

PROSPECTUS



8,057,240 Shares

AMERICAN SAVINGS BANK, N.A.

Common Stock

The selling stockholders are offering 8,057,240 shares of our common stock of American Savings Bank, N.A. We will not receive any of the proceeds from the sale of shares of our common stock by the selling stockholders. This is our initial public offering and no public market exists for our common stock. The initial public offering price is \$16.00 per share.

We have been approved to list our common stock on the New York Stock Exchange under the symbol “ASBH.”

Investing in our common stock involves risks. See “Risk Factors” beginning on page 29.

We are an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”) and will therefore be subject to reduced reporting requirements.

None of the Office of the Comptroller of the Currency (the “OCC”), the Federal Deposit Insurance Corporation (the “FDIC”), the U.S. Securities and Exchange Commission (the “SEC”), any state securities commission, nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

These securities offered by this prospectus are not deposits, savings accounts or other obligations of any bank or savings association and are not insured or guaranteed by the FDIC or any other governmental agency, and are subject to investment risks, including the possible loss of the entire amount you invest.

	Per Share	Total
Public offering price	\$ 16.00	\$ 128,915,840.00
Underwriting discounts and commissions ⁽¹⁾	\$ 1.04	\$ 8,379,529.60
Proceeds to the selling stockholders before expenses ⁽²⁾	\$ 14.96	\$ 120,536,310.40

(1) See “Underwriting” for a description of the compensation payable to the underwriters.

(2) The underwriters have agreed to reimburse the selling stockholders \$0.08 per share of the gross underwriting discounts payable for the shares sold in this offering.

The selling stockholders have granted the underwriters the right to purchase up to an additional 1,208,586 shares of common stock at the initial public offering price, less the underwriting discounts and commissions, to cover over-allotments within 30 days of the date of this prospectus.

We have received a non-binding indication of interest from an entity affiliated with CDI American, LLC (“CDI American”), an existing stockholder, to purchase up to 2,101,600 shares of our common stock in this offering at the initial public offering price per share, on the same terms as the other purchasers in this offering. If this investor

purchases the full number of shares indicated, CDI American and such affiliated entity would beneficially own approximately 9.9% of our outstanding common stock after this offering. Because indications of interest are not binding agreements or commitments to purchase shares, this investor may determine to purchase more, fewer or no shares in this offering, and the underwriters may determine to sell more, fewer or no shares to this investor. The underwriters will receive the same underwriting discount and commissions on any shares sold to this investor as they will on any other shares sold to the public in this offering.

At our request, the underwriters have reserved up to 7% of the shares of our common stock offered by this prospectus, for sale at the initial public offering price through a directed share program to certain of our directors, executive officers, employees, business associates and related persons. For more information on our directed share program, see “Underwriting—Directed Share Program.”

The underwriters expect to deliver the shares of our common stock to purchasers on or about September 17, 2026, subject to customary closing conditions.

Sole Book-Running Manager

Piper Sandler

Lead Manager

Keefe, Bruyette & Woods

A Stifel Company

Co-Managers

D.A. Davidson & Co.

Stephens Inc.

Prospectus dated September 15, 2026.

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ABOUT THIS PROSPECTUS

In this prospectus, “we,” “our,” “us,” or “the Bank” refers to American Savings Bank, N.A., a national banking association headquartered in Honolulu, Hawaii. We generally refer to employees as “teammates” in this prospectus. As of June 30, 2026, we had 1,006 teammates, which included approximately 978 full-time teammates, 25 part-time teammates (including teammates on leave), and three positions filled by temporary teammates.

Neither we, the selling stockholders, nor the underwriters have authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We, the selling stockholders and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. The selling stockholders are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where such offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the common stock. Our business, financial condition, results of operations, and future growth prospects may have changed since that date.

Until October 10, 2026 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers’ obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

For investors outside the United States, neither we, the selling stockholders nor any of the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons who come into possession of this prospectus in jurisdictions outside the United States are required to inform themselves about and to observe any restrictions as to this offering and the distribution of this prospectus and any such free-writing prospectus outside the United States.

Trademarks

The Bank’s logos and other trademarks referred to and included in this prospectus belong to us. Solely for convenience, we refer to our trademarks in this prospectus without the ®, SM or the TM symbols, but such references are not intended to indicate that we will not assert, to the fullest extent under applicable law, our rights to our

trademarks. Other service marks, trademarks and trade names referred to in this prospectus, if any, are the property of their respective owners, although for presentation convenience we may not use the ®, SM or the TM symbols to identify such trademarks.

Industry and Market Data

This prospectus includes industry and market data, forecasts and information that we have prepared based, in part, upon data, forecasts and information that we obtained from regulatory sources, periodic industry publications, third-party studies and surveys, as well as filings of public companies in our industry, internal company surveys and other independent information publicly available to us. Industry publications and surveys generally state that the information contained therein has been obtained from sources believed to be reliable. Although we believe information regarding the industry and market data to be reliable and are not aware of any inaccuracies as of the date of this prospectus, we have not independently verified this information, and this information could prove to be inaccurate or incomplete. Industry and market data could be wrong because of the method by which sources obtained their data and because information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties, including possible future corrections and updates. In addition, we do not know all of the assumptions regarding general economic conditions or growth that were used in preparing the forecasts from the sources relied upon or cited herein. Some data is also based on our good faith estimates, which are derived from management's knowledge of the industry and independent sources. We believe our internal estimates are reliable; however, they involve risks and uncertainties that are subject to change based on various factors. Forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements in this prospectus. See "Risk Factors."

Basis of Presentation

Certain monetary amounts, percentages and other figures included elsewhere in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables or charts may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

Additionally, unless otherwise indicated, the information presented in this prospectus, other than our historical financial statements and the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Dividend Policy," assumes or gives effect to a 7,222-for-one forward split of our common stock (the "Stock Split"), occurring subsequent to the effectiveness of the registration statement of which this prospectus forms a part. Certain share, per-share and par value amounts reflected in this prospectus represent approximations due to rounding in connection with the anticipated Stock Split. The actual amounts will not differ materially from such approximations.

Implications of Being an Emerging Growth Company

We qualify as an "emerging growth company" as defined in Section 2(a) of the Securities Act of 1933, as amended (the "Securities Act"), including as modified by the JOBS Act. As an emerging growth company, we are permitted to, and intend to, rely on exemptions from certain disclosure and other requirements that are generally applicable to public companies that are not emerging growth companies. Accordingly, in this prospectus, we (i) have presented only two years of audited financial statements and (ii) have not included a compensation discussion and analysis of our executive compensation programs. In addition, for so long as we are an emerging growth company, among other exemptions, we are:

- not required to have our internal control over financial reporting audited by our independent registered public accounting firm pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002, as amended (the “Sarbanes-Oxley Act”);
- permitted to present only two years of audited financial statements and only two years of related “Management’s Discussion and Analysis of Financial Condition and Results of Operations”;
- permitted to provide less extensive disclosure about our executive compensation arrangements; and
- not required to submit certain executive compensation matters to stockholder advisory votes, such as “say-on-pay,” “say-on-frequency” and “say-on-golden parachutes.”

In addition, under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to avail ourselves of this extended transition period and, as a result, we are not required to adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required for other public companies. This may make our financial statements not comparable with those of another public company which is neither an emerging growth company nor an emerging growth company which has opted out of using the extended transition period because of the potential differences in accounting standards used. We cannot predict if investors will find our common stock less attractive as a result of our election to rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

We may take advantage of these provisions until the last day of the fiscal year following the fifth anniversary of the completion of this offering or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company upon the earliest of (a) the last day of the first fiscal year in which our annual gross revenue is \$1.235 billion or more, (b) the date on which we have, during the previous rolling three-year period, issued more than \$1.0 billion in non-convertible debt securities, and (c) the last day of the fiscal year in which the market value of our common stock held by non-affiliates exceeded \$700 million as of the last business day of the second fiscal quarter of such fiscal year.

For risks related to our status as an emerging growth company, see “Risk Factors—Risks Related to this Offering and an Investment in Our Common Stock—We are an “emerging growth company.” The reduced disclosure requirements applicable to emerging growth companies may make our common stock less attractive to investors.”

