.5 % | 84.8 % |

When comparing September 30, 2026 to December 31, 2025, the increase in ACL to total loans held-for-investment was primarily due to the increase of the credit enhanced loan portfolio ACL resulting from the change in portfolio composition. The decrease in nonaccrual loans to total loans held-for-investment as shown above was primarily driven by a decline in nonaccrual loan balances and growth in the total loans held-for-investment portfolio during the period. The increase in the ACL to nonaccrual loans ratio as shown above primarily pertained to growth in the credit enhanced loans included in the Strategic Program loans held-for-investment offset in part by the decrease in nonaccrual loan balances during the period.

The following tables summarize net charge-offs ("NCO"), average loans from continuing operations and the ratio of annualized NCO to average loans for the periods indicated:

| | Three Months Ended September 30, 2026 | | | Three Months Ended September 30, 2025 | | |
|---|---|---|---|---|---|---|
| *($ in thousands)* | Net Charge-Offs | Average Loans | Annualized NCO to Average Loans | Net Charge-Offs | Average Loans | Annualized NCO to Average Loans |
| Construction and land development | $ — | $ 61,183 | — % | $ — | $ 47,953 | — % |
| Residential real estate | (181) | 45,486 | (1.6)% | 30 | 57,669 | 0.2 % |
| Residential real estate multifamily | — | 3,712 | — % | — | 2,225 | — % |
| Commercial real estate | | | | | | |
| Owner occupied | 403 | 187,848 | 0.9 % | 168 | 229,154 | 0.3 % |
| Non-owner occupied | (14) | 8,435 | (0.7)% | — | 11,230 | — % |
| Commercial and industrial | 161 | 20,961 | 3.0 % | 408 | 34,507 | 4.7 % |
| Consumer | 8 | 16,221 | 0.2 % | 116 | 24,162 | 1.9 % |
| Lease financing receivables | 45 | 79,014 | 0.2 % | — | 77,539 | — % |
| Strategic Program loans: | | | | | | |
| Strategic Program loans - with credit enhancement | 8,055 | 116,953 | 27.3 % | 105 | 28,576 | 1.5 % |
| Strategic Program loans - without credit enhancement | 2,143 | 17,062 | 49.8 % | 2,300 | 29,580 | 30.8 % |
| Total | $ 10,620 | $ 556,875 | 7.6 % | $ 3,127 | $ 542,595 | 2.3 % |

| ($ in thousands) | Nine Months Ended September 30, 2026 | | | Nine Months Ended September 30, 2025 | | |
|---|---|---|---|---|---|---|
| | Net Charge-Offs | Average Loans | Annualized NCO to Average Loans | Net Charge-Offs | Average Loans | Annualized NCO to Average Loans |
| Construction and land development | $ — | $ 56,224 | — % | $ — | $ 43,977 | — % |
| Residential real estate | 212 | 50,708 | 0.6 % | 241 | 55,370 | 0.6 % |
| Residential real estate multifamily | — | 3,288 | — % | — | 1,782 | — % |
| Commercial real estate | | | | | | |
| Owner occupied | 2,926 | 202,826 | 1.9 % | 503 | 199,337 | 0.3 % |
| Non-owner occupied | 443 | 8,576 | 6.9 % | — | 11,702 | — % |
| Commercial and industrial | 1,333 | 24,201 | 7.4 % | 477 | 41,769 | 1.5 % |
| Consumer | 288 | 18,268 | 2.1 % | 334 | 21,969 | 2.0 % |
| Lease financing receivables | 400 | 76,678 | 0.7 % | 195 | 69,528 | 0.4 % |
| Strategic Program loans: | | | | | | |
| Strategic Program loans - with credit enhancement | 19,028 | 77,971 | 32.6 % | 105 | 11,171 | 1.3 % |
| Strategic Program loans - without credit enhancement | 6,730 | 20,028 | 44.9 % | 6,304 | 55,072 | 15.3 % |
| Total | $ 31,360 | $ 538,768 | 7.8 % | $ 8,159 | $ 511,677 | 2.1 % |

The total ratio of annualized NCO to average loans outstanding was higher during the three months ended September 30, 2026, as compared to the three months ended September 30, 2025, primarily due to a higher growth rate in the quarterly average balances of Strategic Program loans related to the credit enhanced program when compared to the growth rate of net charge-offs in that program.

The total ratio of annualized NCO to average loans outstanding was higher during the nine months ended September 30, 2026, as compared to the same prior year period, primarily due to higher charge-off activity across the commercial real estate owner-occupied, commercial and industrial, and Strategic Program loans related to the credit enhanced program. We recognized losses in connection with the liquidation of non-performing loans and increased provisioning on loans with characteristics common to those migrating to nonperforming status.

