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: 001-38888

Red River Bancshares, Inc.

(Exact name of registrant as specified in its charter)

Louisiana	**72-1412058**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)
1412 Centre Court Drive, Suite 301, Alexandria, Louisiana	**71301**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (318) 561-4000

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, no par value	**RRBI**	**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, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 31, 2026, the registrant had 6,584,106 shares of common stock, no par value, issued and outstanding.

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GLOSSARY OF TERMS

Unless the context indicates otherwise, references in this filing to “we,” “our,” “us,” “the Company,” and “our company” refer to Red River Bancshares, Inc., a Louisiana corporation and bank holding company, and its consolidated subsidiaries. All references in this filing to “Red River Bank,” “the bank,” and “the Bank” refer to Red River Bank, our wholly owned bank subsidiary.

Other abbreviations or acronyms used in this filing are defined below.

ABBREVIATION OR ACRONYM	DEFINITION
ACL	Allowance for credit losses
AFS	Available-for-sale
AOCI	Accumulated other comprehensive income or loss
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
Basel III	Basel Committee’s 2010 Regulatory Capital Framework (Third Accord)
BIC	Federal Reserve Bank’s Discount Window Borrower-in-Custody
BOLI	Bank-owned life insurance
bp(s)	Basis point(s)
CBLR	Community bank leverage ratio
CODM	Chief operating decision maker
CRA	Community Reinvestment Act
CRE	Commercial real estate
Director Compensation Program	Amended and Restated Director Compensation program, which allows directors of the Company and the Bank an opportunity to select how to receive their annual director fees.
Economic Growth Act	Economic Growth, Regulatory Relief, and Consumer Protection Act
EPS	Earnings per share
Exchange Act	Securities Exchange Act of 1934, as amended
FDIC	Federal Deposit Insurance Corporation
FHLB	Federal Home Loan Bank of Dallas
FOMC	Federal Open Market Committee
FTE	Fully taxable equivalent basis
GAAP	Generally Accepted Accounting Principles in the United States of America
HFI	Held for investment
HFS	Held for sale
HTM	Held-to-maturity
JAM FINTOP	JAM FINTOP Banktech, L.P. fund
LDPO	Loan and deposit production office
MSA	Metropolitan statistical area
NOW	Negotiable order of withdrawal
NPA(s)	Nonperforming asset(s)
PCD	Purchased credit deteriorated
Report	Quarterly Report on Form 10-Q
SBIC	Small Business Investment Company
Securities Act	Securities Act of 1933, as amended
SEC	Securities and Exchange Commission
U.S.	United States of America

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, which 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,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “projection,” “would,” and “outlook,” or the negative version of those words, or such 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, management’s beliefs, and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. 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.

There are or will be important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements, including, but not limited to, the following:

- volatility and direction of market interest rates;
- business and economic conditions generally, in the financial services industry, nationally, and within our local market areas;
- government intervention in the U.S. financial system, including the effects of recent and future legislative, tax, accounting, and regulatory actions and reforms, including the Inflation Reduction Act of 2022, and other stimulus legislation or changes in banking, securities, accounting, and tax laws and regulations, and their application by our regulators;
- changes in management personnel;
- increased competition in the financial services industry, particularly from regional and national institutions;
- our ability to maintain important deposit customer relationships and our reputation, and to otherwise avoid liquidity risks;
- factors that can impact the performance of our loan portfolio, including real estate values and liquidity in our primary market areas, the financial health of our commercial borrowers, and the success of construction projects that we finance, including any loans acquired in acquisition transactions;
- changes in the value of collateral securing our loans;
- risks associated with system failures or failures to protect against cybersecurity threats, such as breaches of our network security;
- deterioration of our asset quality;
- the adequacy of our reserves, including our ACL;
- operational risks associated with our business;
- natural disasters and adverse weather, acts of terrorism, trade and tariff policies, trade wars, pandemics, wars, an outbreak of hostilities or tensions with other countries, or other international or domestic calamities, and other matters beyond our control;
- our ability to prudently manage our growth and execute our strategy;
- compliance with the extensive regulatory framework that applies to us;
- changes in the laws, rules, regulations, interpretations, or policies relating to financial institutions, accounting, tax, trade, monetary, and fiscal matters; and
- the risk factors found in “Part I - Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2025, as well as in “Part II - Item 1A. Risk Factors” of this Report and other reports and documents we file from time to time with the SEC.

The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this Report. Additional information on these and other risk factors can be found in “Part II - Item 1A. Risk Factors” of this Report and in “Part I - Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2025. 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 what we anticipate. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made, and we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as required by applicable law. New risks emerge from time to time, and it is not possible for us to predict what risks will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

RED RIVER BANCSHARES, INC.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(in thousands, except share amounts)	September 30, 2026	December 31, 2025
ASSETS		
Cash and due from banks	$ 29,044	$ 25,685
Interest-bearing deposits in other banks	176,004	187,707
Total Cash and Cash Equivalents	205,048	213,392
Securities available-for-sale, at fair value (amortized cost of $664,377 and $690,485, respectively)	601,571	647,310
Securities held-to-maturity, at amortized cost (fair value of $94,180 and $104,371, respectively)	115,922	122,619
Equity securities, at fair value	2,887	3,031
Nonmarketable equity securities	2,459	2,407
Loans held for sale	1,699	3,148
Loans held for investment	2,323,480	2,248,669
Less: Allowance for credit losses	(25,119)	(23,399)
Loans held for investment, net	2,298,361	2,225,270
Premises and equipment, net	61,814	59,270
Accrued interest receivable	10,682	11,131
Bank-owned life insurance	31,964	31,267
Intangible assets	1,546	1,546
Right-of-use assets	976	1,487
Other assets	32,622	29,032
Total Assets	$ 3,367,551	$ 3,350,910
LIABILITIES		
Noninterest-bearing deposits	$ 915,626	$ 913,868
Interest-bearing deposits	2,045,912	2,049,544
Total Deposits	2,961,538	2,963,412
Accrued interest payable	6,069	6,128
Lease liabilities	1,027	1,544
Accrued expenses and other liabilities	16,736	14,676
Total Liabilities	2,985,370	2,985,760
COMMITMENTS AND CONTINGENCIES	—	—
STOCKHOLDERS' EQUITY		
Preferred stock, no par value: Authorized - 1,000,000 shares; None Issued and Outstanding	—	—
Common stock, no par value: Authorized - 30,000,000 shares; Issued and Outstanding - 6,584,106 and 6,576,609 shares, respectively	27,591	27,543
Additional paid-in capital	3,602	3,217
Retained earnings	409,092	377,731
Accumulated other comprehensive income (loss)	(58,104)	(43,341)
Total Stockholders' Equity	382,181	365,150
Total Liabilities and Stockholders' Equity	$ 3,367,551	$ 3,350,910

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

RED RIVER BANCSHARES, INC.
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(in thousands, except per share data)	**2026**	**2025**	**2026**	**2025**
INTEREST AND DIVIDEND INCOME				
Interest and fees on loans	$ 33,234	$ 30,612	$ 97,013	$ 88,383
Interest on securities	5,671	5,425	17,293	15,428
Interest on deposits in other banks	1,861	2,079	4,892	6,803
Dividends on stock	31	33	66	73
Total Interest and Dividend Income	40,797	38,149	119,264	110,687
INTEREST EXPENSE				
Interest on deposits	10,914	11,263	32,010	33,372
Total Interest Expense	10,914	11,263	32,010	33,372
Net Interest Income	29,883	26,886	87,254	77,315
Provision for credit losses	500	650	2,000	1,550
Net Interest Income After Provision for Credit Losses	29,383	26,236	85,254	75,765
NONINTEREST INCOME				
Service charges on deposit accounts	1,430	1,442	4,213	4,160
Debit card income, net	1,062	852	3,045	2,925
Mortgage loan income	698	652	2,231	1,749
Brokerage income	1,015	1,131	2,827	3,446
Loan and deposit income	456	393	1,475	1,270
Bank-owned life insurance income	241	224	697	661
Gain (Loss) on equity securities	(113)	28	(144)	82
Gain (Loss) on sale and call of securities	—	—	(22)	—
SBIC income (loss)	112	(75)	(283)	252
Other income (loss)	23	378	155	470
Total Noninterest Income	4,924	5,025	14,194	15,015
OPERATING EXPENSES				
Personnel expenses	10,917	10,511	32,145	30,750
Occupancy and equipment expenses	1,939	1,846	5,758	5,394
Technology expenses	978	831	2,796	2,486
Advertising	344	293	995	911
Other business development expenses	600	531	1,790	1,544
Data processing expense	783	724	1,918	1,734
Other taxes	559	604	1,671	1,825
Loan and deposit expenses	426	356	771	816
Legal and professional expenses	487	605	1,621	1,849
Regulatory assessment expenses	450	430	1,275	1,209
Other operating expenses	1,211	1,158	3,490	3,326
Total Operating Expenses	18,694	17,889	54,230	51,844
Income Before Income Tax Expense	15,613	13,372	45,218	38,936
Income tax expense	3,050	2,571	8,921	7,587
Net Income	$ 12,563	$ 10,801	$ 36,297	$ 31,349
EARNINGS PER SHARE				
Basic	$ 1.91	$ 1.63	$ 5.51	$ 4.67
Diluted	$ 1.90	$ 1.63	$ 5.49	$ 4.65

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

RED RIVER BANCSHARES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(in thousands)	**2026**	**2025**	**2026**	**2025**
Net income	$ 12,563	$ 10,801	$ 36,297	$ 31,349
Other comprehensive income (loss):				
Unrealized net gain (loss) on securities arising during period	(17,310)	14,068	(19,653)	16,219
Tax effect	3,636	(2,955)	4,128	(3,406)
(Gain) Loss on sale and call of securities included in net income	—	—	22	—
Tax effect	—	—	(5)	—
Change in unrealized net loss on securities transferred to held-to-maturity	327	347	943	1,007
Tax effect	(69)	(73)	(198)	(212)
Total other comprehensive income (loss)	(13,416)	11,387	(14,763)	13,608
Comprehensive Income (Loss)	$ (853)	$ 22,188	$ 21,534	$ 44,957

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

RED RIVER BANCSHARES, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED)

(dollars in thousands, except per share amounts)	Common Shares Issued	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
Balance as of December 31, 2024	6,777,238	$ 38,655	$ 2,777	$ 338,554	$ (60,247)	$ 319,739
Net income	—	—	—	10,352	—	10,352
Stock incentive plan	—	—	94	—	—	94
Forfeiture of restricted shares of common stock	(575)	—	—	—	—	—
Issuance of shares of common stock as board compensation	994	55	—	—	—	55
Cash dividend - $0.12 per share	—	—	—	(813)	—	(813)
Other comprehensive income (loss)	—	—	—	—	3,889	3,889
Balance as of March 31, 2025	6,777,657	$ 38,710	$ 2,871	$ 348,093	$ (56,358)	$ 333,316
Net income	—	—	—	10,196	—	10,196
Stock incentive plan	—	—	121	—	—	121
Forfeiture of restricted shares of common stock	(400)	—	—	—	—	—
Issuance of restricted shares of common stock through stock incentive plan	11,100	—	—	—	—	—
Repurchase of common stock, including excise tax	(111,748)	(5,814)	—	—	—	(5,814)
Cash dividend - $0.12 per share	—	—	—	(801)	—	(801)
Other comprehensive income (loss)	—	—	—	—	(1,668)	(1,668)
Balance as of June 30, 2025	6,676,609	$ 32,896	$ 2,992	$ 357,488	$ (58,026)	$ 335,350
Net income	—	—	—	10,801	—	10,801
Stock incentive plan	—	—	113	—	—	113
Repurchase of common stock, including excise tax	(100,000)	(5,353)	—	—	—	(5,353)
Cash dividend - $0.15 per share	—	—	—	(987)	—	(987)
Other comprehensive income (loss)	—	—	—	—	11,387	11,387
Balance as of September 30, 2025	6,576,609	$ 27,543	$ 3,105	$ 367,302	$ (46,639)	$ 351,311

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

RED RIVER BANCSHARES, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (CONTINUED) (UNAUDITED)

(dollars in thousands, except per share amounts)	Common Shares Issued	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
Balance as of December 31, 2025	6,576,609	$ 27,543	$ 3,217	$ 377,731	$ (43,341)	$ 365,150
Net income	—	—	—	11,971	—	11,971
Stock incentive plan	—	—	112	—	—	112
Issuance of shares of common stock as board compensation	577	48	—	—	—	48
Cash dividend - $0.25 per share	—	—	—	(1,644)	—	(1,644)
Other comprehensive income (loss)	—	—	—	—	(2,311)	(2,311)
Balance as of March 31, 2026	6,577,186	$ 27,591	$ 3,329	$ 388,058	$ (45,652)	$ 373,326
Net income	—	—	—	11,763	—	11,763
Stock incentive plan	—	—	144	—	—	144
Forfeiture of restricted shares of common stock	(1,640)	—	—	—	—	—
Issuance of restricted shares of common stock through stock incentive plan	9,150	—	—	—	—	—
Cash dividend - $0.25 per share	—	—	—	(1,646)	—	(1,646)
Other comprehensive income (loss)	—	—	—	—	964	964
Balance as of June 30, 2026	6,584,696	$ 27,591	$ 3,473	$ 398,175	$ (44,688)	$ 384,551
Net income	—	—	—	12,563	—	12,563
Stock incentive plan	—	—	129	—	—	129
Forfeiture of restricted shares of common stock	(590)	—	—	—	—	—
Cash dividend - $0.25 per share	—	—	—	(1,646)	—	(1,646)
Other comprehensive income (loss)	—	—	—	—	(13,416)	(13,416)
Balance as of September 30, 2026	6,584,106	$ 27,591	$ 3,602	$ 409,092	$ (58,104)	$ 382,181

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

RED RIVER BANCSHARES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(in thousands)	For the Nine Months Ended September 30, 2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 36,297	$ 31,349
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation	2,159	2,057
Amortization	699	590
Share-based compensation earned	385	328
Share-based board compensation earned	38	47
Net (accretion) amortization on securities AFS	764	801
Net (accretion) amortization on securities HTM	(921)	(980)
(Gain) Loss on sale and call of securities	22	—
(Gain) Loss on equity securities	144	(82)
(Gain) Loss on other real estate and foreclosed assets	99	48
(Gain) Loss on disposal of premises and equipment	(30)	(12)
Provision for credit losses	2,000	1,550
Deferred income tax (benefit) expense	(580)	(460)
Net (increase) decrease in loans HFS	1,449	(713)
Net (increase) decrease in accrued interest receivable	449	(233)
Net (increase) decrease in BOLI	(697)	(661)
Net increase (decrease) in accrued interest payable	(59)	(902)
Net increase (decrease) in accrued income taxes payable	(92)	(23)
Other operating activities, net	3,293	1,497
Net cash provided by (used in) operating activities	45,419	34,201
CASH FLOWS FROM INVESTING ACTIVITIES		
Activity in securities AFS:		
Sales	2,019	—
Maturities, principal repayments, and calls	85,428	75,580
Purchases	(62,125)	(146,693)
Activity in securities HTM:		
Maturities, principal repayments, and calls	7,618	7,923
Capital contribution in partnerships	(399)	(125)
Return of capital in partnerships	450	908
Net (increase) decrease in loans HFI	(75,360)	(99,027)
Proceeds from sales of foreclosed assets	89	470
Proceeds from sales of premises and equipment	866	12
Insurance proceeds from premises and equipment	30	—
Purchases of premises and equipment	(5,569)	(1,189)
Net cash provided by (used in) investing activities	(46,953)	(162,141)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase (decrease) in deposits	(1,874)	33,677
Repurchase of common stock, excluding excise tax	—	(11,056)
Cash dividends	(4,936)	(2,601)
Net cash provided by (used in) financing activities	(6,810)	20,020
Net change in cash and cash equivalents	(8,344)	(107,920)
Cash and cash equivalents - beginning of period	213,392	268,975
Cash and cash equivalents - end of period	$ 205,048	$ 161,055

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

RED RIVER BANCSHARES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED) (UNAUDITED)

(in thousands)	For the Nine Months Ended September 30, 2026	2025
SUPPLEMENTAL DISCLOSURES		
Cash paid during the period for:		
Interest	$ 32,069	$ 34,274
Federal income taxes	$ 9,395	$ 8,060
State income taxes	$ 24	$ 19
SUPPLEMENTAL INFORMATION FOR NON-CASH INVESTING AND FINANCING ACTIVITIES		
Assets acquired in settlement of loans	$ 269	$ 487

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

RED RIVER BANCSHARES, INC.
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated financial statements of the Company were prepared in accordance with GAAP for interim financial information, general practices within the financial services industry, and instructions for Form 10-Q and Regulation S-X. Accordingly, these interim financial statements do not include all of the information or footnotes required by GAAP for annual financial statements. However, in the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for a fair presentation of the financial statements have been included. The results of operations for the interim periods disclosed herein are not necessarily indicative of the results that may be expected for the entire fiscal year. These statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the year ended December 31, 2025, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

Certain prior period amounts have been reclassified to conform to the current period presentation. These changes in presentation did not have a material impact on the Company's financial condition or results of operations.

Critical Accounting Policies and Estimates

In preparing the financial statements, the Company is required to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The financial statements reflect all adjustments that are, in the opinion of management, necessary for a fair statement of the Company's financial condition, results of operations, comprehensive income, changes in stockholders' equity, and cash flows for the interim period presented. These adjustments are of a normal recurring nature and include appropriate estimated provisions.

Accounting Standards Adopted in 2026

ASU No. 2025-08, Financial Instruments - Credit Losses (Topic 326): Purchased Loans. The guidance issued in this update was designed to improve the decision usefulness of the financial reporting for acquired financial assets. This amendment allows the gross-up method to apply to certain non-PCD loans acquired in a business combination that qualify as purchased seasoned loans. These loans are now accounted for the same as PCD loans, with an ACL established at acquisition and recorded through a gross-up to the loan's amortized cost basis. This standard is effective for all entities for annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual reporting periods. The amendments in this update should be applied prospectively to loans that are acquired on or after the initial application date. Early adoption is permitted in an interim or annual reporting period in which financial statements have not been issued. The Company adopted this standard on January 1, 2026. Adoption of this ASU did not have an impact on the Company's consolidated financial statements.

Recent Accounting Pronouncements

ASU No. 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40). The guidance issued in this update was designed to improve financial reporting by requiring entities to disclose additional information about specific expense categories in the notes to financial statements. This standard is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The amendments in this update should be applied either prospectively to financial statements issued for reporting periods after the effective date of this update or retrospectively to any or all prior periods presented in the financial statements. The Company does not expect the adoption of this guidance to have a material impact on the Company's consolidated financial statements.