PROSPECTUS SUMMARY

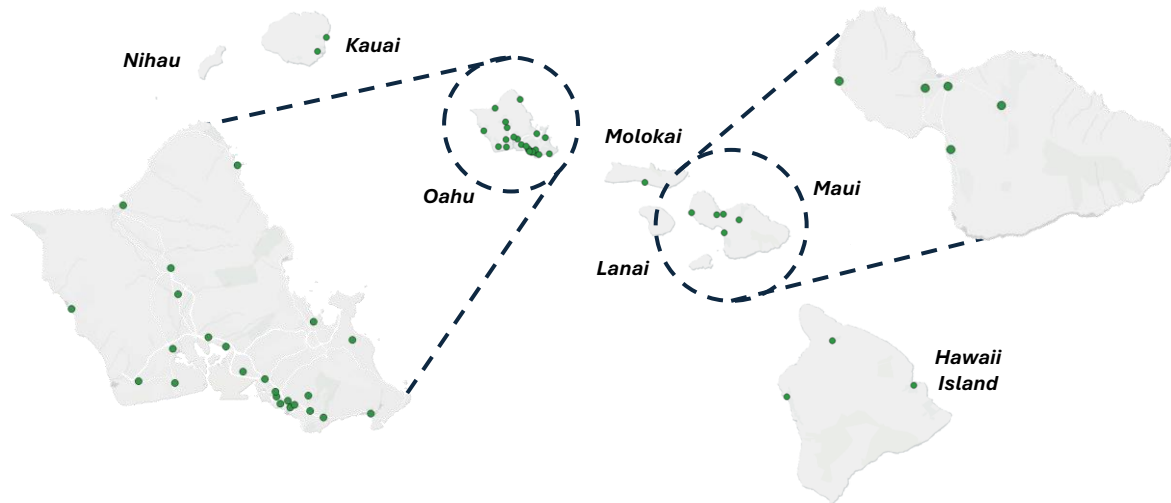
This summary highlights selected information contained in greater detail elsewhere in this prospectus. This summary may not contain all of the information that you should consider before investing in our common stock. You should carefully read this entire prospectus, including the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements and the notes related thereto before making an investment decision. Some of the statements in this prospectus are forward-looking statements. See “Cautionary Note Regarding Forward-Looking Statements.”

Who Are We?

We are a Hawaii-based, relationship-driven bank with an unwavering focus on meeting the financial services needs of our customers and communities while delivering long-term stockholder value.

Headquartered in Honolulu, Hawaii, since 1925 we have served Hawaii’s communities for over 100 years. We provide a full suite of financial products and services, including deposits, loans, insurance, cash management, merchant services and investment services to our personal, small business and commercial customers. We operate a statewide network of 35 branches and over 120 automated teller machines (“ATMs”) throughout Hawaii, complemented by a robust digital banking platform. Serving nearly 400,000 customers as of June 30, 2026, we have the privilege and opportunity to contribute to Hawaii’s short-term and long-term future by improving the financial health of our customers, local businesses and economy.

Our Branch Footprint



We are a national bank regulated by the Office of the Comptroller of the Currency (the “OCC”), and we operate as a bank without a holding company, which means the Board of Governors of the Federal Reserve System (the “Federal Reserve”) is not one of our primary regulators. As of June 30, 2026, we had total assets of \$9.0 billion, total loans of \$6.2 billion, total deposits of \$8.2 billion and total stockholders’ equity of \$692.5 million.

As of June 30, 2026, the entirety of our branch network and all of our deposits are located on five of the islands of Hawaii, with approximately 95% of our loans either collateralized by real estate in Hawaii or made to borrowers located in Hawaii at origination.

The following table sets forth the number of our bank branches on each of the five islands of Hawaii we serve

with physical offices:

June 30, 2026	Number of Branches		
	Owned	Leased	Total
Branches			
Oahu	8	16	24
Maui	1	4	5
Hawaii	2	1	3
Kauai	1	1	2
Molokai	0	1	1
	12	23	35

How Do We Help Make Our Customers' Dreams Possible?

While banking is our business, we believe uplifting our communities and creating a stronger, more resilient Hawaii are our responsibilities. Our philosophy is straightforward – we aim to be a great bank that makes people's dreams possible. We strive to:

- deliver on our promise to ***make banking easy for customers*** as a key point of differentiation in order to expand our share of current and new customers' business;
- build strong relationships and earn customers' trust by delivering ***high performance***;
- ***create a great place to work*** that attracts and retains the teammates we need to achieve our goals; and
- ***bring real impact to our communities*** through our banking activities and community involvement.

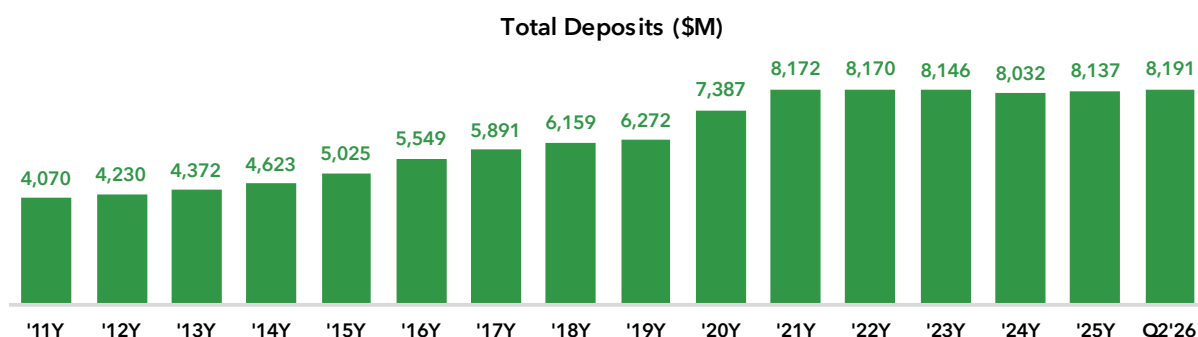
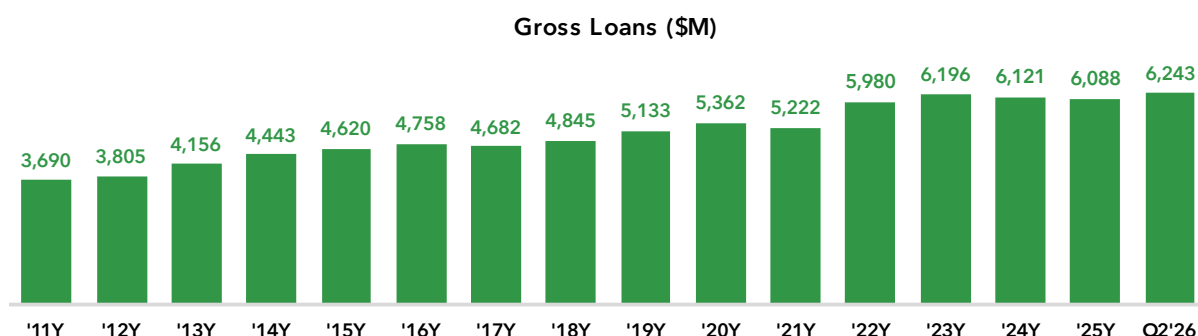
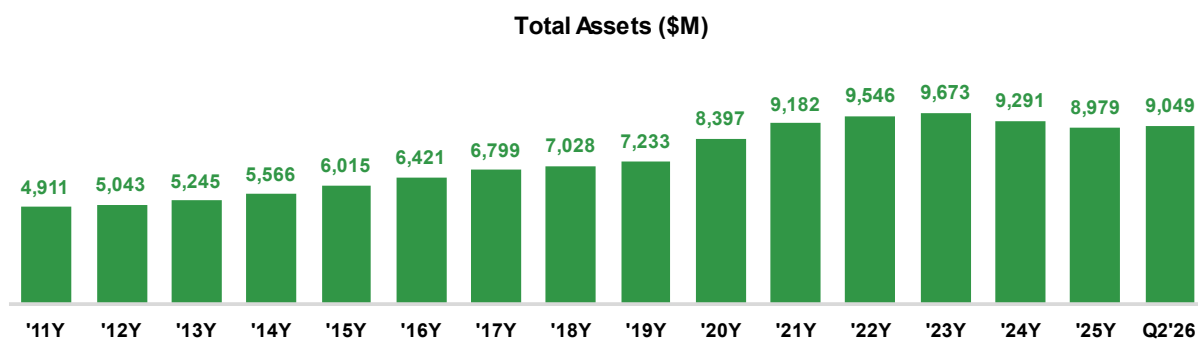
By delivering on these objectives, we believe we can achieve superior financial performance which will generate attractive returns and drive consistent value for our stockholders.