Charge-offs related to the credit enhanced loan program have increased significantly in 2026 commensurate with growth in the credit enhanced portfolio. We recover charge-offs from a deposit reserve account that each partner is required to maintain and replenish. We assess the adequacy of this structure by ensuring that excess spread on the underlying loans is sufficient to absorb estimated losses under stressed scenarios. We also evaluate each partner’s financial capacity to honor its guarantee obligation in the event credit losses exceed the replenishment capacity of the excess spread, both at inception of the credit enhanced relationship and periodically thereafter, with the frequency of ongoing assessment dependent on the partner's financial strength.

*Total Assets*

Total assets at September 30, 2026 were $958.3 million, a decrease of $18.8 million from December 31, 2025, reflecting the changes in our asset composition discussed above.

*Deposits*

Deposits are the major source of funding for us. We offer a variety of deposit products including interest and noninterest bearing demand accounts, HSA demand deposits, money market and savings accounts and certificates of deposit, all of which we market at competitive pricing. We generate deposits from our customers on a relationship basis and through access to national institutional and brokered deposit sources. We also generate deposits in relation to our Strategic Programs in the form of reserve accounts as discussed above. These deposits add an element of flexibility in that they tend

to increase or decrease in relation to the size of our Strategic Program loan portfolio. In addition to the reserve account, some Strategic Program loan originators maintain operating deposit accounts with us.

The following table presents the end of period balances of our deposit portfolio for the periods indicated:

| | September 30, 2026 | | December 31, 2025 | |
|---|---|---|---|---|
| *($ in thousands)* | **Total** | **Percent** | **Total** | **Percent** |
| Noninterest-bearing demand deposits | $ 137,425 | 19.4% | $ 168,442 | 22.3% |
| Interest-bearing deposits: | | | | |
| Demand | 75,544 | 10.7% | 74,817 | 9.9% |
| Savings | 7,290 | 1.0% | 11,017 | 1.5% |
| Money markets | 20,232 | 2.9% | 22,017 | 2.9% |
| Time certificates of deposit | 467,110 | 66.0% | 478,268 | 63.4% |
| Total period end deposits | $ 707,601 | 100.0% | $ 754,561 | 100.0% |

The decrease in total deposits as of September 30, 2026 compared to December 31, 2025 of $47.0 million was primarily due to reductions in noninterest-bearing demand deposits and certificates of deposit, as excess funds were not required to support the lower level of assets.

As an FDIC-insured institution, our deposits are insured up to $250,000 per depositor, per insured bank, for each account ownership category. Our total estimated uninsured deposits were $180.2 million and $204.1 million as of September 30, 2026 and December 31, 2025, respectively. Estimated uninsured deposits at the Bank as of September 30, 2026 include $47.2 million of total deposits contractually required to be maintained at the Bank pursuant to our Strategic Program agreements and an additional $38.2 million of total deposits associated with accounts owned by the parent holding company or the Bank. The maturity profile of our uninsured time deposits, those amounts that exceed the FDIC insurance limit, at September 30, 2026 is as follows:

| | September 30, 2026 | | | | |
|---|---|---|---|---|---|
| *($ in thousands)* | **Three Months or Less** | **More than Three Months to Six Months** | **More than Six Months to Twelve Months** | **More than Twelve Months** | **Total** |
| Time deposits, uninsured | $ — | $ 7 | $ 3,135 | $ 577 | $ 3,719 |

*Total Liabilities*

Total liabilities decreased to $750.3 million, or 4.3%, as of September 30, 2026 from $783.9 million as of December 31, 2025 primarily due to a decrease in deposits as discussed above.

**Liquidity and Capital Resources**

***Liquidity Management***

Liquidity management is the ability to meet current and future financial obligations of a short-term nature. Our primary sources of funds consist of deposit inflows, the sale of loans, principal and interest repayments on loans and net profits. While maturities and scheduled amortization of loans and securities are predictable sources of funds, deposit flows, loan prepayments, loan sales and security sales are greatly influenced by general interest rates, economic conditions, and competition.

Our primary source of funds to originate new loans is derived from deposits. Deposits are comprised of core and non-core deposits. To attract core deposits from local and nationwide consumer and commercial markets, we historically paid rates at the higher end of the market, which we have been able to pay due to the higher margin of our technology oriented business model. We utilize rate listing services and website advertising to attract deposits from consumer and commercial sources. Non-core deposits generally include brokered deposits and deposits acquired through the utilization of a listing service.