2. Securities

Securities are classified as AFS, HTM, and equity securities. Total securities were $720.4 million as of September 30, 2026.

Securities AFS and Securities HTM

Securities AFS and securities HTM are debt securities. Securities AFS are held for indefinite periods of time and are carried at estimated fair value. As of September 30, 2026, the estimated fair value of securities AFS was $601.6 million. The net unrealized loss on securities AFS increased $19.6 million for the nine months ended September 30, 2026, resulting in a net unrealized loss of $62.8 million as of September 30, 2026.

Securities HTM, which the Company has the intent and ability to hold until maturity, are carried at amortized cost. As of September 30, 2026, the amortized cost of securities HTM was $115.9 million.

Investment activity for the nine months ended September 30, 2026, included $93.0 million in maturities, principal repayments, and calls, and $2.0 million in sales, partially offset by $62.1 million of securities purchased. There were no purchases or sales of securities HTM for the same period.

The amortized cost and estimated fair value of securities AFS and securities HTM are summarized in the following tables:

	September 30, 2026			
(in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Securities AFS:				
Mortgage-backed securities	$ 417,239	$ 248	$ (24,269)	$ 393,218
Municipal bonds	190,532	—	(37,662)	152,870
U.S. agency securities	56,606	40	(1,163)	55,483
Total Securities AFS	$ 664,377	$ 288	$ (63,094)	$ 601,571
Securities HTM:				
Mortgage-backed securities	$ 114,972	$ —	$ (21,653)	$ 93,319
U.S. agency securities	950	—	(89)	861
Total Securities HTM	$ 115,922	$ —	$ (21,742)	$ 94,180

	December 31, 2025			
(in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Securities AFS:				
Mortgage-backed securities	$ 426,732	$ 1,846	$ (18,549)	$ 410,029
Municipal bonds	196,607	4	(25,311)	171,300
U.S. agency securities	67,146	29	(1,194)	65,981
Total Securities AFS	$ 690,485	$ 1,879	$ (45,054)	$ 647,310
Securities HTM:				
Mortgage-backed securities	$ 121,677	$ —	$ (18,189)	$ 103,488
U.S. agency securities	942	—	(59)	883
Total Securities HTM	$ 122,619	$ —	$ (18,248)	$ 104,371

The amortized cost and estimated fair value of securities AFS and securities HTM as of September 30, 2026, by contractual maturity, are shown below. Expected maturities may differ from contractual maturities because issuers have the right to call or repay obligations with or without call or prepayment penalties.

	September 30, 2026	
(in thousands)	**Amortized Cost**	**Fair Value**
Securities AFS:		
Within one year	$ 7,532	$ 7,443
After one year but within five years	19,494	18,674
After five years but within ten years	162,282	147,969
After ten years	475,069	427,485
Total Securities AFS	$ 664,377	$ 601,571
Securities HTM:		
Within one year	$ —	$ —
After one year but within five years	950	861
After five years but within ten years	—	—
After ten years	114,972	93,319
Total Securities HTM	$ 115,922	$ 94,180

Accounting for Credit Losses – Securities AFS and Securities HTM

The Company evaluates securities AFS for impairment when there has been a decline in fair value below the amortized cost basis of a security to determine whether there is a credit loss associated with the decline in fair value on at least a quarterly basis, and more frequently when economic or market concerns warrant such evaluation. Due to the zero credit loss assumption and the evaluation of the considerations applied to the securities AFS, there was no ACL recorded for securities AFS as of September 30, 2026 and December 31, 2025. Also, as part of the Company's evaluation of its intent and ability to hold investments for a period of time sufficient to allow for any anticipated recovery in the market, the Company considers its investment strategy, cash flow needs, liquidity position, capital adequacy, and interest rate risk position. Management does not intend to sell these securities, and it is more likely than not that the Company will not have to sell these securities before each security has recovered its amortized cost basis.

Due to the zero credit loss assumption on the securities HTM portfolio, there was no ACL recorded for securities HTM as of September 30, 2026 and December 31, 2025.

For securities AFS and securities HTM, accrued interest receivable totaled $3.0 million and $3.2 million as of September 30, 2026 and December 31, 2025, respectively, and was reported in accrued interest receivable on the accompanying consolidated balance sheets.

Information pertaining to securities AFS with gross unrealized losses as of September 30, 2026 and December 31, 2025, aggregated by investment category and length of time that individual securities have been in a continuous loss position, is described as follows:

	September 30, 2026			
	Less than twelve months		Twelve months or more	
(in thousands)	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value
Securities AFS:				
Mortgage-backed securities	$ (3,611)	$ 184,726	$ (20,658)	$ 165,030
Municipal bonds	(594)	10,686	(37,068)	142,185
U.S. agency securities	(1)	1,999	(1,162)	34,798
Total Securities AFS	$ (4,206)	$ 197,411	$ (58,888)	$ 342,013

	December 31, 2025			
	Less than twelve months		Twelve months or more	
(in thousands)	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value
Securities AFS:				
Mortgage-backed securities	$ (313)	$ 81,682	$ (18,236)	$ 166,631
Municipal bonds	(14)	3,330	(25,297)	163,876
U.S. agency securities	(26)	16,972	(1,168)	36,542
Total Securities AFS	$ (353)	$ 101,984	$ (44,701)	$ 367,049

As of September 30, 2026, the Company held 539 securities AFS that were in unrealized loss positions. The aggregate unrealized loss of these securities AFS as of September 30, 2026, was 9.50% of the amortized cost basis of securities AFS.

The proceeds from sales and calls of debt securities and their gross gain (loss) for the three and nine months ended September 30, 2026 and 2025, are presented in the table below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2026	2025	2026	2025
Proceeds [1]	$ —	$ —	$ 2,019	$ —
Gross gain	$ —	$ —	$ —	$ —
Gross loss	$ —	$ —	$ 22	$ —

[1] The proceeds include the gross gain and loss.

Equity Securities

Equity securities are an investment in a CRA mutual fund, consisting primarily of bonds. Equity securities are carried at fair value on the consolidated balance sheets with periodic changes in value recorded through the consolidated statements of income. As of September 30, 2026, equity securities had a fair value of $2.9 million with a recognized loss of $144,000 for the nine months ended September 30, 2026. As of December 31, 2025, equity securities had a fair value of $3.0 million with a recognized gain of $94,000 for the year ended December 31, 2025.

Pledged Securities

Securities with carrying values of approximately $208.2 million and $228.0 million were used as collateral as of September 30, 2026 and December 31, 2025, respectively.

3. Loans and Asset Quality

Loans

Loans HFI by category and loans HFS are summarized below:

(in thousands)	September 30, 2026	December 31, 2025
Real estate:		
Commercial real estate	$ 953,660	$ 920,294
One-to-four family residential	647,035	628,762
Construction and development	223,825	221,214
Commercial and industrial	424,080	392,824
Tax-exempt	48,640	57,541
Consumer	26,240	28,034
Total loans HFI	$ 2,323,480	$ 2,248,669
Total loans HFS	$ 1,699	$ 3,148

Accrued interest receivable on loans HFI totaled $7.5 million and $7.8 million as of September 30, 2026 and December 31, 2025, respectively, and was reported in accrued interest receivable on the accompanying consolidated balance sheets.

Allowance for Credit Losses

The Company maintains an ACL on all loans that reflects management's estimate of expected credit losses for the full life of the loan portfolio.

The following table summarizes the activity in the ACL by category for the nine months ended September 30, 2026:

(in thousands)	Beginning Balance December 31, 2025	Provision for Credit Losses	Charge-offs	Recoveries	Ending Balance September 30, 2026
Real estate:					
Commercial real estate	$ 9,359	$ 754	$ —	$ —	$ 10,113
One-to-four family residential	6,962	603	(72)	—	7,493
Construction and development	1,751	(56)	—	—	1,695
Commercial and industrial	4,939	468	(117)	96	5,386
Tax-exempt	91	(9)	—	—	82
Consumer	297	240	(263)	76	350
Total allowance for credit losses	$ 23,399	$ 2,000	$ (452)	$ 172	$ 25,119

The following table summarizes the activity in the ACL by category for the nine months ended September 30, 2025:

(in thousands)	Beginning Balance December 31, 2024	Provision for Credit Losses	Charge-offs	Recoveries	Ending Balance September 30, 2025
Real estate:					
Commercial real estate	$ 9,047	$ 167	$ (19)	$ —	$ 9,195
One-to-four family residential	6,452	368	(26)	14	6,808
Construction and development	1,653	308	(250)	—	1,711
Commercial and industrial	4,123	621	(69)	16	4,691
Tax-exempt	103	(8)	—	—	95
Consumer	353	94	(228)	82	301
Total allowance for credit losses	$ 21,731	$ 1,550	$ (592)	$ 112	$ 22,801

Nonaccrual and Past Due Loans

The following table presents nonaccrual loans as of September 30, 2026:

(in thousands)	Nonaccrual with No ACL	Nonaccrual with ACL	Total Nonaccrual
Real estate:			
Commercial real estate	$ 142	$ —	$ 142
One-to-four family residential	368	2,275	2,643
Construction and development	65	—	65
Commercial and industrial	—	183	183
Tax-exempt	—	—	—
Consumer	—	3	3
Total loans HFI	$ 575	$ 2,461	$ 3,036

For the three and nine months ended September 30, 2026, interest income of $2,000 and $111,000, respectively, was recognized in the consolidated statements of income on nonaccrual loans.

The following table presents nonaccrual loans as of December 31, 2025:

(in thousands)	Nonaccrual with No ACL	Nonaccrual with ACL	Total Nonaccrual
Real estate:			
Commercial real estate	$ —	$ —	$ —
One-to-four family residential	294	1,723	2,017
Construction and development	—	1,189	1,189
Commercial and industrial	—	19	19
Tax-exempt	—	—	—
Consumer	56	—	56
Total loans HFI	$ 350	$ 2,931	$ 3,281

No material interest income was recognized in the consolidated statements of income on nonaccrual loans for the three and nine months ended September 30, 2025.

The following table presents the aging analysis of the past due loans and loans 90 days or more past due and still accruing interest by loan category as of September 30, 2026:

	Past Due					
(in thousands)	30-59 Days	60-89 Days	90 Days or More	Current	Total Loans HFI	90 Days or More Past Due and Accruing
Real estate:						
Commercial real estate	$ 2,478	$ 87	$ 2,413	$ 948,682	$ 953,660	$ 2,413
One-to-four family residential	377	972	1,782	643,904	647,035	—
Construction and development	34	—	—	223,791	223,825	—
Commercial and industrial	36	203	150	423,691	424,080	16
Tax-exempt	—	—	—	48,640	48,640	—
Consumer	21	2	38	26,179	26,240	36
Total loans HFI	$ 2,946	$ 1,264	$ 4,383	$ 2,314,887	$ 2,323,480	$ 2,465

The following table presents the aging analysis of the past due loans and loans 90 days or more past due and still accruing interest by loan category as of December 31, 2025:

	Past Due					
(in thousands)	30-59 Days	60-89 Days	90 Days or More	Current	Total Loans HFI	90 Days or More Past Due and Accruing
Real estate:						
Commercial real estate	$ 174	$ —	$ —	$ 920,120	$ 920,294	$ —
One-to-four family residential	1,993	658	1,530	624,581	628,762	211
Construction and development	—	—	1,189	220,025	221,214	—
Commercial and industrial	306	68	19	392,431	392,824	—
Tax-exempt	—	—	—	57,541	57,541	—
Consumer	22	4	8	28,000	28,034	8
Total loans HFI	$ 2,495	$ 730	$ 2,746	$ 2,242,698	$ 2,248,669	$ 219

Loan Modifications

Modifications are made to a borrower experiencing financial difficulty, and the modified terms are in the form of principal forgiveness, interest rate reduction, other-than-insignificant payment delay, or a term extension in the current reporting period. For the periods ended September 30, 2026 and 2025, modifications were made to certain borrowers by granting term extensions. These term extensions were not significant to the consolidated financial statements.

Credit Quality Indicators

Loans are categorized based on the degree of risk inherent in the credit and the ability of the borrower to service the debt. A description of the general characteristics of the Bank's risk rating grades follows:

Pass - These loans are of satisfactory quality and do not require a more severe classification.

Special mention - This category includes loans with potential weaknesses that deserve management's close attention. If left uncorrected, these potential weaknesses may result in deterioration of the repayment prospects for the loan. However, the loss potential does not warrant substandard classification.

Substandard - Loans in this category have well-defined weaknesses that jeopardize normal repayment of principal and interest. Prompt corrective action is required to reduce exposure and to assure adequate remedial actions are taken by the borrower. If these weaknesses do not improve, loss is possible.

Doubtful - Loans in this category have well-defined weaknesses that make full collection improbable.

Loss - Loans classified in this category are considered uncollectible and charged-off to the ACL.

As of September 30, 2026, the Company had no loans classified as doubtful or loss. The following table summarizes loans by risk rating and year of origination as of September 30, 2026, and gross charge-offs for the nine months ended September 30, 2026:

	Year of Origination							
(in thousands)	**2026**	**2025**	**2024**	**2023**	**2022**	**Prior Years**	**Revolving Lines**	**Total**
Real estate:								
Commercial real estate								
Pass	$ 152,003	$ 144,883	$ 141,402	$ 77,087	$ 185,035	$ 210,641	$ 21,933	$ 932,984
Special Mention	4,453	—	—	—	6,921	2,017	—	13,391
Substandard	—	—	1,691	1,150	2,020	2,424	—	7,285
Total	$ 156,456	$ 144,883	$ 143,093	$ 78,237	$ 193,976	$ 215,082	$ 21,933	$ 953,660
One-to-four family residential								
Pass	$ 89,949	$ 96,988	$ 59,939	$ 76,993	$ 89,469	$ 199,105	$ 27,986	$ 640,429
Special Mention	—	—	—	—	1,300	—	—	1,300
Substandard	—	492	246	1,243	788	1,769	768	5,306
Total	$ 89,949	$ 97,480	$ 60,185	$ 78,236	$ 91,557	$ 200,874	$ 28,754	$ 647,035
Construction and development								
Pass	$ 48,321	$ 91,370	$ 28,712	$ 41,979	$ 5,442	$ 1,868	$ 5,893	$ 223,585
Special Mention	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	65	175	—	240
Total	$ 48,321	$ 91,370	$ 28,712	$ 41,979	$ 5,507	$ 2,043	$ 5,893	$ 223,825
Commercial and industrial								
Pass	$ 125,195	$ 74,122	$ 31,707	$ 20,023	$ 13,739	$ 11,621	$ 145,257	$ 421,664
Special Mention	—	160	—	—	673	—	493	1,326
Substandard	76	751	130	—	88	—	45	1,090
Total	$ 125,271	$ 75,033	$ 31,837	$ 20,023	$ 14,500	$ 11,621	$ 145,795	$ 424,080
Tax-exempt								
Pass	$ —	$ —	$ 510	$ 2,069	$ 11,327	$ 34,734	$ —	$ 48,640
Special Mention	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—
Total	$ —	$ —	$ 510	$ 2,069	$ 11,327	$ 34,734	$ —	$ 48,640
Consumer								
Pass	$ 9,756	$ 6,755	$ 2,582	$ 2,586	$ 861	$ 160	$ 3,532	$ 26,232
Special Mention	—	—	—	—	—	—	—	—
Substandard	5	—	3	—	—	—	—	8
Total	$ 9,761	$ 6,755	$ 2,585	$ 2,586	$ 861	$ 160	$ 3,532	$ 26,240
Total loans HFI	$ 429,758	$ 415,521	$ 266,922	$ 223,130	$ 317,728	$ 464,514	$ 205,907	$ 2,323,480
Gross charge-offs	$ 9	$ 19	$ 83	$ 84	$ —	$ 6	$ 251	$ 452

As of December 31, 2025, the Company had no loans classified as doubtful or loss. The following table summarizes loans by risk rating and year of origination as of December 31, 2025, and gross charge-offs for the year ended December 31, 2025:

	Year of Origination							
(in thousands)	**2025**	**2024**	**2023**	**2022**	**2021**	**Prior Years**	**Revolving Lines**	**Total**
Real estate:								
Commercial real estate								
Pass	$ 170,649	$ 145,282	$ 87,583	$ 211,897	$ 187,813	$ 92,842	$ 17,771	$ 913,837
Special Mention	2,153	—	—	—	89	—	—	2,242
Substandard	—	680	211	1,971	688	665	—	4,215
Total	$ 172,802	$ 145,962	$ 87,794	$ 213,868	$ 188,590	$ 93,507	$ 17,771	$ 920,294
One-to-four family residential								
Pass	$ 110,358	$ 70,297	$ 89,416	$ 99,726	$ 94,963	$ 133,883	$ 23,855	$ 622,498
Special Mention	—	103	—	1,337	—	—	—	1,440
Substandard	339	356	911	624	779	1,076	739	4,824
Total	$ 110,697	$ 70,756	$ 90,327	$ 101,687	$ 95,742	$ 134,959	$ 24,594	$ 628,762
Construction and development								
Pass	$ 88,310	$ 66,981	$ 49,648	$ 6,934	$ 2,583	$ 1,263	$ 4,103	$ 219,822
Special Mention	—	—	—	—	—	—	—	—
Substandard	1,189	—	—	—	—	203	—	1,392
Total	$ 89,499	$ 66,981	$ 49,648	$ 6,934	$ 2,583	$ 1,466	$ 4,103	$ 221,214
Commercial and industrial								
Pass	$ 120,525	$ 52,973	$ 27,599	$ 21,001	$ 16,086	$ 2,769	$ 149,734	$ 390,687
Special Mention	160	—	—	748	—	—	99	1,007
Substandard	855	36	68	101	6	—	64	1,130
Total	$ 121,540	$ 53,009	$ 27,667	$ 21,850	$ 16,092	$ 2,769	$ 149,897	$ 392,824
Tax-exempt								
Pass	$ —	$ 2,481	$ 2,187	$ 13,731	$ 6,036	$ 33,106	$ —	$ 57,541
Special Mention	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—
Total	$ —	$ 2,481	$ 2,187	$ 13,731	$ 6,036	$ 33,106	$ —	$ 57,541
Consumer								
Pass	$ 13,697	$ 5,504	$ 3,687	$ 1,586	$ 417	$ 37	$ 3,049	$ 27,977
Special Mention	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	56	1	57
Total	$ 13,697	$ 5,504	$ 3,687	$ 1,586	$ 417	$ 93	$ 3,050	$ 28,034
Total loans HFI	$ 508,235	$ 344,693	$ 261,310	$ 359,656	$ 309,460	$ 265,900	$ 199,415	$ 2,248,669
Gross charge-offs	$ 22	$ 40	$ 264	$ 83	$ 5	$ 20	$ 337	$ 771

Commitments to Extend Credit

Commitments to extend credit are agreements to lend to a customer if all conditions of the commitment have been met. Commitments generally have fixed expiration dates or other termination clauses and may require the payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The Company evaluates each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if it is deemed necessary by the Company upon extension of credit, is based on management's evaluation of the customer's ability to repay. As of September 30, 2026 and December 31, 2025, unfunded loan commitments totaled approximately $593.2 million and $545.7 million, respectively.