What Are Some of the Key Attributes of Our Bank?

We believe our attractive financial performance is directly related to our unwavering focus on serving our customers and communities. While we have grown our loan portfolio, our deposits, our equity capital, and our net income over our one hundred years in operation, we are most proud of the development of long-standing relationships with our customers and the brand recognition we have earned through our service to our communities in Hawaii.

Our financial success and our value proposition for stockholders are linked to important attributes such as:

- Our long-tenured customer base;
- Our attractive deposit base, including both the cost and structure of our deposits;
- Our unique operating market of Hawaii;
- Our deep and seasoned management team;
- Our conservative approach to credit risk management;
- Our commitment to maintain our strong retail banking franchise;
- Our opportunistic approach to grow our commercial market presence; and
- Our strong capital levels that support both our balance sheet growth and returns of capital to our stockholders.



Within our customer base, our banking business targets personal and small business customers and commercial organizations.

Our Personal and Small Business Customers

Our personal and small business customers conduct business with us through specialized loans, deposit products and other financial solutions designed to meet their needs.

We provide our personal customers a broad range of deposit products (including checking, savings, money market and certificates of deposit), lending products (including residential mortgages, home equity lines of credit (“HELOC”) and consumer loans), interchange products (debit and credit card), and investment advisory and insurance. We provide our small business customers with business deposit products (including merchant services, cash management, financial advisory and deposit accounts) and lending products (including lines of credit and secured and unsecured loans) to support their businesses.

Our residential mortgage lending team provides a comprehensive range of financing options for home purchase and refinancing, primarily related to single family properties in Hawaii. We were one of the top Hawaii-based mortgage originators in fiscal year 2025, according to the Hawaii Bureau of Conveyance (“HBC”), and we either

retain or sell on the secondary market mortgage loans we originate. As of June 30, 2026, our residential mortgage portfolio was \$2.7 billion and our HELOC portfolio was \$0.9 billion, collectively representing 59% of our loan portfolio.

We additionally offer other consumer loan products including personal unsecured loans, clean energy loans, credit-secured loans, credit cards and overdraft protection for personal checking accounts.

Our customers are offered a full suite of deposit products delivered through our branch network and digital online banking applications, including online and mobile banking, bill payments, Zelle, ACH, domestic and international wires, and remote deposit capture. In addition to these products, we also provide our small business customers with treasury management services to support their cash management requirements, Zero Balance Accounts and sweeps. We offer small business customers access to business and commercial credit cards, foreign exchange services, merchant services, lockbox and trade finance, inclusive of standby and commercial letters of credit. As of June 30, 2026, deposits associated with our personal and small business customers totaled \$6.8 billion.

In addition, we provide financial advisory and insurance services for our customers. The financial advisory offerings include investment planning, retirement planning and other education planning services. Insurance offerings include life and long-term care, accidental death and dismemberment (“AD&D”) and hospital accident protection (“HAP”) products. Our investment services and insurance products are provided through third parties.

Our Commercial Customers

Our commercial customers conduct business with us through commercial real estate, commercial & industrial and construction loans and deposit products and other financial solutions designed to meet their needs.

Our commercial real estate portfolio includes term financing for commercial, multi-family and mixed-use properties. Our team of local lenders provides financing for commercial real estate purchases and refinances, leveraging deep market expertise to structure loans that align with borrower needs and their investment objectives. Our commercial real estate loans are typically secured by retail, multi-family, industrial, hotel, office or other commercial properties. The majority of our commercial real estate loans are fixed rate with amortization terms of up to 25 years. As of June 30, 2026, our commercial real estate loans totaled \$1.6 billion representing approximately 25% of our loan portfolio.

Our teammates dedicated to our commercial & industrial lending products specialize in delivering customized lending solutions to a range of businesses in various markets. These borrowers are businesses across a wide range of industries and are seeking loans primarily used for funding operations, expansions or acquisitions. Our primary source of repayment is cash flow generated by the business, which is typically bolstered by personal guarantees. The loans have average sizes of approximately \$3.1 million as of June 30, 2026, excluding the credit scored loan portfolio. Our customer relationships include the borrower’s banking business in addition to the business of its owner(s) and often one or more affiliated entities. As of June 30, 2026, our commercial & industrial loans totaled \$662 million representing approximately 11% of our loan portfolio.

Our teammates dedicated to our construction lending products specialize in financing the construction of commercial buildings and housing developments of four or more units for experienced local developers in Hawaii. With deep roots in the community and long-standing relationships with local developers, our team brings extensive skill and knowledge of Hawaii’s development landscape. These construction loans are designed to support both individual and commercial development projects, with commitments averaging \$10.7 million as of June 30, 2026. As of June 30, 2026, our commercial construction loans totaled \$183 million representing approximately 2.9% of our loan portfolio.

Deposits associated with our commercial customers totaled \$1.4 billion, as of June 30, 2026. We offer these customers a competitive suite of treasury management services to support their cash management requirements, including online and mobile banking, bill payments, ACH, domestic and international wires, remote deposit capture, positive pay, Zero Balance Accounts and sweeps. In addition, we offer these customers access to business and commercial credit cards, foreign exchange services, merchant services, and lockbox and trade finance products, inclusive of standby and commercial letters of credit.

How Have Our 2025 Balance Sheet Initiatives Positioned Us for the Future?

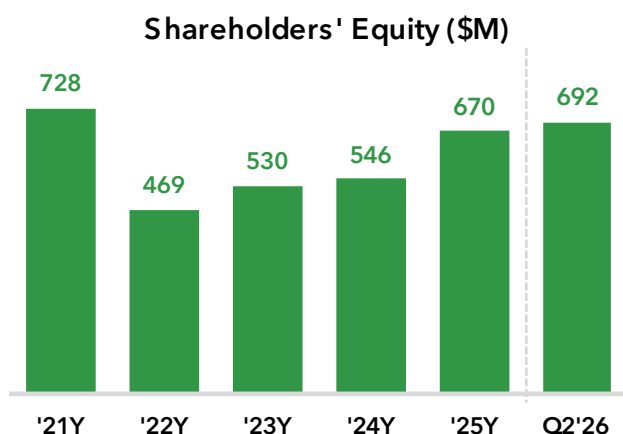
In 2025, we executed certain balance sheet initiatives to drive improved operating leverage, enhance earnings growth, improve our credit profile, and deliver higher return on equity and assets.

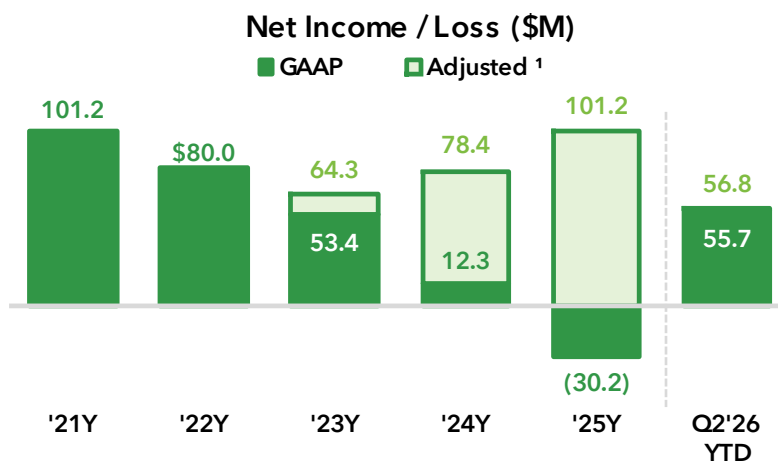
These balance sheet initiatives produced reductions to net income, investments, loans, total assets and total liabilities from the year ended December 31, 2024. The decreases were driven by losses on the sales of investment securities, losses on the sale of the mainland solar and home improvement loan portfolio, and losses related to the termination of our frozen, legacy pension plans.