We intend to have various term offerings to match our funding needs. With no current plans to expand our brick-and-mortar branch network, online and mobile banking offers a means to meet customer needs and better efficiency through technology compared to traditional branch networks. We believe that the rise of mobile and online banking provides us the opportunity to further leverage the technological competency we have demonstrated in recent years.

We regularly adjust our investment in liquid assets based upon our assessment of (1) expected loan demand, (2) expected deposit flows, (3) yields available on interest-earning deposits and securities and (4) the objectives of our asset/liability management, funds management and liquidity policies. The objective of our liquidity policy is to control the risk to our earnings and capital arising from the inability to meet obligations in a timely manner. This entails ensuring sufficient funds are available at all times and at a reasonable cost to meet potential demands from both fund providers and borrowers.

We primarily utilize short-term and long-term borrowings to supplement deposits to fund our lending and investment activities. At September 30, 2026, we had the ability to access $168.4 million from the Federal Reserve Bank on a collateralized basis. The Bank had an available unsecured line of credit with three correspondent banks to borrow up to $16.1 million in overnight funds. We also maintain a $7.0 million line of credit with Federal Home Loan Bank, secured by specific pledged loans. We had no outstanding balances on any unsecured or secured lines of credit as of September 30, 2026.

Our most liquid assets are cash and cash equivalents. The levels of these assets depend on our operating, financing, lending and investing activities during any given period. At September 30, 2026, liquid assets (defined as cash and due from banks and interest-bearing deposits) totaled $92.6 million and constituted 9.7% of total assets. We believe that our liquid assets combined with the available lines of credit and our ability to generate core and non-core funding provides adequate liquidity to meet our current financial obligations for at least the next 12 months.

***Capital Resources***

We seek to maintain adequate capital to support anticipated asset growth, operating needs and unexpected risks, and to ensure that we are in compliance with all current and anticipated regulatory capital guidelines. Our primary sources of new capital include retained earnings and proceeds from the sale and issuance of capital stock or other securities. Expected future use or activities for which capital may be set aside include balance sheet growth and associated relative increases in market or credit exposure, investment activity, potential product and business expansions, acquisitions and strategic or infrastructure investments.

Shareholders' equity increased $14.9 million to $208.1 million at September 30, 2026 compared to $193.2 million at December 31, 2025, primarily due to earnings of $14.9 million reported for the period.

We use several indicators of capital strength. The most commonly used measure is total equity to total assets, which was 21.7% and 19.8% as of September 30, 2026 and December 31, 2025, respectively.

Our return on average equity was 19.9% and 10.6% for the three months ended September 30, 2026 and 2025, respectively, and 10.1% and 9.1% for the nine months ended September 30, 2026 and 2025, respectively. Our return on average assets was 4.3% and 2.2% for the three months ended September 30, 2026 and 2025, respectively, and 2.1% and 2.0% for the nine months ended September 30, 2026 and 2025, respectively.

The Bank is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a material effect on our business. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of its assets, liabilities, and certain off-balance-sheet items as calculated pursuant to regulatory definitions and requirements. The sufficiency of capital and the Bank's capital classifications are also subject to qualitative judgments by the regulators about risk weightings and other factors.

Under the prompt corrective action rules, an insured depository institution is deemed "well capitalized" if its Tier 1 leverage ratio, Common Equity Tier 1 ratio, Tier 1 Capital ratio, and Total Capital ratio meet or exceed 5%, 6.5%, 8%, and 10%, respectively. On September 17, 2019, the federal banking agencies jointly issued a rule intending to simplify the regulatory capital requirements described above for qualifying community banking organizations that opt into the Community Bank Leverage Ratio framework, as required by Section 201 of the Regulatory Relief Act. The Bank elected to opt into the Community Bank Leverage Ratio ("CBLR") framework starting in 2020. Under these capital requirements the Bank must maintain a leverage ratio greater than 9.0% to be considered well-capitalized. The minimum CBLR required for a bank to be considered well capitalized decreased to 8.0% effective July 1, 2026.

As of September 30, 2026, the most recent notification from the FDIC categorized the Bank as well-capitalized under the regulatory framework for prompt corrective action (there are no conditions or events since that notification we believe have changed the Bank's category). See Note 7 - Capital Requirements for additional information regarding our regulatory capital requirements.