Standby letters of credit are conditional commitments issued by the Company to guarantee the performance of a customer to a third party. Those guarantees are primarily issued to support public and private borrowing arrangements, including

commercial paper, bond financing, and similar transactions. As of September 30, 2026 and December 31, 2025, commitments under standby letters of credit totaled approximately $14.7 million and $14.5 million, respectively. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers.

The Company estimates expected credit losses for unfunded commitments over the contractual period in which the Company is exposed to credit risk through a contractual obligation to extend credit, unless that obligation is unconditionally cancellable by the Company. The reserve for unfunded commitments is recorded within accrued expenses and other liabilities on the consolidated balance sheets, and the related provision is recorded in provision for credit losses on the consolidated statements of income. The estimate includes consideration of the likelihood that funding will occur and an estimate of expected credit losses on commitments expected to be funded over its estimated life. The loss rates computed for each pool and expected pool-level funding rates are applied to the related unfunded commitment balance to obtain the reserve amount. As of September 30, 2026 and December 31, 2025, the reserve on unfunded commitments was $642,000.

The following table summarizes the reserve for unfunded commitments for the periods indicated:

	As of and For the Nine Months Ended	
(in thousands)	**September 30, 2026**	**September 30, 2025**
Reserve for unfunded commitments at beginning of period	$ 642	$ 642
Provision for credit losses	—	—
Reserve for unfunded commitments at end of period	$ 642	$ 642

4. Deposits

Deposits were $2.96 billion as of September 30, 2026 and December 31, 2025. The $1.9 million decrease was impacted by the seasonal outflow of funds from public entity customers and customer income tax payments and offset by higher commercial deposit balances. Deposits are summarized below:

(in thousands)	**September 30, 2026**	**December 31, 2025**
Noninterest-bearing demand deposits	$ 915,626	$ 913,868
Interest-bearing deposits:		
Interest-bearing demand deposits	197,619	198,724
NOW accounts	443,659	490,376
Money market accounts	620,283	580,949
Savings accounts	174,828	168,889
Time deposits less than or equal to $250,000	399,187	407,539
Time deposits greater than $250,000	210,336	203,067
Total interest-bearing deposits	$ 2,045,912	$ 2,049,544
Total deposits	$ 2,961,538	$ 2,963,412

Collateral for Deposits

As of September 30, 2026 and December 31, 2025, securities and FHLB letters of credit with values of approximately $213.1 million and $302.4 million, respectively, were pledged as collateral to secure public entity deposits.

5. Other Borrowed Funds

The Company has established borrowing capacity with the FHLB, the Federal Reserve Bank's Discount Window facility, and other correspondent banks to provide additional sources of operating funds. As of September 30, 2026 and December 31, 2025, the Company had no outstanding borrowings under these agreements.

6. Contingencies

The Company and the Bank are involved, from time to time, in various legal matters arising in the ordinary course of business. While the outcome of these claims or litigation cannot be determined at this time, in the opinion of management, neither the Company nor the Bank are involved in such legal proceedings that the resolution is expected to have a material adverse effect on the consolidated results of operations, financial condition, or cash flows.

7. Fair Value

The Company uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. The fair value of a financial instrument is 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.

Fair Value Disclosure

Securities AFS, loans HFS, and equity securities are recorded at fair value on a recurring basis. Additionally, the Company may be required to record at fair value other assets on a nonrecurring basis, such as collateral dependent loans, foreclosed assets, and certain other assets. The nonrecurring fair value adjustments typically involve application of lower of cost or market accounting or write-downs of individual assets.

ASC 820, Fair Value Measurements and Disclosures indicates that assets and liabilities are recorded at fair value according to a fair value hierarchy comprised of three levels:

- Level 1 pricing represents quotes on the exact financial instrument that is traded in active markets. Quoted prices on actively traded equities, for example, are in this category.
- Level 2 pricing is derived from observable data including market spreads, current and projected rates, prepayment data, and credit quality. The valuation may be based on quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.
- Level 3 pricing is derived without the use of observable data. In such cases, mark-to-model strategies are typically employed. Often, these types of instruments have no active market, possess unique characteristics, and are thinly traded.

The Company used the following methods and significant assumptions to estimate fair value:

Securities AFS and Equity Securities: The fair values for securities AFS are determined by quoted market prices, if available (Level 1). For securities where quoted prices are not available, fair values are calculated based on market prices of similar securities (Level 2). For securities where quoted prices or market prices of similar securities are not available, fair values are calculated using discounted cash flows or other market indicators (Level 3).

Loans HFS: Residential mortgage loans originated and held for sale are carried at the lower of cost or estimated fair value on an individual basis. The fair values of mortgage loans HFS are based on commitments on hand from investors within the secondary market for loans with similar characteristics. As such, the fair value adjustments for mortgage loans HFS are recurring Level 2.

Loans HFI: The Company does not record loans HFI at fair value on a recurring basis. Loans for which it was probable that payment of interest and principal will not be made in accordance with the contractual terms of the loan agreement are evaluated individually to determine if any credit loss exists. For loans evaluated on an individual basis that are collateral dependent, the fair value is estimated by applying a discount factor to the collateral value then deducting the estimated cost to sell. For loans evaluated on an individual basis that are not collateral dependent, the discounted cash flow method is utilized to determine the fair value. When a loan experiences a credit loss with specific allocated losses determined by the fair value method, the Company considers the collateral dependent loan as nonrecurring Level 3.

Foreclosed Assets: Foreclosed assets, consisting of properties obtained through foreclosure or in satisfaction of loans, are reported at fair value, determined on the basis of current appraisals, comparable sales, and other estimates of value obtained principally from independent sources and adjusted for estimated selling costs (Level 2). However, foreclosed assets are considered Level 3 in the fair value hierarchy because management has qualitatively applied a discount due to the size, supply of inventory, and the incremental discounts applied to the appraisals. Management also considers other factors, including changes in absorption rates, length of time the property has been on the market, and anticipated sales values, which have resulted in adjustments to the collateral value estimates indicated in certain appraisals.

Fair Value of Assets Measured on a Recurring Basis

The table below presents the recorded amount of assets measured at fair value on a recurring basis:

(in thousands)	Fair Value	Level 1	Level 2	Level 3
September 30, 2026				
Loans HFS	$ 1,699	$ —	$ 1,699	$ —
Securities AFS:				
Mortgage-backed securities	$ 393,218	$ —	$ 393,218	$ —
Municipal bonds	$ 152,870	$ —	$ 152,870	$ —
U.S. agency securities	$ 55,483	$ —	$ 55,483	$ —
Equity securities	$ 2,887	$ 2,887	$ —	$ —
December 31, 2025				
Loans HFS	$ 3,148	$ —	$ 3,148	$ —
Securities AFS:				
Mortgage-backed securities	$ 410,029	$ —	$ 410,029	$ —
Municipal bonds	$ 171,300	$ —	$ 171,300	$ —
U.S. agency securities	$ 65,981	$ —	$ 65,981	$ —
Equity securities	$ 3,031	$ 3,031	$ —	$ —

There were no transfers between Level 1, 2, or 3 during the nine months ended September 30, 2026 or the year ended December 31, 2025.

Fair Value of Assets and Liabilities Measured on a Nonrecurring Basis

Financial Assets and Financial Liabilities: Certain financial assets and financial liabilities are measured at fair value on a nonrecurring basis and are subject to fair value adjustments in certain circumstances. Financial assets measured at fair value on a nonrecurring basis include certain individually evaluated collateral dependent loans reported at fair value of the underlying collateral if repayment is expected solely from the collateral. Prior to foreclosure of these loans, fair value of the collateral is estimated using Level 3 inputs based on customized discounting criteria.

The table below presents certain collateral dependent loans that were remeasured and reported at fair value through the ACL based upon the fair value of the underlying collateral as of the dates indicated:

(in thousands)	September 30, 2026	December 31, 2025
Carrying value of collateral dependent loans before allowance	$ 4,834	$ 9,797
Specific allowance	(201)	(845)
Fair value of collateral dependent loans	$ 4,633	$ 8,952

The Company had no financial liabilities measured at fair value on a nonrecurring basis as of September 30, 2026 and December 31, 2025.

Nonfinancial Assets and Liabilities: Certain nonfinancial assets and nonfinancial liabilities are measured at fair value on a nonrecurring basis. These include certain foreclosed assets, which are remeasured and reported at fair value through a charge-off to the ACL upon initial recognition as a foreclosed asset. Subsequent to their initial recognition, certain foreclosed assets are remeasured at fair value through an adjustment included in other noninterest income. The fair value of foreclosed assets is estimated using Level 3 inputs based on customized discounting criteria less estimated selling costs.

The following table presents foreclosed assets that were remeasured and reported at fair value as of the dates indicated:

(in thousands)	September 30, 2026	December 31, 2025
Foreclosed assets remeasured at initial recognition:		
Carrying value of foreclosed assets prior to remeasurement	$ 144	$ 40
Charge-offs	(28)	(4)
Fair value of foreclosed assets	$ 116	$ 36

There were no foreclosed assets that were remeasured subsequent to initial recognition as of September 30, 2026 and December 31, 2025.

The Company had no nonfinancial liabilities measured at fair value on a nonrecurring basis as of September 30, 2026 and December 31, 2025.

The unobservable inputs used for the Level 3 fair value measurements on a nonrecurring basis were as follows:

(dollars in thousands)	Fair Value	Valuation Technique	Unobservable Input	Discount Ranges	Weighted Average Discount
September 30, 2026					
Collateral dependent loans	$ 16,416	Discounted appraisals	Collateral discounts and costs to sell	0% - 100%	4.15%
Foreclosed assets	$ 116	Discounted appraisals	Collateral discounts and costs to sell	0% - 40%	24.00%
December 31, 2025					
Collateral dependent loans	$ 14,409	Discounted appraisals	Collateral discounts and costs to sell	0% - 100%	6.04%
Foreclosed assets	$ 36	Discounted appraisals	Collateral discounts and costs to sell	0% - 12%	11.11%

Fair Value of Financial Instruments

The carrying amounts and estimated fair values of financial instruments as of September 30, 2026 and December 31, 2025, were as follows:

(in thousands)	Carrying Amount	Fair Value	Level 1	Level 2	Level 3
September 30, 2026					
Financial assets:					
Cash and due from banks	$ 29,044	$ 29,044	$ 29,044	$ —	$ —
Interest-bearing deposits in other banks	$ 176,004	$ 176,004	$ 176,004	$ —	$ —
Securities AFS	$ 601,571	$ 601,571	$ —	$ 601,571	$ —
Securities HTM	$ 115,922	$ 94,180	$ —	$ 94,180	$ —
Equity securities	$ 2,887	$ 2,887	$ 2,887	$ —	$ —
Nonmarketable equity securities	$ 2,459	$ 2,459	$ —	$ 2,459	$ —
Loans HFS	$ 1,699	$ 1,699	$ —	$ 1,699	$ —
Loans HFI, net of allowance	$ 2,298,361	$ 2,246,143	$ —	$ —	$ 2,246,143
Accrued interest receivable	$ 10,682	$ 10,682	$ —	$ —	$ 10,682
Financial liabilities:					
Deposits	$ 2,961,538	$ 2,956,884	$ —	$ 2,956,884	$ —
Accrued interest payable	$ 6,069	$ 6,069	$ —	$ 6,069	$ —
December 31, 2025					
Financial assets:					
Cash and due from banks	$ 25,685	$ 25,685	$ 25,685	$ —	$ —
Interest-bearing deposits in other banks	$ 187,707	$ 187,707	$ 187,707	$ —	$ —
Securities AFS	$ 647,310	$ 647,310	$ —	$ 647,310	$ —
Securities HTM	$ 122,619	$ 104,371	$ —	$ 104,371	$ —
Equity securities	$ 3,031	$ 3,031	$ 3,031	$ —	$ —
Nonmarketable equity securities	$ 2,407	$ 2,407	$ —	$ 2,407	$ —
Loans HFS	$ 3,148	$ 3,148	$ —	$ 3,148	$ —
Loans HFI, net of allowance	$ 2,225,270	$ 2,151,923	$ —	$ —	$ 2,151,923
Accrued interest receivable	$ 11,131	$ 11,131	$ —	$ —	$ 11,131
Financial liabilities:					
Deposits	$ 2,963,412	$ 2,961,310	$ —	$ 2,961,310	$ —
Accrued interest payable	$ 6,128	$ 6,128	$ —	$ 6,128	$ —

8. Regulatory Capital Requirements

The Company and the Bank are subject to various regulatory capital requirements administered by 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 direct material effect on the Company's and the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Company and the Bank must meet specific capital guidelines that involve quantitative measures of their assets, liabilities, and certain off-balance sheet items as calculated under regulatory accounting practices. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors. Prompt corrective action provisions are not applicable to bank holding companies.

Basel III Capital Requirements

The Company and the Bank are subject to Basel III capital guidelines. Basel III requires the Company and the Bank to maintain certain minimum ratios to meet capital adequacy requirements. It is management's belief that, as of September 30, 2026, both the Company and the Bank met all capital adequacy requirements under Basel III. Management expects that the capital ratios for the Company and the Bank under Basel III will continue to exceed capital adequacy requirements. Management believes that, as of September 30, 2026, the Bank is well-capitalized under the regulatory framework for prompt corrective action.

Capital amounts and ratios for the Company as of September 30, 2026 and December 31, 2025, are presented in the following table (Basel III Minimum includes the capital conservation buffer):

	Actual		Basel III Minimum	
(dollars in thousands)	Amount	Ratio	Amount	Ratio
September 30, 2026				
Total Risk-Based Capital	$ 464,500	18.72%	$ 260,521	10.50%
Tier I Risk-Based Capital	$ 438,739	17.68%	$ 210,898	8.50%
Common Equity Tier I Capital	$ 438,739	17.68%	$ 173,681	7.00%
Tier I Leverage Capital	$ 438,739	12.82%	$ 136,899	4.00%
December 31, 2025				
Total Risk-Based Capital	$ 430,986	18.03%	$ 250,995	10.50%
Tier I Risk-Based Capital	$ 406,945	17.02%	$ 203,186	8.50%
Common Equity Tier I Capital	$ 406,945	17.02%	$ 167,330	7.00%
Tier I Leverage Capital	$ 406,945	12.21%	$ 133,321	4.00%

Capital amounts and ratios for the Bank as of September 30, 2026 and December 31, 2025, are presented in the following table (Basel III Minimum includes the capital conservation buffer):

			Regulatory Requirements			
	Actual		Basel III Minimum		Well-Capitalized[1]	
(dollars in thousands)	Amount	Ratio	Amount	Ratio	Amount	Ratio
September 30, 2026						
Total Risk-Based Capital	$ 454,686	18.33%	$ 260,432	10.50%	$ 248,030	10.00%
Tier I Risk-Based Capital	$ 428,925	17.29%	$ 210,826	8.50%	$ 198,424	8.00%
Common Equity Tier I Capital	$ 428,925	17.29%	$ 173,621	7.00%	$ 161,220	6.50%
Tier I Leverage Capital	$ 428,925	12.54%	$ 136,850	4.00%	$ 171,063	5.00%
December 31, 2025						
Total Risk-Based Capital	$ 421,929	17.66%	$ 250,916	10.50%	$ 238,968	10.00%
Tier I Risk-Based Capital	$ 397,888	16.65%	$ 203,123	8.50%	$ 191,174	8.00%
Common Equity Tier I Capital	$ 397,888	16.65%	$ 167,277	7.00%	$ 155,329	6.50%
Tier I Leverage Capital	$ 397,888	11.94%	$ 133,274	4.00%	$ 166,593	5.00%

[1] This column refers to the prompt corrective action requirements applicable to banks.

Community Bank Leverage Ratio Framework

As part of the Economic Growth Act, an optional CBLR framework is available to the Company and the Bank as an alternative to the Basel III risk-based capital framework. The CBLR framework provides for a simple measure of capital adequacy for certain community banking organizations. Specifically, depository institutions and depository institution holding companies that have less than $10.0 billion in total consolidated assets and meet other qualifying criteria, including a Tier 1 leverage ratio of greater than 9.00%, are considered qualifying community banking organizations eligible to opt into the CBLR framework and replace the applicable Basel III risk-based capital requirements. In April 2026, the federal banking agencies issued a final rule that, among other things, lowered the 9.00% leverage ratio requirement to 8.00%.

As of September 30, 2026, the Company and the Bank qualify for the CBLR framework. Management does not intend to utilize the CBLR framework.

9. Equity

Stock Repurchases

On December 18, 2025, the Company's board of directors approved the renewal and increase of the 2025 stock repurchase program that expired on December 31, 2025. The renewed and increased 2026 stock repurchase program authorizes the Company to purchase up to $10.0 million of its outstanding shares of common stock from January 1, 2026

through December 31, 2026. Repurchases may be made from time to time in the open market at prevailing prices and based on market conditions, or in privately negotiated transactions.

For the three and nine months ended September 30, 2026, the Company did not repurchase any shares of its common stock under the stock repurchase program. As of September 30, 2026, the Company had $10.0 million available for repurchasing its common stock under the 2026 stock repurchase program.

Effective January 1, 2023, stock repurchases are subject to a nondeductible excise tax under the Inflation Reduction Act of 2022 equal to 1.0% of the fair market value of the shares repurchased, subject to certain limitations.

AOCI - Transfer of Unrealized Gain (Loss) of Securities AFS and HTM

In 2022, the Company reclassified $166.3 million, net of $17.9 million of unrealized loss, from securities AFS to securities HTM. The securities were transferred at fair value, which became the cost basis for the securities HTM. At the date of the transfer, the net unrealized loss of $17.9 million, of which $14.2 million, net of tax, was included in AOCI and is being amortized over the remaining life of the securities as a yield adjustment, in a manner consistent with the amortization or accretion of the original purchase premium or discount on the associated security. There were no gains or losses recognized as a result of the transfer. As of September 30, 2026, the net unamortized, unrealized loss remaining on the transferred securities included in the consolidated balance sheets totaled $10.7 million, of which $8.5 million, net of tax, was included in AOCI.

10. Earnings Per Common Share

Basic EPS is computed by dividing net income available to common stockholders by the weighted average number of common shares outstanding during the period, after giving retroactive effect to stock splits. Diluted EPS includes accrued but unissued shares relating to the Director Compensation Program, stock options, and restricted stock determined using the treasury stock method. The dilutive EPS calculation assumes all outstanding stock options to purchase common stock have been exercised at the beginning of the year, and the pro forma proceeds from the exercised options and restricted stock are used to purchase common stock at the average fair market valuation price.