For the year ended December 31, 2025, our net income was negative \$30.2 million, a decrease of \$42.5 million, or 345.1%, compared to \$12.3 million for the year ended December 31, 2024, and our adjusted net income was \$101.2 million, an increase of \$22.8 million, or 29.1%, compared to \$78.4 million for the year ended December 31, 2024. For the six months ended June 30, 2026, our net income was \$55.7 million, an increase of \$117.2 million, or 190.6%, compared to \$(61.5) million for the six months ended June 30, 2025. Our adjusted net income for the six months ended June 30, 2026 was \$56.8 million. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures Reconciliations” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Financial Performance Highlights.”

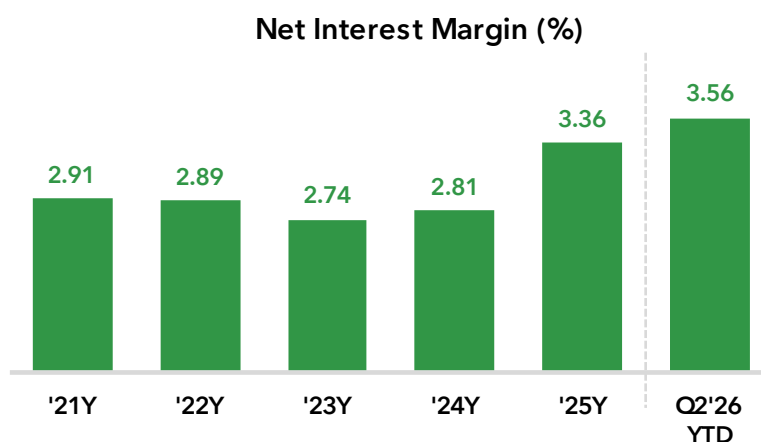
Our results in the first half of 2026 as compared to the same period in 2025 further illustrate the benefits of these balance sheet initiatives undertaken in 2025.

- **Investment securities sale and wholesale funding repayment.** In the first half of 2025, we sold \$735 million of investment securities yielding 1.91% for \$585 million of net proceeds, realizing a pre-tax loss on the sale of securities of \$150 million. The net proceeds were used to pay down maturing FHLB advances (\$520 million at a cost of 4.82%) and brokered deposits (\$64 million at a cost of 5.56%). These transactions contributed to our net interest margin expansion in 2025 as illustrated in the chart below.
- **Sale of mainland solar and home improvement loan portfolio.** In the third quarter of 2025, we sold a portfolio of solar and home improvement loans for approximately \$67.2 million in proceeds, realizing a pre-tax loss of approximately \$19.9 million. These single-product non-relationship loans were collateralized primarily by assets on the U.S. mainland and did not fit our Hawaii-focused strategy. The total solar and home improvement loan portfolio had a higher level of net charge-offs compared to our other lending assets. As a result of the sale, we were able to improve the credit profile of our loan portfolio, releasing \$11.5 million of the allowance for credit losses, while reinvesting the net sales proceeds in other earnings assets.
- **Termination of frozen, legacy pension plan.** In the fourth quarter of 2025, we terminated multiple defined benefit pension plans that were frozen between 2007 and 2008, realizing a pre-tax loss of approximately \$21.3 million. During the six months ended June 30, 2026, we received an annuity insurance credit adjustment of \$0.7 million. By terminating the pension plans, we have transferred the pension obligation and operational and administrative tasks to an outside party, mitigating our operating, compliance and regulatory risks.





(1) *Adjusted net income is a non-GAAP financial measure we believe is helpful in interpreting our financial results. For more information on non-GAAP financial measures and for a reconciliation to the most directly comparable GAAP financial measure, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures Reconciliations."*



How Do We Deliver Value?

At our core, we are a reliable bank employing a straightforward business model to deliver robust financial services and products to our customers, support our communities, and drive value for our stockholders.

Our geographic focus is straightforward. Our customers are almost exclusively individuals with roots in, or businesses and organizations headquartered in, our home market of Hawaii.

Our growth story is straightforward. Our strategic goals focus on servicing Hawaii's residents and businesses, and maintaining our low-cost core deposit franchise. While we continue to provide products and services that meet the needs of our retail customers, we continue to expand our commercial banking activities, producing measured loan and deposit growth with steady changes in the composition of our balance sheet. Due to our loan-to-deposit ratio of 76% as of June 30, 2026, and cash flows we receive from principal payments and maturities in our single-family mortgage portfolio, we believe we have ample room to opportunistically increase our commercial banking presence while maintaining modest growth rates for our balance sheet. We believe our focus on growing relationship-based core deposits, receipt of principal payments from our single-family residential mortgage portfolio and investment portfolio will provide ample liquidity to achieve this goal. In the past, we have used selective acquisitions to achieve

balance sheet growth, but our current business plan does not include any near-term expectations to pursue acquisitive expansion.

Our pathway to maintain attractive financial performance in the future is also straightforward. We expect to grow our low-cost core deposit base while generating higher yielding assets in our commercial, personal and small business banking products in order to produce strong net income results. Our core deposits, which consist of noninterest-bearing and interest-bearing checking accounts, savings and money market accounts, represent 92% of total deposits as of June 30, 2026.

We believe our business model will drive stability in our financial performance and will allow us to deliver sustained, long-term stockholder value. By performing well, we will be positioned to return meaningful capital to our stockholders, a core tenet of our value proposition.

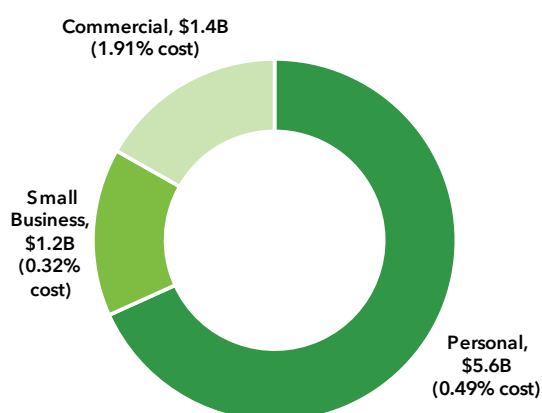
What Are Our Greatest Strengths?

Our Granular Low-Cost Deposit Base

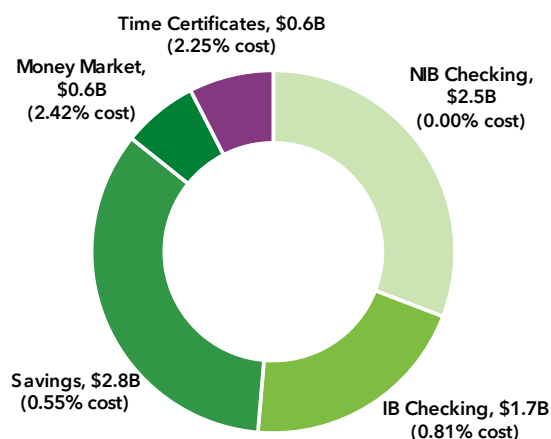
We achieve differentiated success by serving Hawaii through the products and services we provide to our customers and, in doing so, have generated a granular, low-cost deposit base. Approximately 83% of our deposit base is tied to personal and small business customers, with 68% of our deposits tied to personal accounts and 15% of our deposits tied to small business accounts. As of June 30, 2026, we have over 440,000 accounts and an average balance of approximately \$19,000, an average tenure of 14 years, with 77% of our deposits being FDIC insured. Our average cost of deposits in the second quarter of 2026 was 0.69%, representing the lowest cost of deposits among the four largest banks headquartered in Hawaii in the second quarter of 2026 and falls in the 99th percentile of all Nasdaq- and the New York Stock Exchange (the “NYSE”)-traded U.S. banks, excluding announced merger targets.