*Stock Repurchase Program*

We have a stock repurchase program authorized by our Board of Directors. The stock repurchase program became effective as of May 19, 2026 and authorizes us to repurchase up to an aggregate amount of 685,000 shares of our common stock in open market transactions, privately negotiated transactions, or any manner that complies with the provisions of Rule 10b-18 of the Exchange Act, as well as pursuant to a Rule 10b5-1 trading plan. Our decision to repurchase shares will depend on a variety of factors, including but not limited to, the market price and trading volume of our common stock, general market and economic conditions, the ongoing assessment of our capital needs, and applicable legal and regulatory requirements. Other than as predetermined or restricted by a Rule 10b5-1 Trading Plan, as applicable, the repurchase program does not obligate us to purchase any particular number of shares and may be limited or terminated at any time without prior notice. During the three months ended September 30, 2026, we repurchased and retired 159,099 shares for $2.2 million. See Note 1 - Summary of Significant Accounting Policies for more information.

*Contractual Obligations*

We have contractual obligations to make future payments on debt and lease agreements. While our liquidity monitoring and management consider both present and future demands for and sources of liquidity, the following table of contractual commitments focuses only on future obligations and summarizes our contractual obligations as of September 30, 2026:

| *($ in thousands)* | **Total** | **Less than One Year** | **One to Three Years** | **Three to Five Years** | **More Than Five Years** |
|---|---|---|---|---|---|
| **Contractual Obligations** | | | | | |
| Deposits without stated maturity | $ 240,491 | $ 240,491 | $ — | $ — | $ — |
| Time deposits | 467,110 | 150,969 | 296,077 | 9,436 | 10,628 |
| Operating lease obligations | 3,691 | 1,198 | 2,390 | 103 | — |
| Total | $ 711,292 | $ 392,658 | $ 298,467 | $ 9,539 | $ 10,628 |

*Off-Balance-Sheet Financing Arrangements*

In the normal course of business, we enter into certain off-balance-sheet arrangements to meet the financing needs of our customers. These transactions include commitments to extend credit, which involves, to varying degrees, elements of credit risk and interest rate risk exceeding the amounts recognized in our consolidated statements of financial condition. Our exposure to credit loss is represented by the contractual amounts of these commitments. The same credit policies and procedures are used in making these commitments as for on-balance sheet instruments. With the exception of these off-balance-sheet arrangements, we have no off-balance-sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources. For details of our commitments to extend credit please See Note 8 - Commitments and Contingencies.

**Reconciliations of Non-GAAP Financial Measures**

We believe that both management and investors benefit from certain non-GAAP financial measures in assessing our performance and when planning, forecasting, and analyzing future periods. These non-GAAP financial measures also facilitate management's internal comparisons to our historical performance. We believe these non-GAAP financial measures are useful to investors both because (1) they allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making and (2) they are used by our institutional investors and the analyst community to help them analyze the health of our business. Accordingly, we believe that these non-GAAP financial measures provide useful information to investors and others in understanding and evaluating our operating results in the same manner as our management team. Our calculation of these non-GAAP financial measures may differ from similarly-titled non-GAAP measures, if any, reported by our peers. These non-GAAP financial measures should not be considered in isolation from, or as substitutes for, financial information prepared in accordance with GAAP.

FinWise has entered into agreements with certain of its Strategic Program service providers pursuant to which the service providers provide credit enhancement on loans which protects the Bank by indemnifying or reimbursing the Bank for incurred credit and fraud losses. We estimate and record a provision for expected losses for these Strategic Program loans in accordance with GAAP, which requires estimation of the provision without consideration of the credit enhancement. When the provision for expected losses over the life of the loans that are subject to such credit enhancement is recorded, a credit enhancement asset reflecting the future recovery of those estimated credit losses pursuant to the strategic partner's guarantee to assume the Bank's credit losses on each of the loans in the respective guaranteed portfolio is also recorded on the balance sheet in the form of non-interest income (credit enhancement income). Reimbursement or indemnification for incurred losses is provided for in the form of a deposit reserve account that is replenished periodically by the respective Strategic Program service provider. The credit enhancement asset is reduced as credit enhancement payments and recoveries are received from the Strategic Program service provider or taken from its cash reserve account. If the Strategic Program service provider is unable to fulfill its contracted obligations under its credit enhancement agreement, then the Bank could be exposed to the loss of the reimbursement and credit enhancement income as a result of this counterparty risk. The Bank incurs expenses for the amounts owed to the strategic partner for the credit guarantee and for servicing of the credit enhanced portfolio, if applicable (credit enhancement program expenses). See the following reconciliations of GAAP to non-GAAP measures for the impact of the credit enhancement on our financial condition and results.