The computations of basic and diluted earnings per common share for the Company were as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(in thousands, except share amounts)	**2026**	**2025**	**2026**	**2025**
Numerator:				
Net income - basic	$ 12,563	$ 10,801	$ 36,297	$ 31,349
Net income - diluted	$ 12,563	$ 10,801	$ 36,297	$ 31,349
Denominator:				
Weighted average shares outstanding - basic	6,584,119	6,616,826	6,581,962	6,710,902
Plus: Effect of Director Compensation Program	105	185	375	717
Plus: Effect of restricted stock	27,603	23,828	27,603	23,828
Weighted average shares outstanding - diluted	6,611,827	6,640,839	6,609,940	6,735,447
Earnings per common share:				
Basic	$ 1.91	$ 1.63	$ 5.51	$ 4.67
Diluted	$ 1.90	$ 1.63	$ 5.49	$ 4.65

11. Segment Reporting

The Company is engaged primarily in providing a fully integrated suite of banking products and services consistently across all of its markets. The CODM assesses performance and decides how to allocate resources based on net income as reported in the accompanying consolidated statements of income. While the CODM monitors the revenue streams of the various banking products, services, and markets, banking operations are managed and financial performance is evaluated on a company-wide basis. Accordingly, all of the Company's banking operations are considered by management to be aggregated in one reportable operating segment.

Financial results for the banking operations segment are presented in the table below:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
(in thousands)	**2026**	**2025**	**2026**	**2025**
Interest and dividend income	$ 40,797	$ 38,149	$ 119,264	$ 110,687
Interest expense	10,914	11,263	32,010	33,372
Provision for credit losses	500	650	2,000	1,550
Noninterest income	4,924	5,025	14,194	15,015
Depreciation and amortization	989	918	2,858	2,647
Other operating expenses	17,705	16,971	51,372	49,197
Income before income tax expense	$ 15,613	$ 13,372	$ 45,218	$ 38,936
Income tax expense	3,050	2,571	8,921	7,587
Segment net income	$ 12,563	$ 10,801	$ 36,297	$ 31,349
Adjustments and reconciling items	—	—	—	—
Consolidated net income	$ 12,563	$ 10,801	$ 36,297	$ 31,349

Banking operations segment assets were $3.37 billion and $3.35 billion as of September 30, 2026 and December 31, 2025, respectively.

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

The purpose of this discussion and analysis is to focus on significant changes in the financial condition of Red River Bancshares, Inc. on a consolidated basis from December 31, 2025 through September 30, 2026, and on our results of operations for the quarters ended September 30, 2026 and June 30, 2026, and for the nine months ended September 30, 2026 and September 30, 2025.

This discussion and analysis should be read in conjunction with our audited consolidated financial statements and notes thereto for the year ended December 31, 2025, included in our Annual Report on Form 10-K for the year ended December 31, 2025, and information presented elsewhere in this Report, particularly the unaudited consolidated financial statements and related notes appearing in Item 1.

The following discussion contains forward-looking statements that reflect our current views with respect to, among other things, future events and our financial performance. We caution that assumptions, expectations, projections, intentions, or beliefs about future events may, and often do, vary from actual results and the differences can be material. See "Cautionary Note Regarding Forward-Looking Statements" and "Part II - Item 1A. Risk Factors" in this Report. Also, see risk factors and other cautionary statements described in "Part I - Item 1A. Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2025.

CORPORATE SUMMARY

Red River Bancshares, Inc. is the bank holding company for Red River Bank, a Louisiana state-chartered bank established in 1999 that provides a fully integrated suite of banking products and services tailored to the needs of our commercial and retail customers. Red River Bank operates from a network of 28 banking centers throughout Louisiana and two combined LDPOs, one each in Lafayette, Louisiana, and Shreveport, Louisiana. Banking centers are located in the following Louisiana markets: Central, which includes the Alexandria MSA; Northwest, which includes the Shreveport-Bossier City MSA; Capital, which includes the Baton Rouge MSA; Southwest, which includes the Lake Charles MSA; the Northshore, which includes the Slidell-Mandeville-Covington MSA; Acadiana, which includes the Lafayette MSA; and New Orleans, which includes the New Orleans-Metairie MSA.

Our priority is to drive shareholder value through the establishment of a market-leading commercial banking franchise based in Louisiana. We provide our services through relationship-oriented bankers who are committed to their customers and the communities where we offer our products and services. Our strategy is to expand market share in existing markets and engage in opportunistic new market *de novo* expansion, supplemented by strategic acquisitions of financial institutions with customer-oriented, compatible philosophies located in desirable geographic areas.

THIRD QUARTER 2026 FINANCIAL AND OPERATIONAL HIGHLIGHTS

The third quarter of 2026 financial results included record-high quarterly net income and EPS along with increased loans, deposits, and assets. We also completed our New Orleans market banking center relocation project and continued to execute our plan to expand organically.

- Net income for the third quarter of 2026 was $12.6 million, or $1.90 diluted EPS, an increase of $800,000, or 6.8%, compared to $11.8 million, or $1.78 diluted EPS, for the second quarter of 2026. Net income for the third quarter benefited from a $916,000 increase in net interest income.
- For the third quarter of 2026, the return on assets was 1.48%, and the return on equity was 12.84%.
- Net interest income increased $916,000, or 3.2%, mainly as a result of higher earning asset balances and one more accrual day in the quarter. Net interest margin FTE was consistent at 3.61% for the third quarter of 2026 and for the prior quarter.
- As of September 30, 2026, assets were $3.37 billion, an increase of $56.2 million, or 1.7%, from $3.31 billion as of June 30, 2026, as a result of a $56.5 million increase in deposits.
- Deposits totaled $2.96 billion as of September 30, 2026, an increase of $56.5 million, or 1.9%, from $2.91 billion as of June 30, 2026. This increase was primarily due to higher commercial deposit account balances.
- As of September 30, 2026, loans HFI were $2.32 billion, an increase of $59.5 million, or 2.6%, from $2.26 billion as of June 30, 2026. In the third quarter of 2026, new loan originations and construction commitment fundings exceeded payments and payoffs.
- In the third quarter of 2026, NPAs increased $3.0 million, or 113.4%, to $5.6 million, or 0.17% of assets, as of September 30, 2026, primarily due to a commercial relationship that we are actively working to resolve. The provision for loan losses was lower in the third quarter of 2026 compared to the previous quarter.
- We paid a quarterly cash dividend of $0.25 per common share in the third quarter of 2026.
- The 2026 stock repurchase program authorizes us to purchase up to $10.0 million of our outstanding shares of common stock from January 1, 2026 through December 31, 2026. There was no stock repurchase activity

between January 1, 2026 and September 30, 2026. As of September 30, 2026, the 2026 stock repurchase program had $10.0 million of available capacity.

- We continued to implement our organic expansion plan with the following projects:
  - In the New Orleans market, we completed our banking center relocation project. We remodeled a portion of the ground floor of the Energy Centre Building on Poydras Street. On July 20, 2026, we relocated the Baronne Street retail banking center and the New Orleans market leadership and lenders to this updated, convenient, and visible location.
  - In the Acadiana market, construction is in process on our second full-service banking center in this market, located on Camellia Boulevard in Lafayette, Louisiana. We expect this location to open in the first quarter of 2027.
  - On October 22, 2026, we purchased a former credit union building located on Gause Boulevard E. in Slidell, Louisiana. We expect to open this location in the first quarter of 2027 as the Bank's first full-service banking center location in Slidell and our second in the Northshore market.
- In the third quarter of 2026, S&P Global Market Intelligence ranked the Bank within the top 50 best deposit franchises as of June 30, 2026, for banks with assets between $3.0 and $10.0 billion.

The following tables contain selected financial information regarding our financial position and performance as of and for the periods indicated:

	As of		Change from December 31, 2025 to September 30, 2026	
(in thousands)	**September 30, 2026**	**December 31, 2025**	**$ Change**	**% Change**
Selected Period End Balance Sheet Data:				
Total assets	$ 3,367,551	$ 3,350,910	16,641	0.5%
Interest-bearing deposits in other banks	$ 176,004	$ 187,707	(11,703)	(6.2%)
Securities available-for-sale, at fair value	$ 601,571	$ 647,310	(45,739)	(7.1%)
Securities held-to-maturity, at amortized cost	$ 115,922	$ 122,619	(6,697)	(5.5%)
Loans held for investment	$ 2,323,480	$ 2,248,669	74,811	3.3%
Total deposits	$ 2,961,538	$ 2,963,412	(1,874)	(0.1%)
Total stockholders' equity	$ 382,181	$ 365,150	17,031	4.7%

(dollars in thousands, except per share data)	As of and for the Three Months Ended			As of and for the Nine Months Ended	
	September 30, 2026	June 30, 2026	September 30, 2025	September 30, 2026	September 30, 2025
Net Income	$ 12,563	$ 11,763	$ 10,801	$ 36,297	$ 31,349
Per Common Share Data:					
Earnings per share, basic	$ 1.91	$ 1.79	$ 1.63	$ 5.51	$ 4.67
Earnings per share, diluted	$ 1.90	$ 1.78	$ 1.63	$ 5.49	$ 4.65
Book value per share	$ 58.05	$ 58.40	$ 53.42	$ 58.05	$ 53.42
Tangible book value per share[1,2]	$ 57.81	$ 58.17	$ 53.18	$ 57.81	$ 53.18
Realized book value per share[1,3]	$ 66.87	$ 65.19	$ 60.51	$ 66.87	$ 60.51
Cash dividends per share	$ 0.25	$ 0.25	$ 0.15	$ 0.75	$ 0.39
Shares outstanding	6,584,106	6,584,696	6,576,609	6,584,106	6,576,609
Weighted average shares outstanding, basic	6,584,119	6,584,696	6,616,826	6,581,962	6,710,902
Weighted average shares outstanding, diluted	6,611,827	6,615,135	6,640,839	6,609,940	6,735,447
Summary Performance Ratios:					
Return on average assets	1.48%	1.43%	1.34%	1.45%	1.32%
Return on average equity	12.84%	12.41%	12.62%	12.73%	12.58%
Net interest margin	3.56%	3.56%	3.38%	3.53%	3.29%
Net interest margin FTE[4]	3.61%	3.61%	3.43%	3.58%	3.34%
Efficiency ratio[5]	53.71%	54.25%	56.06%	53.46%	56.15%
Loans HFI to deposits ratio	78.46%	77.93%	76.55%	78.46%	76.55%
Noninterest-bearing deposits to deposits ratio	30.92%	31.34%	32.37%	30.92%	32.37%
Noninterest income to average assets	0.58%	0.58%	0.62%	0.57%	0.63%
Operating expense to average assets	2.20%	2.22%	2.22%	2.17%	2.18%
Summary Credit Quality Ratios:					
NPAs to assets	0.17%	0.08%	0.08%	0.17%	0.08%
Nonperforming loans to loans HFI	0.24%	0.11%	0.11%	0.24%	0.11%
ACL to loans HFI	1.08%	1.09%	1.05%	1.08%	1.05%
Net charge-offs to average loans	0.01%	0.00%	0.00%	0.01%	0.02%
Capital Ratios:					
Stockholders' equity to assets	11.35%	11.61%	10.93%	11.35%	10.93%
Tangible common equity to tangible assets[1,6]	11.31%	11.57%	10.89%	11.31%	10.89%
Total risk-based capital to risk-weighted assets	18.72%	18.76%	18.18%	18.72%	18.18%
Tier I risk-based capital to risk-weighted assets	17.68%	17.71%	17.17%	17.68%	17.17%
Common equity Tier I capital to risk-weighted assets	17.68%	17.71%	17.17%	17.68%	17.17%
Tier I risk-based capital to average assets	12.82%	12.77%	12.17%	12.82%	12.17%

(1) Non-GAAP financial measure. Calculations of this measure and reconciliations to GAAP are included in "- Non-GAAP Financial Measures" in this Report. This measure has not been audited.
(2) We calculate tangible book value per share as total stockholders' equity, less intangible assets, divided by the outstanding number of shares of our common stock at the end of the relevant period.
(3) We calculate realized book value per share as total stockholders' equity, less AOCI, divided by the outstanding number of shares of our common stock at the end of the relevant period.
(4) Net interest margin FTE includes an FTE adjustment using a 21.0% federal income tax rate on tax-exempt securities and tax-exempt loans.
(5) Efficiency ratio represents operating expenses divided by the sum of net interest income and noninterest income.
(6) We calculate tangible common equity as total stockholders' equity, less intangible assets, net of accumulated amortization, and we calculate tangible assets as total assets, less intangible assets, net of accumulated amortization.

RESULTS OF OPERATIONS

Net income for the third quarter of 2026 was $12.6 million, or $1.90 diluted EPS, an increase of $800,000, or 6.8%, compared to $11.8 million, or $1.78 diluted EPS, for the second quarter of 2026. The increase in net income was due to a $916,000 increase in net interest income, a $250,000 decrease in the provision for credit losses, and a $186,000 increase in noninterest income, partially offset by a $408,000 increase in operating expenses and a $144,000 increase in income tax expense. The return on assets for the third quarter of 2026 was 1.48%, compared to 1.43% for the second quarter of 2026. The return on equity was 12.84% for the third quarter of 2026, compared to 12.41% for the second quarter of 2026. Our efficiency ratio for the third quarter of 2026 was 53.71%, compared to 54.25% for the second quarter of 2026.

Net income for the nine months ended September 30, 2026, was $36.3 million, or $5.49 diluted EPS, an increase of $4.9 million, or 15.8%, compared to $31.3 million, or $4.65 diluted EPS, for the nine months ended September 30, 2025. The increase in net income was due to a $9.9 million increase in net interest income, partially offset by a $2.4 million increase in operating expenses, a $1.3 million increase in income tax expense, an $821,000 decrease in noninterest income, and a $450,000 increase in the provision for credit losses. The return on assets for the nine months ended September 30, 2026, was 1.45%, compared to 1.32% for the nine months ended September 30, 2025. The return on equity was 12.73% for the nine months ended September 30, 2026, compared to 12.58% for the nine months ended September 30, 2025. Our efficiency ratio for the nine months ended September 30, 2026, was 53.46%, compared to 56.15% for the nine months ended September 30, 2025.

Net Interest Income and Net Interest Margin

Our operating results depend primarily on our net interest income. Fluctuations in market interest rates impact the yield on interest-earning assets and the rate paid on interest-bearing liabilities. Changes in the amount and type of interest-earning assets and interest-bearing liabilities impact our net interest income. To evaluate net interest income, we measure and monitor: (1) yields on loans and other interest-earning assets; (2) the cost of deposits and other funding sources; (3) net interest spread; and (4) net interest margin. Since noninterest-bearing sources of funds, such as noninterest-bearing deposits and stockholders' equity, also fund interest-earning assets, net interest margin includes the benefit of these noninterest-bearing funding sources.

In the first half of 2025, the target range for the federal funds rate was consistent at 4.25%-4.50%. In the second half of 2025, the FOMC decreased the federal funds rate by 25 bps in the third quarter and an additional 50 bps in the fourth quarter, reducing the target federal funds range to 3.50%-3.75%. During 2026, the target range for the federal funds rate was unchanged until September 2026, when the FOMC increased the rate by 25 bps, resulting in a range of 3.75%-4.00%. The average effective federal funds rate was 3.67% for the third quarter of 2026, compared to 3.63% for the second quarter of 2026. For the nine months ended September 30, 2026, the average effective federal funds rate was 3.65%, compared to 4.32% for the nine months ended September 30, 2025. Net interest income increased and net interest margin FTE was consistent in the third quarter of 2026, compared to the prior quarter. Also, net interest income and net interest margin FTE increased for the nine months ended September 30, 2026, compared to the nine months ended September 30, 2025.

Third Quarter of 2026 vs. Second Quarter of 2026

Net interest income for the third quarter of 2026 was $29.9 million, which was $916,000, or 3.2%, higher than $29.0 million for the second quarter of 2026, due to a $1.5 million increase in interest and dividend income partially offset by a $558,000 increase in interest expense. The increase in interest and dividend income was driven by a $1.0 million increase in loan income due to higher average loan balances and yields and a $567,000 increase in income on short-term liquid assets, resulting mainly from higher average balances. The increase in interest expense was primarily due to adjusting selected deposit rates in response to rate competition, as well as higher interest-bearing transaction deposit balances.

The net interest margin FTE was 3.61% for the third quarter of 2026, which was consistent with the prior quarter. The net interest margin FTE was impacted by a higher yield on loans, offset by higher deposit costs. The average rate on new and renewed loans was 6.47% for the third quarter of 2026 and 6.38% for the prior quarter. The cost of deposits increased 3 bps to 1.46%, compared to 1.43% for the previous quarter, driven by higher deposit rates on interest-bearing transaction deposits. The net interest margin FTE improved slightly at the end of the third quarter as a result of the higher interest rate environment.

As of September 30, 2026, the target federal funds range was 3.75%-4.00%. The market's expectation is that the federal funds range may increase by another 25 bps in the fourth quarter of 2026. During the fourth quarter of 2026, we project $93.8 million of fixed rate loans at 5.85% to mature, which we expect to redeploy into loans with higher rates. We have $529.5 million of floating rate loans at 6.24%, which we expect to reprice slightly higher. During the fourth quarter of 2026, we also expect to receive $24.0 million in securities cash flows at 3.64%, for which we are evaluating reinvestment options as we consider balance sheet management strategies and the forecasted interest rate environment. We project $190.7 million in time deposits at 3.37% to mature, which we expect to renew at higher rates. Selected transaction deposit rates could also be further adjusted in response to rate competition. As of September 30, 2026, floating rate loans were 22.8% of loans HFI, and floating rate transaction deposits were 8.9% of interest-bearing transaction deposits. Depending on

balance sheet activity, the interest rate environment, and competition, we expect net interest income and net interest margin FTE to increase slightly in the fourth quarter of 2026.