Our Deposit Composition

**Deposit Composition by Customer Type
as of Quarter Ended June 30, 2026**



**Deposit Composition by Account Type
as of Quarter Ended June 30, 2026**

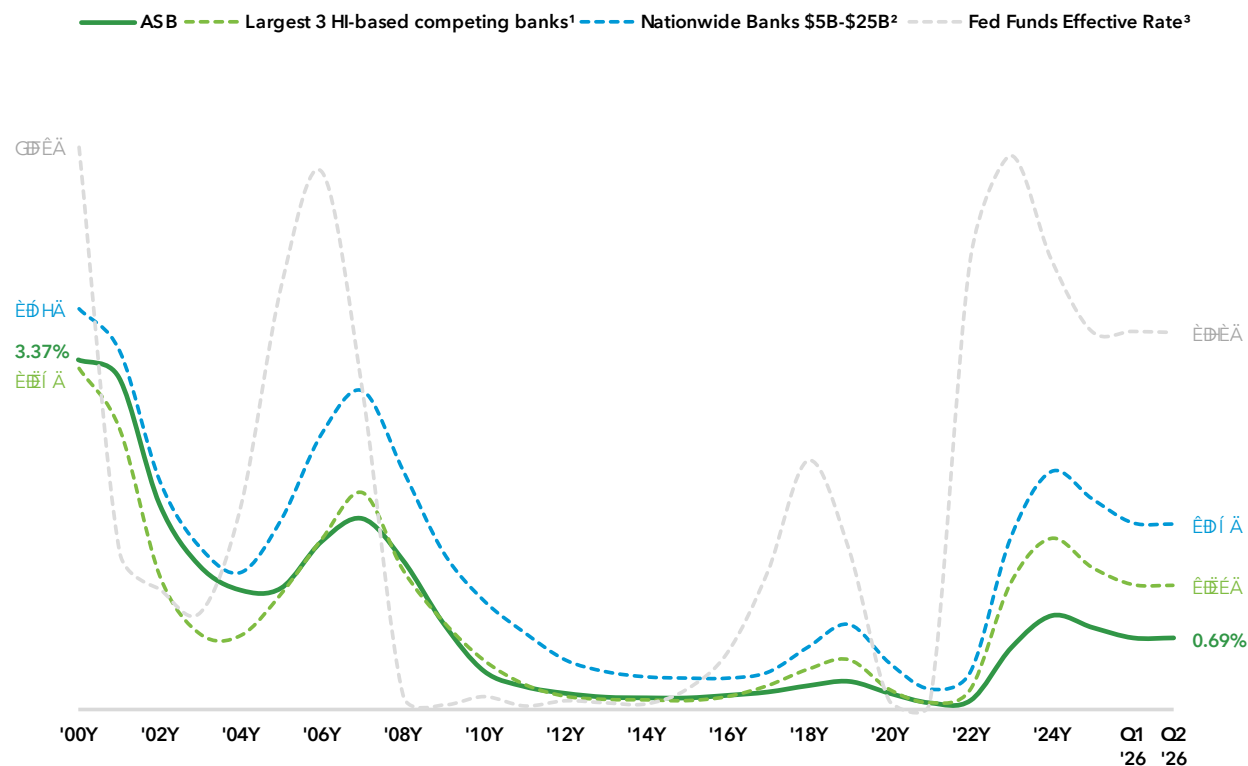


Numbers may not foot due to rounding.

We believe the unique competitive landscape among banks in Hawaii is a primary reason why Hawaii-headquartered banks have historically enjoyed lower deposit costs compared to mainland banks throughout changes in the interest rate environment, and our cost of deposits is one of the lowest in the state. This is a direct outcome of our long-standing, relationship-driven customers. For the quarter ended June 30, 2026, the median cost of deposits for the three largest banks headquartered in Hawaii, excluding ASB, was 1.20% compared to a median cost of deposits of 1.78% for nationwide exchange-traded (Nasdaq and NYSE) banks with between \$5 billion and \$25 billion in assets as of June 30, 2026, excluding announced merger targets and companies we view as operating non-traditional banking

models including Pathward Financial, Inc., Happen, Inc., First Internet Bancorp, Live Oak Bancshares, Inc., The Bancorp, Inc., and Triumph Financial, Inc.

Costs of Deposits Comparison



(1) Includes BOH, CPF, and FHB

(2) Includes nationwide exchange-traded (Nasdaq or NYSE) banks with total assets as of June 30, 2026 between \$5B - \$25B; excludes merger targets and CASH, HAPN, INBK, LOB, TBBK and TFIN due to non-traditional business models

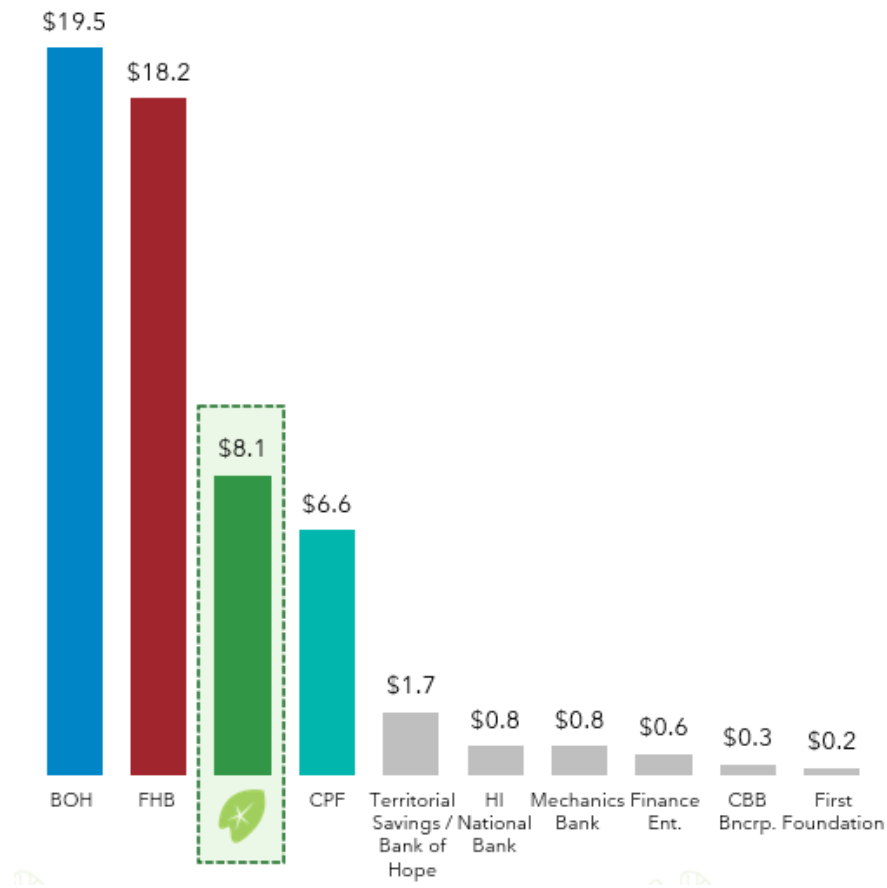
(3) Fed funds effective rate shown as of the last trading day of each period

Source: S&P Capital IQ Pro, Federal Reserve Bank of New York

Our Unique Market

As the third largest bank headquartered in Hawaii based on total assets as of June 30, 2026, we held approximately 14.2% of the state's bank deposit market share as of June 30, 2025. We believe that our market's geographic isolation creates a natural barrier to entry and a protective moat for the benefit of the locally based financial institutions. None of the five largest U.S. commercial banks, as ranked by total assets as of June 30, 2026, have physical branches in Hawaii, and the four largest local Hawaii banks collectively held 92% of the total bank deposit market share in Hawaii as of June 30, 2025.