The following non-GAAP measures are presented to illustrate the impact of certain credit enhancement program expenses on total interest income on LHFI and average yield on LHFI:

| | As of and for the Three Months Ended | | | | | |
|---|---|---|---|---|---|---|
| | September 30, 2026 | | | September 30, 2025 | | |
| *($ in thousands; unaudited)* | Total Average LHFI | Total Interest Income on LHFI | Average Yield on LHFI | Total Average LHFI | Total Interest Income on LHFI | Average Yield on LHFI |
| Before adjustment for credit enhancement | $ 608,198 | $ 41,245 | 26.90 % | $ 542,595 | $ 16,313 | 11.93 % |
| Less: credit enhancement program expenses | | (24,454) | | | (1,968) | |
| Net of adjustment for credit enhancement program expenses | $ 608,198 | $ 16,791 | 10.95 % | $ 542,595 | $ 14,345 | 10.49 % |

| ($ in thousands; unaudited) | As of and for the Nine Months Ended | | | | | |
|---|---|---|---|---|---|---|
| | September 30, 2026 | | | September 30, 2025 | | |
| | Total Average LHFI | Total Interest Income on LHFI | Average Yield on LHFI | Total Average LHFI | Total Interest Income on LHFI | Average Yield on LHFI |
| Before adjustment for credit enhancement | $ 593,297 | $ 95,327 | 21.48 % | $ 511,677 | $ 42,052 | 10.99 % |
| Less: credit enhancement program expenses | | (50,267) | | | (2,070) | |
| Net of adjustment for credit enhancement program expenses | $ 593,297 | $ 45,060 | 10.15 % | $ 511,677 | $ 39,982 | 10.45 % |

Total interest income on LHFI net of credit enhancement program expenses and the average yield on LHFI net of credit enhancement program expenses are non-GAAP measures that include the impact of credit enhancement program expenses on total interest income on LHFI and the respective average yield on LHFI, the most directly comparable GAAP measures.

The following non-GAAP measures are presented to illustrate the impact of certain credit enhancement program expenses on net interest income and NIM:

| ($ in thousands; unaudited) | As of and for the Three Months Ended | | | | | |
|---|---|---|---|---|---|---|
| | September 30, 2026 | | | September 30, 2025 | | |
| | Total Average Interest-Earning Assets | Net Interest Income | Net Interest Margin | Total Average Interest-Earning Assets | Net Interest Income | Net Interest Margin |
| Before adjustment for credit enhancement | $ 860,983 | $ 42,483 | 19.58 % | $ 811,810 | $ 18,607 | 9.09 % |
| Less: credit enhancement program expenses | | (24,454) | | | (1,968) | |
| Net of adjustment for credit enhancement program expenses | $ 860,983 | $ 18,029 | 8.31 % | $ 811,810 | $ 16,639 | 8.13 % |

| ($ in thousands; unaudited) | As of and for the Nine Months Ended | | | | | |
|---|---|---|---|---|---|---|
| | September 30, 2026 | | | September 30, 2025 | | |
| | Total Average Interest-Earning Assets | Net Interest Income | Net Interest Margin | Total Average Interest-Earning Assets | Net Interest Income | Net Interest Margin |
| Before adjustment for credit enhancement | $ 856,862 | $ 99,322 | 15.50 % | $ 753,967 | $ 47,614 | 8.44 % |
| Less: credit enhancement program expenses | | (50,267) | | | (2,070) | |
| Net of adjustment for credit enhancement program expenses | $ 856,862 | $ 49,055 | 7.65 % | $ 753,967 | $ 45,544 | 8.08 % |

Net interest income and net interest margin net of credit enhancement program expenses are non-GAAP measures that include the impact of credit enhancement program expenses on net interest income and net interest margin, the most directly comparable GAAP measures.

Non-interest expense from continuing operations less credit enhancement program expenses is a non-GAAP measure presented to illustrate the impact of credit enhancement program expenses on non-interest expense:

| *($ in thousands; unaudited)* | Three Months Ended September 30, 2026 | Three Months Ended September 30, 2025 | Nine Months Ended September 30, 2026 | Nine Months Ended September 30, 2025 |
|---|---|---|---|---|
| Total non-interest expense - continuing operations | $ 42,744 | $ 17,449 | $ 98,819 | $ 46,679 |
| Less: credit enhancement program expenses | (24,333) | (1,968) | (49,021) | (2,070) |
| Total non-interest expense less credit enhancement program expenses | $ 18,411 | $ 15,481 | $ 49,798 | $ 44,609 |

Total non-interest expense from continuing operations less credit enhancement program expenses is a non-GAAP measure that illustrates the impact of credit enhancement program expenses on non-interest expense, the most directly comparable GAAP measure.