The following table presents average balance sheet information, interest income, interest expense, and the corresponding average yields earned and rates paid for the three months ended September 30, 2026 and June 30, 2026:

	For the Three Months Ended					
	September 30, 2026			June 30, 2026		
(dollars in thousands)	Average Balance Outstanding	Interest Income/ Expense	Average Yield/ Rate	Average Balance Outstanding	Interest Income/ Expense	Average Yield/ Rate
Assets						
Interest-earning assets:						
Loans[1,2]	$ 2,299,635	$ 33,234	5.66%	$ 2,262,588	$ 32,234	5.64%
Securities - taxable	604,138	4,713	3.12%	620,153	4,808	3.10%
Securities - tax-exempt	178,077	958	2.15%	181,703	970	2.14%
Interest-bearing deposits in other banks	198,578	1,861	3.67%	141,318	1,294	3.63%
Nonmarketable equity securities	2,444	31	5.01%	2,427	17	2.81%
Total interest-earning assets	3,282,872	$ 40,797	4.88%	3,208,189	$ 39,323	4.86%
Allowance for credit losses	(25,022)			(24,334)		
Noninterest-earning assets	116,272			120,368		
Total assets	$ 3,374,122			$ 3,304,223		
Liabilities and Stockholders' Equity						
Interest-bearing liabilities:						
Interest-bearing transaction deposits	$ 1,404,032	$ 5,691	1.61%	$ 1,349,934	$ 5,192	1.54%
Time deposits	608,435	5,223	3.41%	607,580	5,164	3.41%
Total interest-bearing deposits	2,012,467	10,914	2.15%	1,957,514	10,356	2.12%
Other borrowings	—	—	—%	—	—	—%
Total interest-bearing liabilities	2,012,467	$ 10,914	2.15%	1,957,514	$ 10,356	2.12%
Noninterest-bearing liabilities:						
Noninterest-bearing deposits	950,293			945,138		
Accrued interest and other liabilities	23,282			21,481		
Total noninterest-bearing liabilities	973,575			966,619		
Stockholders' equity	388,080			380,090		
Total liabilities and stockholders' equity	$ 3,374,122			$ 3,304,223		
Net interest income		$ 29,883			$ 28,967	
Net interest spread			2.73%			2.74%
Net interest margin			3.56%			3.56%
Net interest margin FTE[3]			3.61%			3.61%
Cost of deposits			1.46%			1.43%
Cost of funds			1.32%			1.29%

(1) Includes average outstanding balances of loans HFS of $2.9 million and $4.7 million for the three months ended September 30, 2026 and June 30, 2026, respectively.
(2) Nonaccrual loans are included as loans carrying a zero yield.
(3) Net interest margin FTE includes an FTE adjustment using a 21.0% federal income tax rate on tax-exempt securities and tax-exempt loans.

Nine Months Ended September 30, 2026 vs. Nine Months Ended September 30, 2025

Net interest income for the nine months ended September 30, 2026 was $87.3 million, which was $9.9 million, or 12.9%, higher than $77.3 million for the nine months ended September 30, 2025. Net interest income increased due to an $8.6 million increase in interest and dividend income, combined with a $1.4 million decrease in interest expense.

The increase in interest and dividend income for the nine months ended September 30, 2026, when compared to the nine months ended September 30, 2025, was due to higher interest income on loans and securities, partially offset by a decrease in interest income on short-term liquid assets. Loan income increased $8.6 million due to higher average loan balances, combined with higher rates on new and renewed loans compared to the existing portfolio yield. Securities income increased $1.9 million primarily due to purchasing higher yielding securities, combined with higher average securities balances. Interest income on short-term liquid assets decreased $1.9 million due to the FOMC lowering the federal funds rate in the second half of 2025, combined with lower average balances on these assets.

Net interest margin FTE increased 24 bps to 3.58% for the nine months ended September 30, 2026, from 3.34% for the nine months ended September 30, 2025, primarily due to higher yields on securities and loans, combined with lower deposit costs. These positive variances were partially offset by a 73 bp decrease to the yield on short-term liquid assets, due to the FOMC lowering the federal funds rate in the second half of 2025.

The yield on securities increased 19 bps mainly due to purchasing $113.6 million of securities in the second half of 2025 and an additional $62.1 million of securities during the first nine months of 2026, at favorable rates. The yield on loans increased 13 bps due to higher rates on new and renewed loans compared to the existing portfolio yield. The cost of deposits decreased 13 bps to 1.45% for the nine months ended September 30, 2026, from 1.58% for the nine months ended September 30, 2025, due to a 21 bp decrease in the rate on interest-bearing deposits. Within total interest-bearing deposits, the rate on time deposits and interest-bearing transaction deposits decreased 26 and 15 bps, respectively. These decreases occurred as we adjusted rates on selected transaction and time deposits during the second half of 2025 in response to the federal funds rate decreases by the FOMC during that time.

The following table presents average balance sheet information, interest income, interest expense, and the corresponding average yields earned and rates paid for the nine months ended September 30, 2026 and 2025:

	For the Nine Months Ended					
	September 30, 2026			September 30, 2025		
(dollars in thousands)	Average Balance Outstanding	Interest Income/ Expense	Average Yield/ Rate	Average Balance Outstanding	Interest Income/ Expense	Average Yield/ Rate
Assets						
Interest-earning assets:						
Loans[1,2]	$ 2,272,701	$ 97,013	5.63%	$ 2,121,894	$ 88,383	5.50%
Securities - taxable	617,853	14,393	3.11%	573,645	12,492	2.90%
Securities - tax-exempt	180,907	2,900	2.14%	187,210	2,936	2.09%
Interest-bearing deposits in other banks	177,271	4,892	3.64%	205,182	6,803	4.37%
Nonmarketable equity securities	2,427	66	3.64%	2,350	73	4.12%
Total interest-earning assets	3,251,159	$ 119,264	4.85%	3,090,281	$ 110,687	4.73%
Allowance for credit losses	(24,339)			(22,069)		
Noninterest-earning assets	121,197			106,639		
Total assets	$ 3,348,017			$ 3,174,851		
Liabilities and Stockholders' Equity						
Interest-bearing liabilities:						
Interest-bearing transaction deposits	$ 1,397,896	$ 16,440	1.57%	$ 1,308,321	$ 16,877	1.72%
Time deposits	607,995	15,570	3.42%	598,776	16,495	3.68%
Total interest-bearing deposits	2,005,891	32,010	2.13%	1,907,097	33,372	2.34%
Other borrowings	—	—	—%	—	—	—%
Total interest-bearing liabilities	2,005,891	$ 32,010	2.13%	1,907,097	$ 33,372	2.34%
Noninterest-bearing liabilities:						
Noninterest-bearing deposits	937,804			910,743		
Accrued interest and other liabilities	23,243			23,766		
Total noninterest-bearing liabilities	961,047			934,509		
Stockholders' equity	381,079			333,245		
Total liabilities and stockholders' equity	$ 3,348,017			$ 3,174,851		
Net interest income		$ 87,254			$ 77,315	
Net interest spread			2.72%			2.39%
Net interest margin			3.53%			3.29%
Net interest margin FTE[3]			3.58%			3.34%
Cost of deposits			1.45%			1.58%
Cost of funds			1.32%			1.44%

(1) Includes average outstanding balances of loans HFS of $3.4 million and $2.8 million for the nine months ended September 30, 2026 and 2025, respectively.
(2) Nonaccrual loans are included as loans carrying a zero yield.
(3) Net interest margin FTE includes an FTE adjustment using a 21.0% federal income tax rate on tax-exempt securities and tax-exempt loans.

Rate/Volume Analysis

Increases and decreases in interest income and interest expense result from changes in average balances (volume) of interest-earning assets and interest-bearing liabilities, as well as changes in average interest rates. The following table presents the dollar amount of changes in interest income and interest expense for major components of interest-earning assets and interest-bearing liabilities for the periods presented.

	For the Three Months Ended September 30, 2026 vs. June 30, 2026			For the Nine Months Ended September 30, 2026 vs. September 30, 2025		
	Increase (Decrease) Due to Change in		Total Increase (Decrease)[1]	Increase (Decrease) Due to Change in		Total Increase (Decrease)[1]
(in thousands)	Volume	Rate		Volume	Rate	
Interest-earning assets:						
Loans	$ 528	$ 472	$ 1,000	$ 6,284	$ 2,346	$ 8,630
Securities - taxable	(124)	29	(95)	963	938	1,901
Securities - tax-exempt	(19)	7	(12)	(99)	63	(36)
Interest-bearing deposits in other banks	525	42	567	(926)	(985)	(1,911)
Nonmarketable equity securities	—	14	14	2	(9)	(7)
Total interest-earning assets	$ 910	$ 564	$ 1,474	$ 6,224	$ 2,353	$ 8,577
Interest-bearing liabilities:						
Interest-bearing transaction deposits	$ 208	$ 291	$ 499	$ 1,155	$ (1,592)	$ (437)
Time deposits	7	52	59	254	(1,179)	(925)
Total interest-bearing deposits	215	343	558	1,409	(2,771)	(1,362)
Other borrowings	—	—	—	—	—	—
Total interest-bearing liabilities	$ 215	$ 343	$ 558	$ 1,409	$ (2,771)	$ (1,362)
Increase (decrease) in net interest income	$ 695	$ 221	$ 916	$ 4,815	$ 5,124	$ 9,939

[1] The change in interest attributable to rate has been determined by applying the change in rate between periods to average balances outstanding in the earlier period. The change in interest due to volume has been determined by applying the rate from the earlier period to the change in average balances outstanding between periods. Changes attributable to both rate and volume that cannot be segregated have been allocated to rate.

Provision for Credit Losses

The provision for credit losses is the amount necessary to maintain the ACL and the reserve for unfunded commitments at a level considered appropriate by management. Factors impacting the provision include loan portfolio growth, changes in the quality and composition of the loan portfolio, the level of nonperforming loans, delinquency and charge-off trends, the level of unfunded commitments, and current economic conditions.

The table below presents, for the periods indicated, the provision for credit losses:

	For the Three Months Ended			
(dollars in thousands)	September 30, 2026	June 30, 2026	Increase (Decrease)	
Provision for credit losses	$ 500	$ 750	$ (250)	(33.3%)

The provision for credit losses for the third quarter of 2026 was $500,000 for loans, which was $250,000 lower than the prior quarter. The decrease was driven by stable charge-off trends and steady local economic conditions affecting the ACL calculation, partially offset by an increase in NPAs related to a commercial relationship that we are actively working to resolve. The provision in the second quarter of 2026 was due to lingering impacts related to inflation and tariffs, geopolitical uncertainty, greater uncertainty with future labor market trends, and slight loan growth. We will continue to evaluate future provision needs in relation to current economic situations, loan growth, trends in asset quality, forecasted information, and other conditions influencing loss expectations.

The table below presents, for the periods indicated, the provision for credit losses:

	For the Nine Months Ended			
(dollars in thousands)	September 30, 2026	September 30, 2025	Increase (Decrease)	
Provision for credit losses	$ 2,000	$ 1,550	$ 450	29.0%

The provision for credit losses for the nine months ended September 30, 2026 was $2.0 million for loans, an increase of $450,000, or 29.0%, from $1.6 million for the nine months ended September 30, 2025. The increase for the first nine months of 2026 was due to lingering impacts related to inflation and tariffs, geopolitical uncertainty, greater uncertainty with future labor market trends, and slight loan growth. The provision for the first nine months of 2025 was primarily driven by loan growth as well as ongoing uncertainty regarding tariffs, unemployment, and inflation.

Noninterest Income

Our primary sources of noninterest income are fees related to the sale of mortgage loans, service charges on deposit accounts, debit card fees, brokerage income from advisory services, and other loan and deposit fees.

Third Quarter of 2026 vs. Second Quarter of 2026

Noninterest income increased $186,000 to $4.9 million for the third quarter of 2026, compared to $4.7 million for the second quarter of 2026. The increase in noninterest income was mainly due to higher SBIC income and brokerage income, partially offset by lower mortgage loan income and a loss on equity securities. Also, net debit card income had offsetting refunds during the periods.

The table below presents, for the periods indicated, the major categories of noninterest income:

	For the Three Months Ended			
(dollars in thousands)	September 30, 2026	June 30, 2026	Increase (Decrease)	
Noninterest income:				
Service charges on deposit accounts	$ 1,430	$ 1,388	$ 42	3.0%
Debit card income, net	1,062	1,067	(5)	(0.5%)
Mortgage loan income	698	928	(230)	(24.8%)
Brokerage income	1,015	874	141	16.1%
Loan and deposit income	456	521	(65)	(12.5%)
Bank-owned life insurance income	241	236	5	2.1%
Gain (Loss) on equity securities	(113)	(13)	(100)	(769.2%)
Gain (Loss) on sale and call of securities	—	(22)	22	100.0%
SBIC income (loss)	112	(291)	403	138.5%
Other income (loss)	23	50	(27)	(54.0%)
Total noninterest income	$ 4,924	$ 4,738	$ 186	3.9%

The SBIC limited partnerships of which the Bank is a member, reported a gain of $112,000 in the third quarter of 2026, compared to a loss of $291,000 in the previous quarter. These results were mainly due to fund value adjustments as an SBIC fund continues its wind-down phase. We expect SBIC income or loss to fluctuate in future quarters.

Brokerage income increased $141,000 to $1.0 million for the third quarter of 2026, compared to the prior quarter due to increased investing activity by clients. Assets under management were $1.42 billion as of September 30, 2026, and $1.41 billion as of June 30, 2026.

Mortgage loan income decreased $230,000 to $698,000 for the third quarter of 2026, compared to the prior quarter due to rising mortgage interest rates in the third quarter of 2026 reducing mortgage activity.

Equity securities are an investment in a CRA mutual fund consisting primarily of bonds. The gain or loss on equity securities is a fair value adjustment primarily driven by changes in the interest rate environment. Due to the fluctuations in market rates, equity securities had a loss of $113,000 in the third quarter of 2026, compared to a loss of $13,000 in the prior quarter.

Debit card income, net, was $1.1 million for the third quarter of 2026, consistent with the previous quarter. The third quarter of 2026 benefited from the receipt of a $50,000 periodic refund from our debit card provider, compared to a $63,000 similar refund in the previous quarter.

Nine Months Ended September 30, 2026 vs. Nine Months Ended September 30, 2025

Noninterest income decreased $821,000 to $14.2 million for the nine months ended September 30, 2026, compared to $15.0 million for the nine months ended September 30, 2025. The decrease in noninterest income was mainly due to lower brokerage income, SBIC income, and other income, as well as a loss on equity securities, partially offset by higher mortgage loan income, loan and deposit income, and net debit card income.

The table below presents, for the periods indicated, the major categories of noninterest income:

	For the Nine Months Ended			
(dollars in thousands)	**September 30, 2026**	**September 30, 2025**	**Increase (Decrease)**	
Noninterest income:				
Service charges on deposit accounts	$ 4,213	$ 4,160	$ 53	1.3%
Debit card income, net	3,045	2,925	120	4.1%
Mortgage loan income	2,231	1,749	482	27.6%
Brokerage income	2,827	3,446	(619)	(18.0%)
Loan and deposit income	1,475	1,270	205	16.1%
Bank-owned life insurance income	697	661	36	5.4%
Gain (Loss) on equity securities	(144)	82	(226)	(275.6%)
Gain (Loss) on sale and call of securities	(22)	—	(22)	(100.0%)
SBIC income (loss)	(283)	252	(535)	(212.3%)
Other income (loss)	155	470	(315)	(67.0%)
Total noninterest income	$ 14,194	$ 15,015	$ (821)	(5.5%)

Brokerage income decreased $619,000 to $2.8 million for the nine months ended September 30, 2026, compared to the same period prior year, mainly due to decreased investing activity by clients. Also, the first nine months of 2025 included $215,000 in incentive income related to a prior year investment group broker-dealer partner conversion. Assets under management were $1.42 billion and $1.29 billion as of September 30, 2026 and 2025, respectively.

The SBIC partnerships reported a loss of $283,000 for the nine months ended September 30, 2026, compared to $252,000 of income for the same period prior year. This variance was mainly due to fund value adjustments as an SBIC fund entered its wind-down phase in mid-2025.

Other income decreased $315,000 to $155,000 for the nine months ended September 30, 2026, compared to the same period prior year. We participate as a member in JAM FINTOP. During the third quarter of 2025, JAM FINTOP completed the sale of an investment, which resulted in $253,000 of nonrecurring income for the nine months ended September 30, 2025.

Equity securities are an investment in a CRA mutual fund consisting primarily of bonds. The gain or loss on equity securities is a fair value adjustment primarily driven by changes in the interest rate environment. Due to fluctuations in market rates, equity securities had a loss of $144,000 for the nine months ended September 30, 2026, compared to a gain of $82,000 for the same period prior year.

Mortgage loan income increased $482,000 to $2.2 million for the nine months ended September 30, 2026, compared to the same period prior year, mainly due to increased purchase activity.

Loan and deposit income increased $205,000 to $1.5 million for the nine months ended September 30, 2026, compared to the same period prior year. Credit card income, net of expenses, is reported in loan and deposit income. The increase was primarily due to $170,000 of increased credit card income due to higher credit card activity during the nine months ended September 30, 2026, and a change to our credit card program provider to align with our debit card program provider in the second quarter of 2025, which also resulted in additional credit card income.

Debit card income, net, increased $120,000 to $3.0 million for the nine months ended September 30, 2026, compared to the same period prior year. This increase was mainly due to higher debit card activity and the receipt of a $50,000 periodic refund from our debit card provider during the nine months ended September 30, 2026.

Operating Expenses

Operating expenses are composed of all employee expenses and costs associated with operating our facilities, obtaining and retaining customer relationships, and providing services.

Third Quarter of 2026 vs. Second Quarter of 2026

Operating expenses increased $408,000 to $18.7 million for the third quarter of 2026, compared to $18.3 million for the second quarter of 2026. The increase in operating expenses was mainly due to higher personnel expenses and loan and deposit expenses, partially offset by lower legal and professional expenses. Occupancy and equipment expenses also had offsetting nonrecurring activity.

The following table presents, for the periods indicated, the major categories of operating expenses:

	For the Three Months Ended			
(dollars in thousands)	**September 30, 2026**	**June 30, 2026**	**Increase (Decrease)**	
Operating expenses:				
Personnel expenses	$ 10,917	$ 10,711	$ 206	1.9%
Non-staff expenses:				
Occupancy and equipment expenses	1,939	1,935	4	0.2%
Technology expenses	978	955	23	2.4%
Advertising	344	324	20	6.2%
Other business development expenses	600	641	(41)	(6.4%)
Data processing expense	783	758	25	3.3%
Other taxes	559	553	6	1.1%
Loan and deposit expenses	426	242	184	76.0%
Legal and professional expenses	487	604	(117)	(19.4%)
Regulatory assessment expenses	450	409	41	10.0%
Other operating expenses	1,211	1,154	57	4.9%
Total operating expenses	$ 18,694	$ 18,286	$ 408	2.2%

Personnel expenses increased $206,000 to $10.9 million for the third quarter of 2026, compared to the prior quarter. This increase was primarily due to an increase in headcount and higher personnel-related accruals. As of September 30, 2026 and June 30, 2026, we had 390 and 381 total employees, respectively.

Loan and deposit expenses increased $184,000 to $426,000 for the third quarter of 2026, compared to the prior quarter. The second quarter of 2026 benefited from reimbursement of $82,000 of collection expenses due to the successful resolution of nonaccrual loans.