Top 10 Banks in Hawaii by Total Deposits



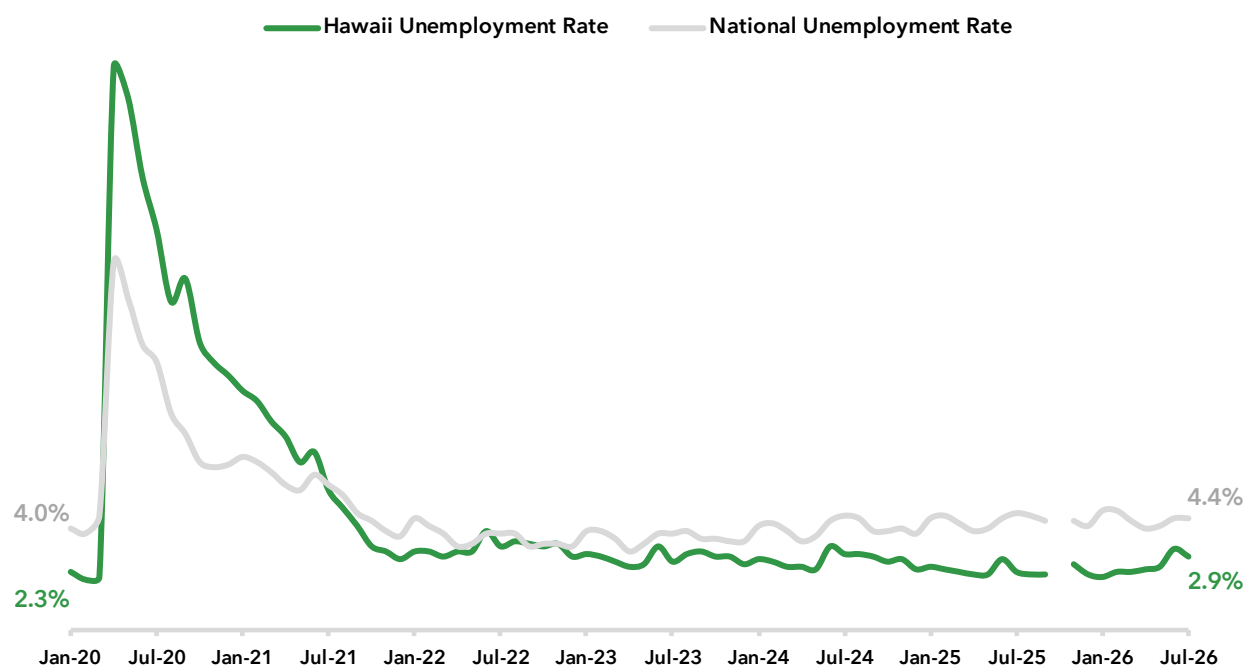
\$ shown in billions. Data as of June 30, 2025, per FDIC Summary of Deposits

The economy of Hawaii is unique and resilient due, in part, to the strength of three key industries contributing to commerce in the state:

- Healthy Tourism and Hospitality.** Tourism is a primary contributor to the state's economy with over 9.6 million visitors arriving in Hawaii in 2025. Total visitor spending in 2025 was \$21.8 billion, a 5.7% increase over visitor spending in 2024. In 2024, visitor spend was \$20.7 billion and 17.6% of Hawaii's GDP. Although total visitor volume declined slightly in 2025 compared to 2024, visitor spending in 2025 increased due to an increase in visitor spending on an average daily basis. This trend continued into the first half of 2026, with visitor spending totaling \$11.6 billion through June 30, 2026, up 6.3% as compared to the same period in 2025.
- Stable Federal Government Spending.** The presence of the United States military provides critical stability to the local economy. The headquarters of the U.S. Indo-Pacific Command is in Hawaii and supported by its five component commands (Army, Navy, Air Force, Marines and Space Force). In 2024, military spending in Hawaii reached \$11.9 billion, accounting for approximately 10.3% of the state's GDP.
- Robust Real Estate Market.** The real estate industry is an economic force in Hawaii, consistently one of the top components of the state's GDP. In particular, the construction sector remains active with infrastructure projects, military housing upgrades and high-end residential development. Among the higher profile projects underway or planned are the shipyard modernization project at Joint Base Pearl Harbor-Hickam, further expansion of the Skyline rail system and the development of the New Aloha Stadium Entertainment District.

We believe the demographic characteristics of Hawaii are distinctively attractive. Home to approximately 1.45 million residents, the projected median household income in Hawaii for 2026 is approximately \$105,200, 21.1% higher than the nationwide median household income of approximately \$86,900. In addition, the labor force remains durable with a non-seasonally adjusted unemployment rate for Hawaii in July 2026 of 2.9%, compared to 4.4% nationally.

Unemployment Rate



Data as of September 4, 2026; national unemployment rate for the month of August 2026 (4.3%) not shown due to unavailability of Hawaii unemployment data for the same period; preliminary unemployment rate shown for Hawaii for the month of July 2026; data for October 2025 not available due to federal government shutdown during that period

Source: Bureau of Labor Statistics; Hawaii Department of Business, Economic Development & Tourism

Our Executive Leadership Team

Our executive leadership team brings extensive banking industry expertise and has established deep roots within the community of Hawaii. With an average tenure of nearly 15 years at the Bank and almost 25 years in banking, we believe our executive leadership team provides insight and strategic vision that helps set us apart from other regional banks of similar size. In addition, our group of executives collectively serve on the boards of more than 20 local

community organizations which we believe provides the connectivity with the local communities and businesses required to maintain our strong market presence and pursue additional customer relationships.



Ann Teranishi
President, Chief Executive
Officer & Director

ASB Since: 2007
Banking Years: 21



Dane Teruya
EVP & Chief Financial
Officer

ASB Since: 2016
Banking Years: 26



Steven Nakahara
EVP & Chief Credit
Officer

ASB Since: 2019
Banking Years: 31



Beth Whitehead
EVP & Chief
Administrative Officer

ASB Since: 2008
Banking Years: 31



Dani Aiu
EVP & Head of
Consumer Banking

ASB Since: 1995
Banking Years: 31



Tony Mizuno
EVP & Head of
Commercial Markets

ASB Since: 2020
Banking Years: 31



John Jacobi
EVP & Chief
Information Officer

ASB Since: 2025
Banking Years: 3



Natalie Taniguchi
EVP & Chief Risk
Officer

ASB Since: 2002
Banking Years: 25



John Ward
EVP & Chief Marketing
& Product Officer

ASB Since: 2018
Banking Years: 19

Our Teammates and Culture

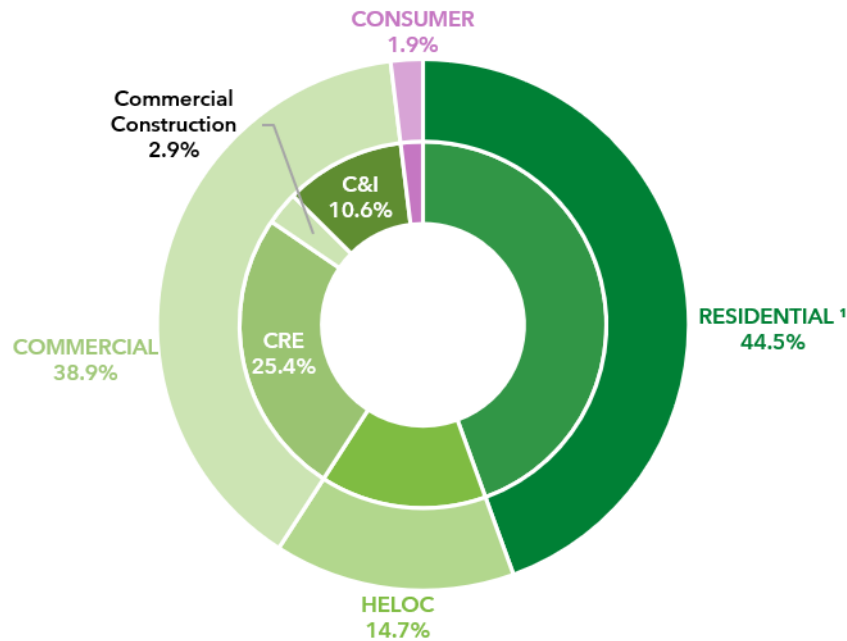
As a relationship-based bank, the strength of our franchise is the result of long-standing relationships that our teammates have developed and maintained with our customers over the years. We strive to hire passionate, driven and committed teammates, and we invest in their continued growth and development. The average tenure of our teammates is approximately ten years. We match our exceptional customer experience with a teammate experience that has garnered local and national awards, including one of the “Best Places to Work” Hawaii Business Magazine for 16 years (2010-2023 & 2025-2026) and a “Best Banks to Work For” by American Banker Magazine from 2013-2016, 2018, 2020-2022 & 2025).