Total non-interest income from continuing operations less credit enhancement income is a non-GAAP measure to illustrate the impact of credit enhancement income resulting from credit enhanced loans on non-interest income:

| *($ in thousands; unaudited)* | Three Months Ended September 30, 2026 | Three Months Ended September 30, 2025 | Nine Months Ended September 30, 2026 | Nine Months Ended September 30, 2025 |
|---|---|---|---|---|
| Total non-interest income - continuing operations | $ 60,825 | $ 18,052 | $ 98,242 | $ 36,199 |
| Less: credit enhancement income | (45,392) | (8,762) | (66,635) | (11,122) |
| Total non-interest income less credit enhancement income | $ 15,433 | $ 9,290 | $ 31,607 | $ 25,077 |

The following non-GAAP measure is presented to illustrate the effect of the credit enhanced program that creates the credit enhancement on the allowance for credit losses:

| *($ in thousands; unaudited)* | As of September 30, 2026 | As of December 31, 2025 |
|---|---|---|
| Allowance for credit losses | $ 79,821 | $ 32,772 |
| Less: allowance for credit losses related to credit enhanced loans | (64,247) | (18,386) |
| Allowance for credit losses excluding the effect of the allowance for credit losses related to credit enhanced loans | $ 15,574 | $ 14,386 |

The allowance for credit losses excluding the effect of the allowance for credit losses related to credit enhanced loans is a non-GAAP measure that reflects the effect of the credit enhanced program on the allowance for credit losses. The total outstanding balance of LHFI with credit enhancement as of September 30, 2026 and December 31, 2025 was approximately $146.2 million and $59.9 million, respectively.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Many assumptions are used to calculate the impact of interest rate fluctuations on our net interest income, such as asset prepayments, non-maturity deposit price sensitivity and decay rates, and key rate drivers. Because of the inherent use of these estimates and assumptions in the model, our actual results may, and very likely will, differ from our static earnings at risk ("EAR") results. In addition, static EAR results do not include actions that our management may undertake to manage the risks in response to anticipated changes in interest rates or client behavior. For example, as part of our asset/liability management strategy, management has the ability to increase asset duration and decrease liability duration in order to reduce asset sensitivity, or to decrease asset duration and increase liability duration in order to increase asset sensitivity.

The following table summarizes the results of our EAR analysis in simulating the change in net interest income and fair value of equity over a 12-month horizon as of September 30, 2026:

**IMPACT ON NET INTEREST INCOME UNDER A STATIC BALANCE SHEET, PARALLEL INTEREST RATE SHOCK**

| Earnings at risk | -400 bps | -300 bps | -200 bps | -100 bps | Flat | +100 bps | +200 bps | +300 bps | +400 bps |
|---|---|---|---|---|---|---|---|---|---|
| September 30, 2026 | (2.6)% | (1.9)% | (1.1)% | (0.5)% | — % | 0.5 % | 1.0 % | 1.5 % | 1.9 % |

Utilizing an economic value of equity ("EVE") approach, we analyze the risk to capital from the effects of various interest rate scenarios through a long-term discounted cash flow model. This measures the difference between the economic value of our assets and the economic value of our liabilities, which is a proxy for our liquidation value. While this provides some value as a risk measurement tool, management believes EAR is more appropriate in accordance with the going concern principle.

The following table illustrates the results of our EVE analysis as of September 30, 2026:

**ECONOMIC VALUE OF EQUITY ANALYSIS UNDER A STATIC BALANCE SHEET, PARALLEL INTEREST RATE SHOCK**

| Economic value of equity | -400 bps | -300 bps | -200 bps | -100 bps | Flat | +100 bps | +200 bps | +300 bps | +400 bps |
|---|---|---|---|---|---|---|---|---|---|
| September 30, 2026 | (14.4)% | (9.4)% | (5.6)% | (2.6)% | — % | 2.3 % | 4.2 % | 5.9 % | 7.3 % |

**Interest Rate Sensitivity and Market Risk**

As a financial institution, our primary component of market risk is interest rate volatility. Our asset liability and funds management policy provides management with the guidelines for funds management, and we have established a measurement system for monitoring our net interest rate sensitivity position. We endeavor to manage our sensitivity position within our established guidelines.

Fluctuations in interest rates will ultimately impact both the level of income and the market value of all interest earning assets and interest-bearing liabilities, other than those that have a short term to maturity. Interest rate risk is the potential of economic losses due to future interest rate changes. These economic losses can be reflected as a loss of future net interest income and/or a loss of current fair market values. The objective is to measure the effect on net interest income and to adjust the balance sheet to minimize the inherent risk while at the same time maximizing income.