Occupancy and equipment expenses totaled $1.9 million for the third quarter of 2026, consistent with the prior quarter. The third quarter of 2026 included $46,000 of nonrecurring expenses related to the relocation of banking centers and offices in the Northwest and New Orleans markets.

Legal and professional expenses decreased $117,000 to $487,000 for the third quarter of 2026, compared to the prior quarter due to lower audit and consulting expenses.

Nine Months Ended September 30, 2026 vs. Nine Months Ended September 30, 2025

Operating expenses increased $2.4 million to $54.2 million for the nine months ended September 30, 2026, compared to $51.8 million for the nine months ended September 30, 2025. The increase in operating expenses was mainly due to higher personnel expenses, occupancy and equipment expenses, technology expenses, other business development expenses, and data processing expense, partially offset by lower legal and professional expenses and other taxes.

The following table presents, for the periods indicated, the major categories of operating expenses:

	For the Nine Months Ended			
(dollars in thousands)	**September 30, 2026**	**September 30, 2025**	**Increase (Decrease)**	
Operating expenses:				
Personnel expenses	$ 32,145	$ 30,750	$ 1,395	4.5%
Non-staff expenses:				
Occupancy and equipment expenses	5,758	5,394	364	6.7%
Technology expenses	2,796	2,486	310	12.5%
Advertising	995	911	84	9.2%
Other business development expenses	1,790	1,544	246	15.9%
Data processing expense	1,918	1,734	184	10.6%
Other taxes	1,671	1,825	(154)	(8.4%)
Loan and deposit expenses	771	816	(45)	(5.5%)
Legal and professional expenses	1,621	1,849	(228)	(12.3%)
Regulatory assessment expenses	1,275	1,209	66	5.5%
Other operating expenses	3,490	3,326	164	4.9%
Total operating expenses	$ 54,230	$ 51,844	$ 2,386	4.6%

Personnel expenses increased $1.4 million to $32.1 million for the nine months ended September 30, 2026, compared to the same period prior year. This increase was primarily due to an increase in headcount and higher personnel-related accruals. As of September 30, 2026 and 2025, we had 390 and 377 total employees, respectively.

Occupancy and equipment expenses increased $364,000 to $5.8 million for the nine months ended September 30, 2026, compared to the same period prior year. This increase was primarily due to higher occupancy expenses and $124,000 of nonrecurring expenses related to our newly constructed Shreveport Commercial and Private Banking LDPO in the Northwest market, as well as the relocation of banking centers and offices in the Northwest and New Orleans markets.

Technology expenses increased $310,000 to $2.8 million for the nine months ended September 30, 2026, compared to the same period prior year. This increase was mainly due to continued computer hardware and software technology enhancements and upgrades, partially offset by lower technology communication expenses resulting from a new vendor relationship.

Other business development expenses increased $246,000 to $1.8 million for the nine months ended September 30, 2026, compared to the same period prior year. This increase was primarily driven by higher SBIC expenses, including the addition of a third SBIC partnership established in September 2025.

Data processing expense increased $184,000 to $1.9 million for the nine months ended September 30, 2026, compared to the same period prior year. The first nine months of 2026 included a full period of expenses related to online banking, mobile banking, and bill payment system upgrades completed in 2025. The first quarter of 2026 included the receipt of a $389,000 periodic refund from our data processing center, compared to a $447,000 similar refund in the same period prior year.

Legal and professional expenses decreased $228,000 to $1.6 million for the nine months ended September 30, 2026, compared to the same period prior year due to lower audit and consulting expenses.

Other taxes decreased $154,000 to $1.7 million for the nine months ended September 30, 2026, compared to the same period prior year. In 2025, Louisiana corporate income tax rates were lowered. In order for financial institutions to be included in this benefit, the State of Louisiana bank stock tax calculation was adjusted effective 2026, which resulted in other taxes being lower in the first nine months of 2026.

Income Tax Expense

The amount of income tax expense is influenced by the amounts of our pre-tax income, tax-exempt income, and other nondeductible expenses. Deferred tax assets and liabilities are reflected at currently enacted income tax rates in effect for the period in which the deferred tax assets and liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes.

Our accrued tax rate is based on an annualized projection and changes considering our most recent financial results and balances. Our effective income tax rates have differed from the U.S. statutory rate due to the effect of tax-exempt income

from loans, securities, and life insurance policies, as well as income tax effects associated with stock-based compensation and permanent and temporary tax differences.

The table below presents, for the periods indicated, income tax expense:

	For the Three Months Ended			
(dollars in thousands)	September 30, 2026	June 30, 2026	Increase (Decrease)	
Income tax expense	$ 3,050	$ 2,906	$ 144	5.0%

For the quarters ended September 30, 2026 and June 30, 2026, income tax expense totaled $3.1 million and $2.9 million, respectively. The increase in income tax expense was due to the increase in pre-tax income. Our effective income tax rates for the quarters ended September 30, 2026 and June 30, 2026, were 19.5% and 19.8%, respectively.

The table below presents, for the periods indicated, income tax expense:

	For the Nine Months Ended			
(dollars in thousands)	September 30, 2026	September 30, 2025	Increase (Decrease)	
Income tax expense	$ 8,921	$ 7,587	$ 1,334	17.6%

For the nine months ended September 30, 2026 and 2025, income tax expense totaled $8.9 million and $7.6 million, respectively. The increase in income tax expense was primarily due to the increase in pre-tax income. Our effective income tax rates for the nine months ended September 30, 2026 and 2025, were 19.7% and 19.5%, respectively.

FINANCIAL CONDITION

As of September 30, 2026, assets were $3.37 billion, which was $16.6 million, or 0.5%, higher than $3.35 billion as of December 31, 2025. Cash and cash equivalents decreased $8.3 million, or 3.9%, to $205.0 million and were 6.1% of assets as of September 30, 2026. Total securities decreased $52.6 million, or 6.8%, to $720.4 million and were 21.4% of assets as of September 30, 2026. Loans HFI increased $74.8 million, or 3.3%, to $2.32 billion as of September 30, 2026. Total deposits were consistent at $2.96 billion as of September 30, 2026 and December 31, 2025. As of September 30, 2026, and December 31, 2025, we had no borrowings. Stockholders' equity increased $17.0 million during the first nine months of 2026 to $382.2 million as of September 30, 2026. As of September 30, 2026, the loans HFI to deposits ratio was 78.46%, compared to 75.88% as of December 31, 2025, and the noninterest-bearing deposits to total deposits ratio was 30.92%, compared to 30.84% as of December 31, 2025.

Interest-bearing Deposits in Other Banks

Interest-bearing deposits in other banks were the third-largest component of earning assets as of September 30, 2026. Excess liquidity that is not being deployed into loans or securities is placed in these accounts. As of September 30, 2026, interest-bearing deposits in other banks were $176.0 million and 5.2% of assets, a decrease of $11.7 million, or 6.2%, compared to $187.7 million and 5.6% of assets as of December 31, 2025. This decrease was primarily due to the funding of loans, partially offset by the net cash flow from securities during the nine months ended September 30, 2026.

Securities

Our securities portfolio is the second-largest component of earning assets and provides a significant source of revenue. Securities are classified as AFS, HTM, and equity securities. As of September 30, 2026, our total securities portfolio was 21.4% of assets. It is designed primarily to provide and maintain liquidity, generate a favorable return on investments without incurring unnecessary interest rate and credit risk, and complement our lending activities. We may invest in various types of liquid assets that are permissible under governing regulations and approved by our investment policy, which include U.S. Treasury obligations, U.S. government agency obligations, certificates of deposit of insured domestic banks, mortgage-backed and mortgage-related securities, corporate notes having an investment rating of "A" or better, municipal bonds, and certain equity securities.

Securities AFS and Securities HTM

Securities AFS and securities HTM are debt securities. Total debt securities on the consolidated balance sheets were $717.5 million as of September 30, 2026, a decrease of $52.4 million, or 6.8%, from $769.9 million as of December 31, 2025.

Securities AFS are held for indefinite periods of time and are carried at estimated fair value. As of September 30, 2026, the estimated fair value of securities AFS was $601.6 million. The carrying values of our securities AFS are adjusted for unrealized gain or loss, and any unrealized gain or loss is reported on an after-tax basis as a component of AOCI in stockholders' equity. The net unrealized loss on securities AFS increased $19.6 million for the nine months ended

September 30, 2026, resulting in a net unrealized loss of $62.8 million as of September 30, 2026, compared to a net unrealized loss of $43.2 million as of December 31, 2025.

Securities HTM, which we have the intent and ability to hold until maturity, are carried at amortized cost. As of September 30, 2026, the amortized cost of securities HTM was $115.9 million. Securities HTM had an unrealized loss of $21.7 million as of September 30, 2026, compared to an unrealized loss of $18.2 million as of December 31, 2025.

Investment activity for the nine months ended September 30, 2026, included $93.0 million in maturities, principal repayments, and calls, and $2.0 million in sales, partially offset by $62.1 million of securities purchased. There were no purchases or sales of securities HTM for the same period.

The securities portfolio tax-equivalent yield was 3.02% for the nine months ended September 30, 2026, compared to 2.84% for the nine months ended September 30, 2025. The increase in yield was primarily due to reinvesting lower yielding securities cash flows received during the second half of 2025 and the first nine months of 2026, as well as other liquid funds, into higher yielding securities.

The contractual maturity of mortgage-backed securities and collateralized mortgage obligations is not a reliable indicator of their expected lives because borrowers have the right to prepay their obligations at any time. Mortgage-backed securities and collateralized mortgage obligations are typically issued with stated principal amounts and are backed by pools of mortgage loans and other loans with varying maturities. The term of the underlying mortgages and loans may vary significantly due to the ability of a borrower to prepay. Monthly pay downs on mortgage-backed securities may cause the average lives of the securities to be much different than the stated contractual maturity. During a period of rising interest rates, fixed rate mortgage-backed securities are not likely to experience heavy prepayments of principal, and consequently, the average lives of these securities are typically lengthened. If interest rates begin to fall, prepayments may increase, thereby shortening the estimated average lives of these securities. As of September 30, 2026, the average life of our securities portfolio was 6.4 years with an estimated effective duration of 4.4 years. As of December 31, 2025, the average life of our securities portfolio was 6.1 years with an estimated effective duration of 4.2 years.

The following tables summarize the amortized cost and estimated fair value of our securities by type as of the dates indicated. As of September 30, 2026, other than securities issued by U.S. government agencies or government-sponsored enterprises, our securities portfolio did not contain securities of any one issuer with an aggregate book value in excess of 10.0% of our stockholders' equity.

	September 30, 2026			
(in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Securities AFS:				
Mortgage-backed securities	$ 417,239	$ 248	$ (24,269)	$ 393,218
Municipal bonds	190,532	—	(37,662)	152,870
U.S. agency securities	56,606	40	(1,163)	55,483
Total Securities AFS	$ 664,377	$ 288	$ (63,094)	$ 601,571
Securities HTM:				
Mortgage-backed securities	$ 114,972	$ —	$ (21,653)	$ 93,319
U.S. agency securities	950	—	(89)	861
Total Securities HTM	$ 115,922	$ —	$ (21,742)	$ 94,180

	December 31, 2025			
(in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Securities AFS:				
Mortgage-backed securities	$ 426,732	$ 1,846	$ (18,549)	$ 410,029
Municipal bonds	196,607	4	(25,311)	171,300
U.S. agency securities	67,146	29	(1,194)	65,981
Total Securities AFS	$ 690,485	$ 1,879	$ (45,054)	$ 647,310
Securities HTM:				
Mortgage-backed securities	$ 121,677	$ —	$ (18,189)	$ 103,488
U.S. agency securities	942	—	(59)	883
Total Securities HTM	$ 122,619	$ —	$ (18,248)	$ 104,371

The following table shows the fair value of securities AFS that mature during each of the periods indicated. The contractual maturity of a mortgage-backed security is the date the last underlying mortgage matures. Yields are weighted-average tax equivalent yields calculated by dividing projected annual income by the average amortized cost of the applicable securities while using a 21.0% federal income tax rate, when applicable.

	Contractual Maturity as of September 30, 2026									
	Within One Year		After One Year but Within Five Years		After Five Years but Within Ten Years		After Ten Years		Total	
(dollars in thousands)	Amount	Yield[(1)]	Amount	Yield[(1)]	Amount	Yield[(1)]	Amount	Yield[(1)]	Amount	Yield[(1)]
Securities AFS:										
Mortgage-backed securities	$ 131	3.67%	$ 7,977	2.99%	$ 63,498	2.99%	$ 321,612	3.74%	$ 393,218	3.60%
Municipal bonds	4,049	1.70%	8,639	2.64%	51,758	2.19%	88,424	2.15%	152,870	1.46%
U.S. agency securities	3,263	4.07%	2,058	1.40%	32,713	3.89%	17,449	3.63%	55,483	3.73%
Total Securities AFS	$ 7,443	2.76%	$ 18,674	2.65%	$ 147,969	2.87%	$ 427,485	3.35%	$ 601,571	3.21%

(1) Tax equivalent projected book yield as of September 30, 2026.

The following table shows the amortized cost of securities HTM that mature during each of the periods indicated. The contractual maturity of a mortgage-backed security is the date the last underlying mortgage matures. Yields are weighted-average tax equivalent yields calculated by dividing projected annual income by the average amortized cost of the applicable securities while using a 21.0% federal income tax rate, when applicable.

	Contractual Maturity as of September 30, 2026									
	Within One Year		After One Year but Within Five Years		After Five Years but Within Ten Years		After Ten Years		Total	
(dollars in thousands)	Amount	Yield[1]	Amount	Yield[1]	Amount	Yield[1]	Amount	Yield[1]	Amount	Yield[1]
Securities HTM:										
Mortgage-backed securities	$ —	—%	$ —	—%	$ —	—%	$ 114,972	2.52%	$ 114,972	2.52%
U.S. agency securities	—	—%	950	2.61%	—	—%	—	—%	950	2.61%
Total Securities HTM	$ —	—%	$ 950	2.61%	$ —	—%	$ 114,972	2.52%	$ 115,922	2.52%

[1] Tax equivalent projected book yield as of September 30, 2026.

Equity Securities

Equity securities are an investment in a CRA mutual fund, consisting primarily of bonds. Equity securities are carried at fair value on the consolidated balance sheets with periodic changes in value recorded through the consolidated statements of income. As of September 30, 2026, equity securities had a fair value of $2.9 million with a recognized loss of $144,000 for the nine months ended September 30, 2026. As of December 31, 2025, equity securities had a fair value of $3.0 million with a recognized gain of $94,000 for the year ended December 31, 2025.

Loan Portfolio

Our loan portfolio is our largest category of earning assets, and interest income earned on our loan portfolio is our primary source of income. We maintain a diversified loan portfolio with a focus on CRE, one-to-four family residential, and commercial and industrial loans. As of September 30, 2026, loans HFI were $2.32 billion, an increase of $74.8 million, or 3.3%, compared to $2.25 billion as of December 31, 2025. During the nine months ended September 30, 2026, new loan originations and construction commitment fundings exceeded payments and payoffs. As of September 30, 2026, we had $93.8 million of unfunded construction loan commitments, which we expect to fund over time.

Loans by Category

Loans HFI by category and loans HFS are summarized below as of the dates indicated:

	September 30, 2026		December 31, 2025		Change from December 31, 2025 to September 30, 2026	
(dollars in thousands)	Amount	Percent	Amount	Percent	Amount	Percent
Real estate:						
Commercial real estate	$ 953,660	41.0%	$ 920,294	40.9%	$ 33,366	3.6%
One-to-four family residential	647,035	27.9%	628,762	28.0%	18,273	2.9%
Construction and development	223,825	9.6%	221,214	9.8%	2,611	1.2%
Commercial and industrial	424,080	18.3%	392,824	17.5%	31,256	8.0%
Tax-exempt	48,640	2.1%	57,541	2.6%	(8,901)	(15.5%)
Consumer	26,240	1.1%	28,034	1.2%	(1,794)	(6.4%)
Total loans HFI	$ 2,323,480	100.0%	$ 2,248,669	100.0%	$ 74,811	3.3%
Total loans HFS	$ 1,699		$ 3,148		$ (1,449)	(46.0%)
Average loan HFI size, excluding credit cards	$ 287		$ 274		$ 13	4.7%

CRE loans are collateralized by owner occupied and non-owner occupied properties mainly in Louisiana. Non-owner occupied office loans were $53.4 million, or 2.3% of loans HFI, as of September 30, 2026, and $54.3 million, or 2.4% of loans HFI, as of December 31, 2025. The properties are primarily centered in low-rise suburban areas. As of September 30, 2026 and December 31, 2025, the average CRE loan size was $1.0 million.

Industry Concentrations

Health care loans are our largest loan industry concentration and are made up of a diversified portfolio of health care providers. As of September 30, 2026, health care loans were $210.5 million, or 9.0% of loans HFI, compared to $194.3 million, or 8.6% of loans HFI, as of December 31, 2025. The average health care loan size was $483,000 as of

September 30, 2026 and $414,000 as of December 31, 2025. Within the health care sector, loans to nursing and residential care facilities were 4.4% of loans HFI as of September 30, 2026 and 4.6% as of December 31, 2025. Loans to physician and dental practices were 3.9% of loans HFI as of September 30, 2026, and 3.5% as of December 31, 2025.

Energy loans were 1.5% of loans HFI as of September 30, 2026, and 1.2% as of December 31, 2025.

Geographic Markets

As of September 30, 2026, the Bank operated in seven geographic markets throughout the state of Louisiana. The following table summarizes loans HFI by market of origin:

	September 30, 2026	
(dollars in thousands)	**Amount**	**Percent**
Capital	$ 626,380	27.0%
Central	616,134	26.5%
Northwest	352,644	15.1%
New Orleans	226,915	9.8%
Southwest	196,983	8.5%
Northshore	153,423	6.6%
Acadiana	151,001	6.5%
Total loans HFI	$ 2,323,480	100.0%

Nonperforming Assets

NPAs consist of nonperforming loans and property acquired through foreclosures or repossession. Nonperforming loans include loans that are contractually past due 90 days or more and loans that are on nonaccrual status. Loans are considered past due when principal and interest payments have not been received as of the date such payments are due.

Asset quality is managed through disciplined underwriting policies, continual monitoring of loan performance, and focused management of NPAs. There can be no assurance, however, that the loan portfolio will not become subject to losses due to declines in economic conditions, deterioration in the financial condition of our borrowers, or a decline in the value of collateral.

NPAs totaled $5.6 million as of September 30, 2026, an increase of $2.1 million, or 58.9%, from December 31, 2025, primarily due to a commercial relationship that we are actively working to resolve. The ratio of NPAs to assets was 0.17% and 0.11% as of September 30, 2026 and December 31, 2025, respectively.