Our Well-Managed Loan Portfolio and an Ability to Grow Our Commercial Presence

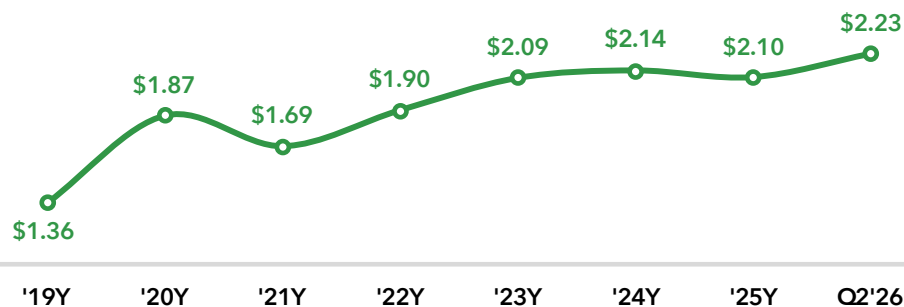
The principal focus of our lending activity is to provide loans that support the businesses, people and economy of Hawaii. As a result, approximately 95% of our total loans are either collateralized by real estate in Hawaii or tied to local customers in Hawaii at origination as of June 30, 2026. Our historical strength in consumer banking has led to our residential mortgage loans and our HELOCs representing 44% and 15%, respectively, of our total loans as of June 30, 2026. 0.5% of our loans are at floors, including hybrid adjustable-rate mortgages where the floor is margin.

While we continue to provide products and services that meet the needs of our retail customers, we continue to expand our commercial banking activities. Over the last seven years, we made strategic hires of executives with local bank experience managing and originating commercial loan portfolios. With the oversight of those executives, our commercial loan portfolio (made up of commercial real estate, commercial construction and commercial & industrial loans, excluding mainland syndicated national credits) grew total balances from \$1.4 billion in 2019 to \$2.2 billion as of the quarter ended June 30, 2026. We believe that opportunistically growing our commercial loan portfolio positively impacts our profitability by increasing net interest income, while at the same time creating an attractive diversification of risk within the total loan portfolio. We believe that we have the products, services and qualified team to continue to grow our commercial loan portfolio.

Our Loan Composition by Type (as of June 30, 2026)



Commercial Loan Portfolio (\$B)² (Excl. Mainland SNCs)



(1) Includes Residential Mortgage loans (\$2.7B), Residential Land loans (\$15M) and Residential Construction loans (\$18M)

(2) Includes CRE, Commercial Construction, and C&I (excluding U.S. Mainland syndicated national credits) loans

Our Disciplined Underwriting and Credit Culture

We believe our ability to maintain exceptional credit quality is a key differentiator. Our team has a proven track record of maintaining solid asset quality through various economic cycles. We adhere to a collaborative and proactive approach designed to selectively originate loans that are best suited for our customers' needs and aim to minimize future loss exposure.

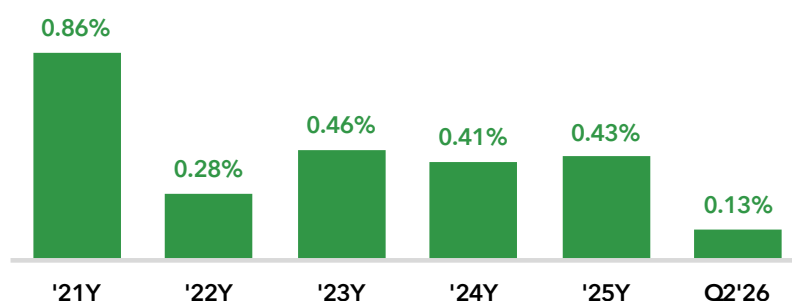
We maintain a disciplined underwriting approach with approval processes tied primarily to loan size. Credit approvals follow a structured hierarchy with smaller credits approved by individual credit officers and larger credits approved by our Chief Credit Officer. We believe this structured approval process enables efficient execution for our customers, striving for timely credit decisions while maintaining strong risk controls and proactively offering financing solutions tailored to customer needs.

With 87% of our loan portfolio secured by some form of real estate as of June 30, 2026, our credit underwriting team leverages its local expertise to properly understand the value of the underlying collateral and places an emphasis on originating loans with attractively low loan-to-value ratios. As of June 30, 2026, the weighted average loan-to-value of our loans secured by real estate was 50.5%, or 51.9% for residential mortgage, 51.4% for commercial real estate, 44.9% for home equity line of credit, and 48.7% for commercial construction.

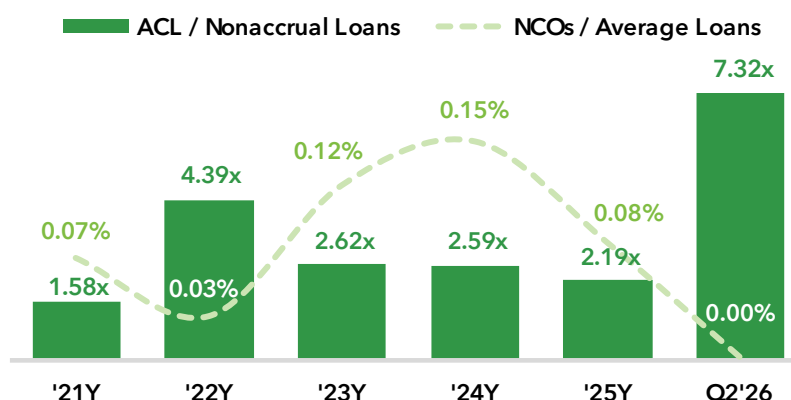
Through our credit administration structure, we maintain a proactive loan monitoring process that regularly evaluates loan grading and monitoring systems. We conduct periodic internal reviews on problem loans and implement appropriate risk-mitigation strategies. We co-source the evaluation of our commercial loan portfolio annually. The co-source firm reviews at least 40% of the total committed dollar amount of our commercial loan portfolio annually.

As a result of our disciplined approach of portfolio management, nonaccrual loans accounted for only 0.13% of total loans as of June 30, 2026, and net charge-offs to average loan balances for the three months ended June 30, 2026 were near zero. The ratio of our allowance for credit losses to nonaccrual loans was 732% as of June 30, 2026.

Nonaccrual Loans / Total Loans



ACL / Nonaccrual Loans and NCOs / Avg. Loans

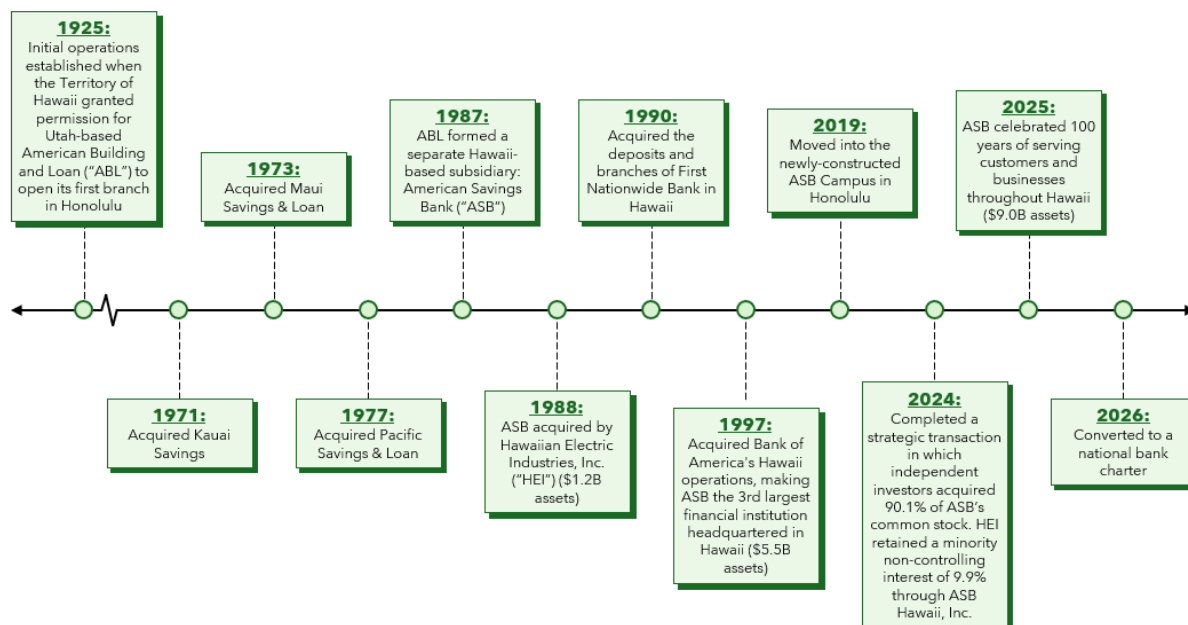


What Are the Major Milestones in Our Bank's History?

Our initial operations were established in 1925 when Utah-based American Building and Loan ("ABL") opened its first branch in Honolulu. ABL complemented organic growth in Hawaii with the acquisitions of Kauai Savings (acquired in 1971), Maui Savings & Loan (1973) and Pacific Savings & Loan (1977). In 1987, we became a separate Hawaii-based subsidiary of ABL named American Savings Bank.