We endeavor to manage our exposure to interest rates by structuring our balance sheet in the ordinary course of business. We do not enter into instruments such as leveraged derivatives, financial options or financial futures contracts for the purpose of reducing interest rate risk. Based on the nature of our operations, we are not subject to foreign exchange or commodity price risk. We do not own any trading assets.

Our exposure to interest rate risk is managed by the Bank's Asset/Liability Management Committee ("ALCO") in accordance with policies approved by our board of directors. The ALCO formulates strategies based on perceived levels of interest rate risk. In determining the appropriate level of interest rate risk, the committee considers the impact on earnings and capital of the current outlook for interest rates, potential changes in interest rates, regional economies, liquidity, business strategies and other factors. The ALCO meets regularly to review, among other things, the sensitivity of assets and liabilities to interest rate changes, the book and market values of assets and liabilities, unrealized gains and losses, purchase and sale activities, commitments to originate loans and the maturities of investments and borrowings. Additionally, the ALCO reviews liquidity, capital planning, cash flow flexibility, maturities of deposits and consumer and commercial deposit activity. Management employs methodologies to manage interest rate risk, which include an analysis of relationships between interest earning assets and interest-bearing liabilities and an interest rate shock simulation model.

## Item 4. Controls and Procedures

### Evaluation of Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of our disclosure controls and procedures as defined in Rule 13a-15(e) under the Exchange Act as of the end of the period covered by this Report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective to ensure that information required to be disclosed in the reports we file and submit under the Exchange Act is (1) recorded, processed, summarized and reported as and when required and (2) accumulated and communicated to our management, including our Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures.

### Changes in Internal Control Over Financial Reporting

During the quarter ended September 30, 2026, the Company completed the acquisition of certain assets and assumption of certain liabilities of Tallied and is currently in the process of integrating Tallied's operations and internal controls into the Company's overall internal control framework. Other than the ongoing integration of Tallied described above, there were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fiscal quarter ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II OTHER INFORMATION

### Item 1. Legal Proceedings

Between July and August 2025, several lawsuits were filed against the Company in the United States District Court for the District of Utah. The complaints generally asserted claims of negligence, breach of implied contract and unjust enrichment, on behalf of various classes of putative individuals who claimed to have been harmed in connection with an alleged data breach involving the Company. The plaintiffs sought equitable and injunctive relief as well as an unspecified amount of monetary damages in connection with their claims, which include an award of attorneys' fees and costs. On October 3, 2025, the Court entered an Order consolidating the pending cases and all subsequently filed putative class actions involving the same or substantially the same obligations into the pending matter into Minter et. al v. FinWise Bank et. al, Case No. 2:25-cv-00569-JNP-CMR. The Company participated in a pre-discovery mediation with the plaintiffs' attorneys on March 17, 2026, which resulted in a settlement agreement that was submitted to the Court for approval on May 8, 2026. On July 1, 2026 the court preliminarily approved the settlement fund, which, including all fees and expense associated with the proceedings, is expected to be covered in full by the Company's cyber insurance policy. The Court is scheduled to consider final approval of the settlement agreement on December 10, 2026. See Note 8 - Commitments and Contingencies of the Notes to the Consolidated Financial Statements included in Part I, Item 1 of this Report.

### Item 1A. Risk Factors

There are a number of factors that may adversely affect our business, financial results or stock price. In addition to the risk below, refer to Part I, Item 1A. "Risk Factors" of the 2025 Form 10-K for a discussion of these risks.

**Our inability to market and close the sale of our credit card business that is currently held for sale and treated as discontinued operations may have a material adverse impact on our business and financial condition.**

In July 2026, we completed the acquisition of certain assets and assumption of certain liabilities of Tallied. The transaction added card issuing and program management technology, along with an experienced team, that expands our ability to support credit card programs for our fintech partners. Concurrent with the acquisition, we determined that investing in credit card receivables was not a strategy the Company would pursue, and the Board of Directors approved a plan to exit the credit card portfolio business and to divest the credit card loan portfolio and certain acquired assets and liabilities while retaining the technology and credit card servicing platform. The disposal group consists of the credit card portfolio as well as the program sponsor relationship, program records, and associated cardholder rewards liability acquired as part of the Tallied transaction.