Nonperforming loan and asset information is summarized below:

(dollars in thousands)	**September 30, 2026**	**December 31, 2025**
Nonperforming loans:		
Nonaccrual loans	$ 3,036	$ 3,281
Accruing loans 90 or more days past due	2,465	219
Total nonperforming loans	5,501	3,500
Foreclosed assets:		
Real estate	116	36
Total foreclosed assets	116	36
Total NPAs	$ 5,617	$ 3,536
Nonaccrual loans to loans HFI	0.13%	0.15%
Nonperforming loans to loans HFI	0.24%	0.16%
NPAs to assets	0.17%	0.11%

Nonaccrual loans are summarized below by category:

(in thousands)	September 30, 2026	December 31, 2025
Real estate:		
Commercial real estate	$ 142	$ —
One-to-four family residential	2,643	2,017
Construction and development	65	1,189
Commercial and industrial	183	19
Tax-exempt	—	—
Consumer	3	56
Total nonaccrual loans	$ 3,036	$ 3,281

Potential Problem Loans

From a credit risk standpoint, we classify loans in one of five categories: pass, special mention, substandard, doubtful, or loss. Loan classifications reflect a judgment about the risk of default and loss associated with the loans. Classifications are reviewed periodically and adjusted to reflect the degree of risk and loss believed to be inherent in each loan. The methodology is structured so that reserve allocations are increased in accordance with deterioration in credit quality (and a corresponding increase in risk and loss) or decreased in accordance with improvement in credit quality (and a corresponding decrease in risk and loss).

Loans classified as pass are of satisfactory quality and do not require a more severe classification.

Loans classified as special mention have potential weaknesses that deserve management's close attention. If these weaknesses are not corrected, repayment possibilities for the loan may deteriorate. However, the loss potential does not warrant substandard classification.

Loans classified as substandard have well-defined weaknesses that jeopardize normal repayment of principal and interest. Prompt corrective action is required to reduce exposure and to assure adequate remedial actions are taken by the borrower. If these weaknesses do not improve, loss is possible.

Loans classified as doubtful have well-defined weaknesses that make full collection improbable.

Loans classified as loss are considered uncollectible and charged-off to the ACL.

The following table summarizes loans HFI by risk rating:

	September 30, 2026		December 31, 2025	
(dollars in thousands)	Amount	Percent	Amount	Percent
Pass	$ 2,293,534	98.7%	$ 2,232,362	99.3%
Special Mention	16,017	0.7%	4,689	0.2%
Substandard	13,929	0.6%	11,618	0.5%
Total loans HFI	$ 2,323,480	100.0%	$ 2,248,669	100.0%

There were no loans as of September 30, 2026 or December 31, 2025, classified as doubtful or loss.

Allowance for Credit Losses

In determining the ACL for loans HFI, we estimate losses on a collective pool basis when similar risk characteristics and risk profiles exist. Loans that do not share similar risk characteristics are evaluated individually and excluded from the collective evaluation. The ACL is determined using relevant available information, from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts.

As of September 30, 2026, the ACL was $25.1 million, or 1.08% of loans HFI. As of December 31, 2025, the ACL totaled $23.4 million, or 1.04% of loans HFI. The $1.7 million increase in the ACL for the nine months ended September 30, 2026, was due to $2.0 million from the provision for credit losses on loans, partially offset by $280,000 of net charge-offs.

The provision for credit losses on loans for the nine months ended September 30, 2026, was $2.0 million, an increase of $450,000, or 29.0%, from $1.6 million for the nine months ended September 30, 2025. The increase for the first nine months of 2026 was due to lingering impacts related to inflation and tariffs, geopolitical uncertainty, greater uncertainty with future labor market trends, and slight loan growth. The provision for the first nine months of 2025 was primarily driven by loan growth as well as ongoing uncertainty regarding tariffs, unemployment, and inflation. We will continue to evaluate

future provision needs in relation to current economic situations, loan growth, trends in asset quality, forecasted information, and other conditions influencing loss expectations.

The following table displays activity in the ACL for September 30, 2026, and September 30, 2025:

	As of and For the Nine Months Ended	
(dollars in thousands)	**September 30, 2026**	**September 30, 2025**
Loans HFI	$ 2,323,480	$ 2,173,073
Nonaccrual loans	$ 3,036	$ 2,435
Average loans	$ 2,272,701	$ 2,121,894
Allowance at beginning of period	$ 23,399	$ 21,731
Provision for credit losses	2,000	1,550
Charge-offs:		
Real estate:		
Commercial real estate	—	(19)
One-to-four family residential	(72)	(26)
Construction and development	—	(250)
Commercial and industrial	(117)	(69)
Consumer	(263)	(228)
Total charge-offs	(452)	(592)
Recoveries:		
Real estate:		
One-to-four family residential	—	14
Commercial and industrial	96	16
Consumer	76	82
Total recoveries	172	112
Net (charge-offs)/recoveries	(280)	(480)
Allowance at end of period	$ 25,119	$ 22,801
ACL to loans HFI	1.08%	1.05%
ACL to nonaccrual loans	827.37%	936.39%
Net charge-offs to average loans	0.01%	0.02%

We believe that we have established our ACL in accordance with GAAP and that the ACL was adequate to provide for known and inherent losses in the portfolio at all times shown above. Future provisions for credit losses on loans are subject to ongoing evaluations of the factors and loan portfolio risks, including economic pressures related to inflation, unemployment, tariffs and trade, and natural disasters affecting the state of Louisiana. A decline in market area economic conditions, deterioration of asset quality, or growth in portfolio size could cause the allowance to become inadequate, and material additional provisions for credit losses could be required.

Deposits

Deposits are the primary funding source for loans and investments. We offer a variety of deposit products designed to attract and retain consumer, commercial, and public entity customers. These products consist of noninterest and interest-bearing checking accounts, savings accounts, money market accounts, and time deposit accounts. Deposits are gathered from individuals, partnerships, corporations, and public entities located primarily in our market areas. We do not have any internet-sourced or brokered deposits.

Total deposits decreased $1.9 million, or 0.1%, to $2.96 billion as of September 30, 2026, largely unchanged from December 31, 2025. During the nine months ended September 30, 2026, deposits were impacted by the seasonal outflow of funds from public entity customers and customer income tax payments and offset by higher commercial deposit balances. Noninterest-bearing deposits increased by $1.8 million, or 0.2%, to $915.6 million as of September 30, 2026. Noninterest-bearing deposits as a percentage of total deposits were 30.92% as of September 30, 2026, compared to

30.84% as of December 31, 2025. Interest-bearing deposits decreased by $3.6 million, or 0.2%, to $2.05 billion as of September 30, 2026.

The Bank has a granular, diverse deposit portfolio with customers in a variety of industries throughout Louisiana. As of September 30, 2026 and December 31, 2025, the average deposit account size was approximately $29,000.

The following table presents our deposits by account type as of the dates indicated:

	September 30, 2026		December 31, 2025		Change from December 31, 2025 to September 30, 2026	
(dollars in thousands)	Balance	% of Total	Balance	% of Total	$ Change	% Change
Noninterest-bearing demand deposits	$ 915,626	30.9%	$ 913,868	30.8%	$ 1,758	0.2%
Interest-bearing deposits:						
Interest-bearing demand deposits	197,619	6.7%	198,724	6.7%	(1,105)	(0.6%)
NOW accounts	443,659	15.0%	490,376	16.5%	(46,717)	(9.5%)
Money market accounts	620,283	20.9%	580,949	19.6%	39,334	6.8%
Savings accounts	174,828	5.9%	168,889	5.7%	5,939	3.5%
Time deposits less than or equal to $250,000	399,187	13.5%	407,539	13.8%	(8,352)	(2.0%)
Time deposits greater than $250,000	210,336	7.1%	203,067	6.9%	7,269	3.6%
Total interest-bearing deposits	2,045,912	69.1%	2,049,544	69.2%	(3,632)	(0.2%)
Total deposits	$ 2,961,538	100.0%	$ 2,963,412	100.0%	$ (1,874)	(0.1%)

The following table presents deposits by customer type as of the dates indicated:

	September 30, 2026		December 31, 2025		Change from December 31, 2025 to September 30, 2026	
(dollars in thousands)	Balance	% of Total	Balance	% of Total	$ Change	% Change
Consumer	$ 1,389,847	46.9%	$ 1,397,775	47.2%	$ (7,928)	(0.6%)
Commercial	1,349,388	45.6%	1,270,069	42.8%	79,319	6.2%
Public	222,303	7.5%	295,568	10.0%	(73,265)	(24.8%)
Total deposits	$ 2,961,538	100.0%	$ 2,963,412	100.0%	$ (1,874)	(0.1%)

We manage our interest expense on deposits through a deposit pricing strategy that is based on competitive pricing, economic conditions, and current or anticipated funding needs. We adjust deposit rates in part based upon our anticipated funding needs and liquidity position. We also consider the potential interest rate risk caused by extended maturities of time deposits when adjusting deposit rates.

Our average deposit balance was $2.96 billion for the three months ended September 30, 2026, an increase of $60.1 million, or 2.1%, from $2.90 billion for the three months ended June 30, 2026. The average cost of interest-bearing deposits and total deposits for the third quarter of 2026 was 2.15% and 1.46%, respectively, compared to 2.12% and 1.43%, respectively, for the prior quarter. The increase in the average cost of interest-bearing deposits and total deposits in the third quarter of 2026, as compared to the prior quarter, was primarily due to management adjusting selected deposit rates in response to the higher interest rate environment and deposit rate competition. Also, as of September 30, 2026, 8.9% of interest-bearing transaction deposits had floating rates, which adjust with market rates.

The following table presents our average deposits by account type and the average rate paid for the periods indicated:

	For the Three Months Ended			
	September 30, 2026		June 30, 2026	
(dollars in thousands)	Average Balance	Average Rate	Average Balance	Average Rate
Noninterest-bearing demand deposits	$ 950,293	0.00%	$ 945,138	0.00%
Interest-bearing deposits:				
Interest-bearing demand deposits	177,480	2.63%	153,968	2.60%
NOW accounts	443,289	1.28%	445,004	1.22%
Money market accounts	608,169	1.97%	576,733	1.93%
Savings accounts	175,094	0.15%	174,229	0.15%
Time deposits	608,435	3.41%	607,580	3.41%
Total interest-bearing deposits	2,012,467	2.15%	1,957,514	2.12%
Total average deposits	$ 2,962,760	1.46%	$ 2,902,652	1.43%

As of September 30, 2026, our estimated uninsured deposits, which are the portion of deposit accounts that exceed the FDIC insurance limit (currently $250,000), were approximately $955.2 million, or 32.3% of total deposits, compared to $955.9 million, or 32.3% of total deposits, as of December 31, 2025. These amounts were estimated based on the same methodologies and assumptions used for regulatory reporting purposes. Also, as of September 30, 2026, our estimated uninsured deposits, excluding collateralized public entity deposits, were approximately $789.4 million, or 26.7% of total deposits, compared to $722.0 million, or 24.4% of total deposits, as of December 31, 2025. As of September 30, 2026, our cash and cash equivalents of $205.0 million, combined with our available borrowing capacity of $1.74 billion, equaled 203.2% of our estimated uninsured deposits and 245.9% of our estimated uninsured deposits, excluding collateralized public entity deposits.

The following table presents the amount of time deposits by account that are in excess of the FDIC insurance limit (currently $250,000) by time remaining until maturity for the period indicated:

(in thousands)	September 30, 2026
Three months or less	$ 35,138
Over three months through six months	31,006
Over six months through 12 months	39,983
Over 12 months	4,209
Total	$ 110,336

Borrowings

Although deposits are our primary source of funds, we may, from time to time, utilize borrowings as a cost-effective source of funds when such borrowings can be invested at a positive interest rate spread for additional capacity to fund loan demand or to meet our liquidity needs. We established borrowing capacity with the FHLB, the Federal Reserve Bank's Discount Window facility, and other correspondent banks to provide additional sources of operating funds. Our FHLB line of credit is secured by a blanket lien on selected Red River Bank loans that meet FHLB collateral requirements. Our Federal Reserve Bank's Discount Window line of credit is collateralized by pledged securities and eligible Red River Bank loans that are not pledged to the FHLB. As of September 30, 2026 and December 31, 2025, we had no outstanding borrowings under these agreements.

Stockholders' Equity

Total stockholders' equity as of September 30, 2026, was $382.2 million, compared to $365.2 million as of December 31, 2025. The $17.0 million, or 4.7%, increase in stockholders' equity was attributable to $36.3 million of net income for the nine months ended September 30, 2026, and $433,000 of stock compensation, partially offset by a $14.8 million, net of tax, market adjustment to AOCI related to securities and $4.9 million in cash dividends.

In 2022, we reclassified $166.3 million, net of $17.9 million of unrealized loss, from securities AFS to securities HTM. The securities were transferred at fair value, which became the cost basis for the securities HTM. At the date of the transfer, the net unrealized loss of $17.9 million, of which $14.2 million, net of tax, was included in AOCI and is being amortized over the remaining life of the securities as a yield adjustment, in a manner consistent with the amortization or accretion of the original purchase premium or discount on the associated security. There were no gains or losses recognized as a result of the transfer. As of September 30, 2026, the net unamortized, unrealized loss remaining on the transferred

securities included in the consolidated balance sheets totaled $10.7 million, of which $8.5 million, net of tax, was included in AOCI.

On December 18, 2025, our board of directors approved the renewal and increase of the 2025 stock repurchase program that expired on December 31, 2025. The renewed and increased 2026 stock repurchase program authorizes us to purchase up to $10.0 million of our outstanding shares of common stock from January 1, 2026 through December 31, 2026. Repurchases may be made from time to time in the open market at prevailing prices and based on market conditions, or in privately negotiated transactions.

For the three and nine months ended September 30, 2026, we did not repurchase any shares of our common stock under the stock repurchase program. As of September 30, 2026, we had $10.0 million available for repurchasing our common stock under the 2026 stock repurchase program.

Effective January 1, 2023, stock repurchases are subject to a nondeductible excise tax under the Inflation Reduction Act of 2022 equal to 1.0% of the fair market value of the shares repurchased, subject to certain limitations.

Regulatory Capital Requirements

Capital management consists of maintaining equity and other instruments that qualify as regulatory capital to support current and future operations. Banking regulators view capital levels as important indicators of an institution's financial soundness. As a general matter, bank holding companies and FDIC-insured depository institutions are required to maintain minimum capital relative to the amount and types of assets they hold.

As we deploy our capital and continue to grow our operations, our capital levels may decrease depending on our level of earnings. However, we expect to monitor and control our growth in order to remain in compliance with all regulatory capital standards applicable to us.

For additional information on regulatory capital guidelines and limits for the Bank and the Company, see "Item 1. Financial Statements - Notes to the Unaudited Consolidated Financial Statements - Note 8. Regulatory Capital Requirements."

LIQUIDITY AND ASSET-LIABILITY MANAGEMENT

Liquidity

As of September 30, 2026, we had sufficient liquid assets available and $1.74 billion accessible from other liquidity sources.

Liquidity involves our ability to raise funds to support asset growth and potential acquisitions, reduce assets to meet deposit withdrawals and other payment obligations, maintain reserve requirements, and otherwise operate on an ongoing basis and manage unexpected events. For the nine months ended September 30, 2026, and the year ended December 31, 2025, liquidity needs were primarily met by core deposits, security and loan maturities, and cash flows from amortizing security and loan portfolios. While maturities and scheduled amortization of loans are predictable sources of funds, deposit outflows, mortgage prepayments, and prepayments on amortizing securities are greatly influenced by market interest rates, economic conditions, and the competitive environment in which we operate; therefore, these cash flows are monitored regularly.

Liquidity levels are dependent on our operating, financing, lending, and investing activities during any given period. Access to purchased funds from correspondent banks and overnight advances from the FHLB and the Federal Reserve Bank of Atlanta are also available. Purchased funds from correspondent banks and overnight advances can be utilized to meet funding obligations.

Our primary source of funds is deposits, and our primary use of funds is the funding of loans. We invest excess deposits in interest-earning deposit accounts at other banks or at the Federal Reserve, federal funds sold, securities, or other short-term liquid investments until the deposits are needed to fund loan growth or other obligations. Our average deposits increased $104.0 million, or 3.7%, for the nine months ended September 30, 2026, compared to the average deposits for the twelve months ended December 31, 2025. The increase in average total deposits was primarily a result of higher balances in customer deposit accounts, partially offset by the seasonal outflow of funds from public entity customers and customer income tax payments. Our average total loans increased $127.6 million, or 5.9%, for the nine months ended September 30, 2026, compared to average total loans for the twelve months ended December 31, 2025. The increase in average total loans was primarily due to the increase in real estate and commercial and industrial activity.

As of September 30, 2026, liquid assets were $205.0 million, compared to $213.4 million as of December 31, 2025. The decrease of $8.3 million, or 3.9%, was primarily due to the funding of loans, partially offset by the net cash flow from securities during the nine months ended September 30, 2026. The liquid assets to assets ratio was 6.09% as of September 30, 2026, compared to 6.37% as of December 31, 2025.

Our securities portfolio is an alternative source for meeting liquidity needs and was our second-largest component of assets as of September 30, 2026. The securities portfolio generates cash flow through principal repayments, calls, and maturities, and certain securities can be sold or used as collateral in borrowings that allow for their conversion to cash.

Securities AFS can generally be sold, while securities HTM have significant restrictions related to sales. As of September 30, 2026, we project receipt of approximately $24.0 million of principal repayments and maturities through December 31, 2026. As of September 30, 2026, approximately $489.3 million, or 70.0%, of the fair value of the securities portfolio was available to be sold or to be used as collateral in borrowings as a liquidity source.

We also utilize the FHLB as needed as a viable funding source. FHLB advances may be used to meet the Bank's liquidity needs, particularly if the prevailing interest rate on an FHLB advance compares favorably to the rates that would be required to attract the necessary deposits. We currently are classified as having "blanket lien collateral status," which means that advances can be executed at any time without further collateral requirements. As of September 30, 2026 and December 31, 2025, our net borrowing capacity from the FHLB was $1.01 billion and $906.6 million, respectively. There were no outstanding borrowings from the FHLB as of September 30, 2026 and December 31, 2025.

Another borrowing source is the Federal Reserve Bank's Discount Window. The Bank has pledged securities to have borrowing access to the Federal Reserve Bank's Discount Window. In addition, the Bank has been approved for the BIC program, which provides borrowing capacity through the pledging of eligible Red River Bank loans that are not pledged to the FHLB. As of September 30, 2026, we had a total borrowing capacity of $138.8 million, including $105.0 million through the BIC program, compared to a total borrowing capacity of $125.5 million, including $85.1 million through the BIC program as of December 31, 2025. There were no outstanding borrowings from the Federal Reserve Bank's Discount Window as of September 30, 2026 and December 31, 2025.