Our credit card business currently meets the criteria for held for sale and discontinued operations. To be successful in marketing and selling our credit card business, we and any counterparty must conduct due diligence to identify valuation issues and potential loss contingencies, negotiate transaction terms, and complete and close a potentially complex transaction. A sale of our credit card business may require substantial management time and resources and has the potential to divert our attention from our continuing business. A successful sale of our credit card business will also require the transfer of certain assets and agreements, the transfer of which are partially dependent on the program sponsor and therefore outside of our control. If we are unable to sell our credit card portfolio, including the transfer of certain assets and agreements, it may have a material adverse impact on our business and financial condition. In addition, there can be no assurance that we will complete the sale of the credit card business within our expected timeframe, or at all. Any delay in or failure to complete the sale could adversely affect our ability to focus on our continuing operations, result in additional costs and resource commitments, and have a material adverse effect on our business and financial condition.

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

*Issuer Purchases of Equity Securities*

The following table provides information with respect to our repurchases of shares of our common stock during the three months ended September 30, 2026:

| Period | Total Number of Shares Purchased | Average Price Paid Per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [1] | Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs [1] |
|---|---|---|---|---|
| July 1, 2026 - July 31, 2026 | 7,342 | $13.77 | 7,342 | 647,922 |
| August 1, 2026 - August 31, 2026 | 97,951 | $14.07 | 97,951 | 549,971 |
| September 1, 2026 - September 30, 2026 | 53,806 | $13.63 | 53,806 | 496,165 |
| Total | 159,099 | $13.92 | 159,099 | |

[1] Effective May 19, 2026, the Board authorized a common stock repurchase program to purchase up to an aggregate amount of 685,000 shares of our common stock. The repurchase program expires on May 31, 2028, but may be limited or terminated at any time without prior notice. The repurchase program authorized the repurchase by us of our common stock in open market transactions, including in accordance with Rule 10b-18 promulgated under the Exchange Act or privately negotiated transactions. Repurchases may also be made pursuant to a Rule 10b5-1 trading plan, which would permit us to repurchase shares when we might otherwise be precluded from doing so because of self-imposed trading blackout periods or other regulatory restrictions. The actual means and timing of any shares purchased under the repurchase program will depend on a variety of factors, including the market price of our common stock, general market and economic conditions, and applicable legal and regulatory requirements. Other than as predetermined or restricted by a Rule 10b5-1 Trading Plan, as applicable, the repurchase program does not obligate us to purchase any particular number of shares and the repurchase authorization permits management to repurchase shares of our common stock from time to time at management's discretion.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Item 5. Other Information**

None of our directors or officers have adopted, modified, or terminated a Rule 10b5-1(c) trading arrangement or a non-Rule 10b5-1 trading arrangement during the fiscal quarter ended September 30, 2026.

**Item 6. Exhibits**

Exhibits.

| Number | Description |
|---|---|
| 31.1* | Rule 13a-14(a) Certification of the Principal Executive Officer. |
| 31.2* | Rule 13a-14(a) Certification of the Principal Financial Officer. |
| 32.1** | Section 1350 Certification of Chief Executive Officer and Chief Financial Officer. |
| 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 (embedded within the Inline XBRL document in Exhibit 101). |

* Filed herewith.

** The certifications attached hereto are not considered “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (“Exchange Act”), as amended, or otherwise subject to the limitations of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act.

**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.

FinWise Bancorp

Date: November 10, 2026 By: **/s/ James Noone**

**James Noone**

**Chief Executive Officer**

*(Principal Executive Officer)*

Date: November 10, 2026 By: **/s/ Robert Wahlman**

**Robert Wahlman**

**Executive Vice President and Chief Financial Officer**

*(Principal Financial and Accounting Officer)*

**Exhibit 31.1**

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER**
**PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, James Noone, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of FinWise Bancorp;

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 statement 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 (the registrant’s fourth fiscal quarter in the case of an annual report) 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.

FINWISE BANCORP

Date: November 10, 2026

By: /s/ James Noone
James Noone
Chief Executive Officer

**Exhibit 31.2**

**CERTIFICATION OF CHIEF FINANCIAL OFFICER**
**PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Robert Wahlman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of FinWise Bancorp;

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 statement 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 (the Registrant’s fourth fiscal quarter in the case of an annual report) 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.

FINWISE BANCORP

Date: November 10, 2026

By: /s/ Robert Wahlman
Robert Wahlman
Executive Vice President and Chief Financial Officer

**Exhibit 32.1**

**CERTIFICATION 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 on Form 10-Q of FinWise Bancorp (the "Company") for the period ending September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the undersigned's best knowledge and belief:

(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 the Company.

The foregoing certification is being furnished solely pursuant to the requirements of 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.

FINWISE BANCORP

Date: November 10, 2026

By: /s/ James Noone
James Noone
Chief Executive Officer

Date: November 10, 2026

By: /s/ Robert Wahlman
Robert Wahlman
Executive Vice President and Chief Financial Officer