Other sources available for meeting liquidity needs include federal funds lines, repurchase agreements, and other lines of credit. We maintain four federal funds lines of credit with commercial banks that provided for the availability to borrow up to an aggregate of $100.0 million in federal funds as of September 30, 2026, and December 31, 2025. The rates for the federal funds lines are determined by the applicable commercial bank at the time of borrowing. We had no outstanding balances from these sources as of September 30, 2026 and December 31, 2025.

Commitments to Extend Credit

In the normal course of business, we enter into certain financial instruments, such as commitments to extend credit and letters of credit, to meet the financing needs of our customers. These commitments involve elements of credit risk, interest rate risk, and liquidity risk. Some instruments may not be reflected in the accompanying consolidated financial statements until they are funded, although they expose us to varying degrees of credit risk and interest rate risk in much the same way as funded loans.

Commitments to extend credit are agreements to lend to a customer if all conditions of the commitment have been met. Commitments include revolving and nonrevolving credit lines and are primarily issued for commercial purposes. Commitments to extend credit generally have fixed expiration dates or other termination clauses. Standby letters of credit are conditional commitments issued to guarantee the performance of a customer to a third party. Those guarantees are primarily issued to support public and private borrowing arrangements, including commercial paper, bond financing, and similar transactions.

As of September 30, 2026, we had $593.2 million in unfunded loan commitments and $14.7 million in commitments associated with outstanding standby letters of credit. As of December 31, 2025, we had $545.7 million in unfunded loan commitments and $14.5 million in commitments associated with outstanding standby letters of credit. As commitments associated with letters of credit and commitments to extend credit may expire unused, the total outstanding commitments may not necessarily reflect the actual future cash funding requirements.

Investment Commitments

We are party to various investment commitments in the normal course of business. Our exposure is represented by the contractual amount of these commitments.

In 2014, we committed to an investment into an SBIC limited partnership. In 2025, this fund began its wind-down phase. As of September 30, 2026, there was a $226,000 outstanding commitment to this partnership.

In 2020, we committed to a second investment into an SBIC limited partnership. As of September 30, 2026, there was a $1.9 million outstanding commitment to this partnership.

In 2021, we committed to an investment into JAM FINTOP, a bank technology limited partnership. As of September 30, 2026, there was a $277,000 outstanding commitment to this partnership.

On September 26, 2025, we committed to a third investment into an SBIC limited partnership. As of September 30, 2026, there was a $2.4 million outstanding commitment to this partnership.

Purchase Commitments

As of September 30, 2026, we had a commitment to buy real estate for approximately $1.1 million.

Construction Commitments

We have two committed construction agreements, including the construction of a new banking center in the Acadiana market and the renovation of a new banking center in the New Orleans market. There was approximately $1.1 million remaining on these commitments as of September 30, 2026.

Interest Rate Sensitivity and Market Risk

As a financial institution, our primary component of market risk is interest rate volatility. Our asset-liability management policies provide management with guidelines for effective funds management, and we have established a measurement system for monitoring our net interest rate sensitivity position. We have historically managed our rate sensitivity position within our established policy guidelines.

Fluctuations in interest rates will ultimately impact both the level of income and expense recorded on most of our assets and liabilities 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 manage exposure to interest rates by structuring the balance sheet appropriately during the ordinary course of business. We have the ability to enter into interest rate swaps to mitigate interest rate risk in limited circumstances, but it is not our policy to enter into such transactions on a regular basis. We do not enter into instruments such as financial options, financial futures contracts, or forward delivery contracts for the purpose of reducing interest rate risk. We are not subject to foreign exchange risk, and our commodity price risk is immaterial, as the percentage of our agricultural loans to loans HFI was only 0.48% as of September 30, 2026.

Our exposure to interest rate risk is managed by the Bank’s Asset-Liability Management Committee. The committee formulates strategies based on appropriate levels of interest rate risk and monitors the results of those strategies. In determining the appropriate level of interest rate risk, the committee considers the impact on both earnings and capital given the current outlook on interest rates, regional economies, liquidity, business strategies, and other related factors.

The committee meets quarterly to review, among other things, the sensitivity of assets and liabilities to interest rate changes, the book and economic 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 committee reviews liquidity, cash flow flexibility, maturities of deposits, and consumer and commercial deposit activity. We employ methodologies to manage interest rate risk, which include an analysis of relationships between interest-earning assets and interest-bearing liabilities, as well as an interest rate simulation model and shock analysis.

In conjunction with our interest rate risk management process, on a quarterly basis, we run various simulations within a static balance sheet model. This model tests the impact on net interest income and fair value of equity from changes in market interest rates under various scenarios. We use parallel rate shock scenarios that assume instantaneous parallel movements in the yield curve compared to a flat yield curve scenario. We also deploy a ramped rate scenario over a 12-month and 24-month horizon based upon parallel yield curve shifts. Our nonparallel rate shock model simulation involves analysis of interest income and expense under various changes in the shape of the yield curve. Contractual maturities and repricing opportunities of loans are incorporated into the model, as are prepayment assumptions and maturity date and call options within the securities portfolio. The average life of non-maturity deposit accounts are based on assumptions developed from non-maturity deposit decay studies, which calculate average lives using historic closure rates.

Bank policy regarding interest rate risk simulations performed by our risk model currently specifies that for instantaneous parallel shifts of the yield curve, estimated net interest income at risk for the subsequent one-year period should not decline by more than 10.0% for a 100 bp shift, 15.0% for a 200 bp shift, and 20.0% for a 300 bp shift. In accordance with Bank policy regarding economic value at risk simulations performed by our risk model for instantaneous parallel shifts of the yield curve, estimated fair value of equity for the subsequent one-year period should not decline by more than 10.0% for a 100 bp shift, 20.0% for a 200 bp shift, and 30.0% for a 300 bp shift.

The following table shows the impact of an instantaneous and parallel change in rates, at the levels indicated, and summarizes the simulated change in net interest income and fair value of equity over a 12-month horizon as of the dates indicated.

	September 30, 2026		December 31, 2025	
	% Change in Net Interest Income	% Change in Fair Value of Equity	% Change in Net Interest Income	% Change in Fair Value of Equity
Change in Interest Rates (Bps)				
+300	9.0%	(0.1%)	5.3%	1.0%
+200	6.2%	0.6%	3.7%	1.5%
+100	3.2%	0.7%	2.0%	1.4%
Base	—%	—%	—%	—%
-100	(3.4%)	(1.9%)	(2.3%)	(2.1%)
-200	(6.8%)	(5.1%)	(5.1%)	(7.5%)
-300	(9.8%)	(9.9%)	(8.1%)	(16.0%)

The results above, as of September 30, 2026 and December 31, 2025, demonstrate that our balance sheet is asset sensitive, which means our assets have the opportunity to reprice at a faster pace than our liabilities, over the 12-month horizon. Our repricing opportunity is captured in a gap analysis, which is the process by which we measure the repricing gap between interest-rate sensitive assets versus interest rate-sensitive liabilities.

As of September 30, 2026, the reported percentage of changes in net interest income and fair value of equity remained within the policy thresholds. These values are reported at each quarterly Asset-Liability Management Committee meeting. The net interest income at risk and the fair value of equity will continue to be monitored, and appropriate mitigating action will be taken if needed.

The impact of our floating rate loans and floating rate transaction deposits are also reflected in the results shown in the above table. As of September 30, 2026, floating rate loans were 22.8% of loans HFI, and floating rate transaction deposits were 8.9% of interest-bearing transaction deposits.

The assumptions incorporated into the model are inherently uncertain, and as a result, the model cannot precisely measure future net interest income or precisely predict the impact of fluctuations in market interest rates on net interest income. Actual results will differ from the model's simulated results due to timing, magnitude, and frequency of interest rate changes, as well as changes in market conditions and the application and timing of various management strategies and the slope of the yield curve.

NON-GAAP FINANCIAL MEASURES

Our accounting and reporting policies conform to GAAP and the prevailing practices in the banking industry. Certain financial measures used by management to evaluate our operating performance are discussed in this Report as supplemental non-GAAP performance measures. In accordance with the SEC's rules, we classify a financial measure as being a non-GAAP financial measure if that financial measure excludes or includes amounts, or is subject to adjustments that have the effect of excluding or including amounts, that are included or excluded, as the case may be, in the most directly comparable measure calculated and presented in accordance with GAAP as in effect from time to time in the U.S.

Management and the board of directors review tangible common equity, realized common equity, tangible assets, tangible book value per share, realized book value per share, and tangible common equity to tangible assets as part of managing operating performance. However, these non-GAAP financial measures that we discuss in this Report should not be considered in isolation or as a substitute for the most directly comparable or other financial measures calculated in accordance with GAAP. Moreover, the manner we calculate the non-GAAP financial measures that are discussed in this Report may differ from that of other companies' reporting measures with similar names. It is important to understand how other banking organizations calculate and name their financial measures similar to the non-GAAP financial measures discussed in this Report when comparing such non-GAAP financial measures.

Tangible Book Value Per Share. Tangible book value per share is a non-GAAP measure commonly used by investors, financial analysts, and investment bankers to evaluate financial institutions. We believe that this measure is important to many investors in the marketplace who are interested in changes from period to period in book value per share exclusive of changes in intangible assets. We calculate tangible book value per share as total stockholders' equity, less intangible assets, divided by the outstanding number of shares of our common stock at the end of the relevant period. Intangible assets have the effect of increasing book value while not increasing tangible book value. The most directly comparable GAAP financial measure for tangible book value per share is book value per share.

As a result of previous acquisitions, we have a small amount of intangible assets. As of September 30, 2026, intangible assets were $1.5 million, which is less than 1.0% of total assets.

Tangible Common Equity to Tangible Assets. Tangible common equity to tangible assets is a non-GAAP measure generally used by investors, financial analysts, and investment bankers to evaluate financial institutions. We believe that this measure is important to many investors in the marketplace who are interested in the relative changes from period to period of tangible common equity to tangible assets, each exclusive of changes in intangible assets. Intangible assets have the effect of increasing both total stockholders' equity and assets while not increasing our tangible common equity or tangible assets. We calculate tangible common equity as total stockholders' equity less intangible assets, and we calculate tangible assets as total assets less intangible assets. The most directly comparable GAAP financial measure for tangible common equity to tangible assets is common stockholders' equity to assets.

Realized Book Value Per Share. Realized book value per share is a non-GAAP measure that we use to evaluate our operating performance. We believe that this measure is important because it allows us to monitor changes from period to period in book value per share exclusive of changes in AOCI. Our AOCI is impacted primarily by the unrealized gains and losses on securities AFS. These unrealized gains or losses on securities AFS are driven by market factors and may also be temporary and vary greatly from period to period. Due to the possibly temporary and greatly variable nature of these changes, we find it useful to monitor realized book value per share. We calculate realized book value per share as total stockholders' equity less AOCI, divided by the outstanding number of shares of our common stock at the end of the relevant period. AOCI has the effect of increasing or decreasing book value while not increasing or decreasing realized book value. The most directly comparable GAAP financial measure for realized book value per share is book value per share.

The following table reconciles, as of the dates set forth below, stockholders' equity to tangible common equity, stockholders' equity to realized common equity, and assets to tangible assets, and presents related resulting ratios.

(dollars in thousands, except per share data)	**September 30, 2026**	**June 30, 2026**	**September 30, 2025**
Tangible common equity			
Total stockholders' equity	$ 382,181	$ 384,551	$ 351,311
Adjustments:			
Intangible assets	(1,546)	(1,546)	(1,546)
Tangible common equity (non-GAAP)	$ 380,635	$ 383,005	$ 349,765
Realized common equity			
Total stockholders' equity	$ 382,181	$ 384,551	$ 351,311
Adjustments:			
Accumulated other comprehensive (income) loss	58,104	44,688	46,639
Realized common equity (non-GAAP)	$ 440,285	$ 429,239	$ 397,950
Common shares outstanding	6,584,106	6,584,696	6,576,609
Book value per share	$ 58.05	$ 58.40	$ 53.42
Tangible book value per share (non-GAAP)	$ 57.81	$ 58.17	$ 53.18
Realized book value per share (non-GAAP)	$ 66.87	$ 65.19	$ 60.51
Tangible assets			
Total assets	$ 3,367,551	$ 3,311,325	$ 3,214,363
Adjustments:			
Intangible assets	(1,546)	(1,546)	(1,546)
Tangible assets (non-GAAP)	$ 3,366,005	$ 3,309,779	$ 3,212,817
Stockholders' equity to assets	11.35%	11.61%	10.93%
Tangible common equity to tangible assets (non-GAAP)	11.31%	11.57%	10.89%

CRITICAL ACCOUNTING ESTIMATES

Our consolidated financial statements are prepared in accordance with GAAP and with general practices within the financial services industry. Application of these principles requires management to make estimates and assumptions about future events that affect the amounts reported in the consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under

current circumstances. We evaluate our estimates on an ongoing basis. Use of alternative assumptions may have resulted in significantly different estimates. Actual results may differ from these estimates.

There were no other material changes or developments during the reporting period with respect to methodologies that we use when developing critical accounting estimates as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025. For details on the significant accounting principles and practices we follow, see “Item 1. Financial Statements - Note 1. Summary of Significant Accounting Policies” in this Report and “Part II - Item 8. Financial Statements and Supplementary Data - Note 1. Significant Accounting Policies” in our Annual Report on Form 10-K for the year ended December 31, 2025.

RECENT ACCOUNTING PRONOUNCEMENTS

See “Item 1. Financial Statements - Note 1. Summary of Significant Accounting Policies - Recent Accounting Pronouncements” in this Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Quantitative and qualitative disclosures about market risk are presented in our Annual Report on Form 10-K for the year ended December 31, 2025, under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Asset-Liability Management - Interest Rate Sensitivity and Market Risk.” Additional information as of September 30, 2026, is included herein under “Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Asset-Liability Management - Interest Rate Sensitivity and Market Risk.” The foregoing information is incorporated into this Item 3 by reference.

Item 4. Controls and Procedures

Evaluation of disclosure controls and procedures

As of the end of the period covered by this Report, an evaluation was performed by our management, with the participation of our Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer), of the effectiveness of the design and operation of our disclosure controls and procedures. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well-designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management was required to apply judgment in evaluating our controls and procedures. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Exchange Act) were effective as of the end of the period covered by this Report.

Changes in internal control over financial reporting

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 third quarter of 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

From time to time, we, including our subsidiaries, are or may be involved in various legal matters arising in the ordinary course of business. In the opinion of management, neither we, nor any of our subsidiaries, are involved in such legal proceedings that the resolution is expected to have a material adverse effect on our consolidated results of operations, financial condition, or cash flows. However, one or more unfavorable outcomes in these ordinary claims or litigation against us or our subsidiaries could have a material adverse effect for the period in which they are resolved. In addition, regardless of their merits or ultimate outcomes, such matters are costly, divert management's attention, and may materially and adversely affect our reputation or that of our subsidiaries, even if resolved favorably.

Item 1A. Risk Factors

For information regarding risk factors that could affect our business, financial condition, and results of operations, see the information in "Part I - Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025. There have been no material changes to the risk factors disclosed in our most recent Annual Report on Form 10-K.

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

Our purchases of shares of common stock made during the quarter are summarized in the table below:

(dollars in thousands, except per share data)

Period	Total Number of Shares Purchased	Average Price Paid per Share[1]	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program[2][3]
July 30 - July 31, 2026	—	$ —	—	$ 10,000
August 1 - August 31, 2026	—	$ —	—	$ 10,000
September 1 - September 30, 2026	—	$ —	—	$ 10,000
Total	—	$ —	—	$ 10,000

[1] Average price paid per share includes the commission expense, if any, paid on the share repurchases, but excludes the excise tax recorded on the share repurchases.
[2] On December 18, 2025, we announced that our board of directors approved the renewal and increase of the 2025 stock repurchase program. The renewed and increased 2026 stock repurchase program has similar terms to the 2025 stock repurchase program and authorizes us to purchase up to $10.0 million of our outstanding shares of common stock from January 1, 2026 through December 31, 2026. Repurchases may be made from time to time in the open market at prevailing prices and based on market conditions, or in privately negotiated transactions.
[3] The approximate dollar value of shares that may yet be purchased under the program is reduced by the amount of the commission expense and the excise tax recorded on the share repurchases.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

NUMBER	DESCRIPTION
3.1	Restated Articles of Incorporation of Red River Bancshares, Inc. (incorporated by reference to Exhibit 3.1 to Red River Bancshares, Inc.'s Registration Statement on Form S-1 filed with the SEC on April 10, 2019, file number 333-230798)
3.2	Red River Bancshares, Inc. Amended and Restated Bylaws (incorporated by reference to Exhibit 3.1 to Red River Bancshares, Inc.'s Current Report on Form 8-K filed with the SEC on February 26, 2026, file number 001-38888)
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
32.1	Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**
32.2	Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**
101	The following financial information from the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2026, is formatted in Inline Extensible Business Reporting Language (XBRL): (i) the Unaudited Consolidated Balance Sheets, (ii) the Unaudited Consolidated Statements of Income, (iii) the Unaudited Consolidated Statements of Comprehensive Income, (iv) the Unaudited Consolidated Statements of Changes in Stockholders' Equity, (v) the Unaudited Consolidated Statements of Cash Flows, and (vi) the Notes to Unaudited Consolidated Financial Statements.
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 Definitions Linkbase Document*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File* - Formatted as Inline XBRL and contained within the Inline XBRL Instance Document in Exhibit 101.
*	Filed herewith
**	These exhibits are furnished herewith and shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act 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.

RED RIVER BANCSHARES, INC.

Date: November 6, 2026

By: /s/ R. Blake Chatelain
R. Blake Chatelain
President and Chief Executive Officer
(Principal Executive Officer)

Date: November 6, 2026

By: /s/ Isabel V. Carriere
Isabel V. Carriere, CPA, CGMA
Senior Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, R. Blake Chatelain, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Red River Bancshares, Inc. (the "registrant");

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

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

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

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiary, 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.

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.

Date: November 6, 2026

By: /s/ R. Blake Chatelain
R. Blake Chatelain
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Isabel V. Carriere, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Red River Bancshares, Inc. (the "registrant");

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

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

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

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiary, 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.

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.

Date: November 6, 2026

By: /s/ Isabel V. Carriere
Isabel V. Carriere, CPA, CGMA
Senior Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Red River Bancshares, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, R. Blake Chatelain, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 6, 2026

By: /s/ R. Blake Chatelain
R. Blake Chatelain
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Red River Bancshares, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Isabel V. Carriere, Senior Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 6, 2026

By: /s/ Isabel V. Carriere

Isabel V. Carriere, CPA, CGMA
Senior Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)