In 1988, we were acquired by Hawaiian Electric Industries, Inc. (“HEI”), the parent company of several of Hawaii’s electric utilities, as part of HEI’s strategy to diversify its revenue streams beyond the regulated utility sector. At the time, we had \$1.2 billion in assets and operated 34 branches.

Our Selected Milestones



While banking is our business, uplifting our communities and creating a stronger, more resilient Hawaii is our mission which we believe helps drive our performance. This commitment is reflected in everything we do – from investing in our community to supporting the local workforce by empowering our teammates to reach their highest potential. Residing in Hawaii can be challenging, and that is why we focus on providing affordable housing opportunities, promoting financial literacy in early education, and strengthening local businesses. We deliver on our commitment by investing in our community through the following programs:

- **This is HOME.** First time home buyer program created as an affordable financing solution to help a wider range of buyers who earn between 80% - 140% Area Median Income. Features of this program include lower down payment, lower mortgage insurance requirements, reduced closing costs and a competitive rate, saving homeowners hundreds of dollars each month.
- **Buy Local Hawaii.** Since 2021, our Buy Local Hawaii program has teamed up with select local eateries, retailers, and service providers in Hawaii to provide customers with special offers and discounts when using their ASB personal or business Visa debit card. This program supports businesses while providing savings through debit card utilization to enhance interchange fee income.
- **Hui Kapili.** Business accelerator program designed to bridge the gap between the Hawaii labor shortage and construction industry demand. Hui Kapili aims to empower small-to-mid-sized construction related companies with the business acumen and support needed to succeed in Hawaii’s competitive market.
- **Kahiau Giving Campaign.** Our teammate giving campaign has raised over \$4 million for Hawaii non-profits since its inception in 2011. In 2025, 94% of our teammates participated in the program, raising \$175,000 for non-profit organizations. Combined with ASB’s matching amount, we contributed \$277,000 to strengthen our non-profit partners and community.

How Do We Compare to Our Peers?

As a management tool to understand our financial performance in comparison to other participants in the banking markets, we review our position within the competitive landscape of banks with attributes we deem comparable to us

(our “Comparable Companies” analysis). We refresh our Comparable Companies analysis on a quarterly basis following public availability of peer data, both publicly traded company information available through Securities and Exchange Commission filings, and information available through FDIC and Federal Reserve filings.

We select the makeup of companies in our Comparable Companies analysis based on factors related to relative asset size, geography, business model, and certain performance measures. Below we review our two groups of focal Comparable Companies consisting of a group of low cost of deposits peers and a group of western region competitors.

Low Cost of Deposits Comparable Company Group. To compile our low cost of deposits Comparable Company group, we begin with the broad universe of all banks and bank holding companies traded on Nasdaq or NYSE exchanges and headquartered in the U.S. with total assets as of June 30, 2026 between \$5 billion and \$25 billion, excluding merger targets, of which there were 110 companies as of September 4, 2026. We then refine the list to exclude companies that operate dissimilar business models from us (as an example, companies that rely on banking-as-a-service relationships with financial technology companies as a meaningful part of their business), resulting in 104 companies. We further refine the list to exclude companies with materially higher cost of deposits (defined as having a cost of deposits above 1.35% for the three months ended June 30, 2026), leaving 19 companies as of September 4, 2026. We further refine the list to exclude banking organizations with weaker financial returns (defined as having a return on average tangible common stockholders’ equity below 12.0% for the three months ended June 30, 2026), resulting in 16 banking organizations remaining on the list as of September 4, 2026.

Low Cost of Deposits Comparable Company Group ⁽¹⁾

Ticker	Company Name	Total Assets (\$M)	Market Cap. (\$M)	Price/TBVPS (%)	Price/LTM EPS (x)	Price/2026E EPS (x)	Price/2027E EPS (x)
BOH	Bank of Hawaii Corporation	23,843	3,045	202	14.4	13.0	11.6
FHB	First Hawaiian, Inc.	23,646	3,172	173	11.3	11.1	10.3
WSFS	WSFS Financial Corporation	22,654	4,055	231	13.3	12.1	11.5
MCHB	Mechanics Bancorp	21,231	3,662	200	13.2	15.4	13.2
CBC	Central Bancompany, Inc.	20,295	7,817	222	17.7	17.1	16.1
FBP	First BanCorp.	19,241	4,324	225	12.0	11.9	11.2
CBU	Community Financial System, Inc.	17,764	3,360	303	14.8	13.9	12.3
BANR	Banner Corporation	16,594	2,418	149	11.7	11.5	10.5
NBTB	NBT Bancorp Inc.	16,215	2,716	189	12.8	12.5	11.5
FBNC	First Bancorp	13,042	2,691	220	20.2	13.8	12.9
PRK	Park National Corporation	12,677	3,518	247	17.4	15.0	14.7
CPF	Central Pacific Financial Corp.	7,501	983	165	12.2	11.7	10.7
OSBC	Old Second Bancorp, Inc.	6,870	1,309	174	14.8	11.7	10.8
CHCO	City Holding Company	6,774	2,045	314	15.9	15.7	15.2
HBT	HBT Financial, Inc.	6,728	1,331	208	15.7	12.0	10.6
WABC	Westamerica Bancorporation	5,805	1,373	187	13.1	12.8	12.7
Median		16,404	2,881	205	13.8	12.7	11.5

(1) Financial data as of June 30, 2026; market data as of September 4, 2026. Source: S&P Capital IQ Pro

Western Region Comparable Company Group. We begin with the same broad universe of all banks and bank holding companies as described above, excluding banks that operate dissimilar business models from us, as we compile our western region Comparable Company group. We then refine the list to exclude companies headquartered outside of the Western Region, leaving 16 companies as of September 4, 2026. We further refine the list to exclude companies with weaker financial returns (as defined as having a return on average tangible common stockholders’ equity below 12.0% for the three months ended June 30, 2026), leaving 10 companies as of September 4, 2026.

By placing a minimum threshold on return on average tangible common stockholders’ equity, we believe we focus our Comparable Company groups on some of the strongest performing banks of our size.

Western Region Comparable Company Group ⁽¹⁾

Ticker	Company Name	Total Assets (\$M)	Market Cap. (\$M)	Price/TBVPS (%)	Price/LTM EPS (x)	Price/2026E EPS (x)	Price/2027E EPS (x)
CATY	Cathay General Bancorp	24,653	4,182	157	12.2	11.3	10.6
BOH	Bank of Hawaii Corporation	23,843	3,045	202	14.4	13.0	11.6
FHB	First Hawaiian, Inc.	23,646	3,172	173	11.3	11.1	10.3
MCHB	Mechanics Bancorp	21,231	3,662	200	13.2	15.4	13.2
BANR	Banner Corporation	16,594	2,418	149	11.7	11.5	10.5
PFBC	Preferred Bank	7,731	1,227	155	9.5	9.6	9.4
CPF	Central Pacific Financial Corp.	7,501	983	165	12.2	11.7	10.7
RCBC	River City Bank	6,043	742	131	9.8	10.8	10.6
WABC	Westamerica Bancorporation	5,805	1,373	187	13.1	12.8	12.7
FSBC	Five Star Bancorp	5,377	1,152	212	13.9	13.4	12.5
Median		12,162	1,895	169	12.2	11.6	10.6

(1) Financial data as of June 30, 2026; market data as of September 4, 2026. Source: S&P Capital IQ Pro

We analyze our two Comparable Company peer groups based on various balance sheet and performance metrics, some of which measures are described in the tables below.

		Median of Low Cost of Deposit Comparable Company Group	Median of Western Region Comparable Company Group
Balance Sheet and Credit ⁽¹⁾	ASB		
Loans / deposits (%)	76	79	83
Noninterest-bearing deposits / deposits (%)	31	32	28
Tangible common stockholders' equity / tangible assets (%)	7.7	9.7	9.1
Tier 1 leverage ratio (%)	9.1	11.0	9.6
Total risk-based capital ratio (%)	14.6	15.5	14.8
Nonaccrual loans / loans (%)	0.13	0.44	0.29

(1) Financial data as of June 30, 2026

Related to the balance sheet and credit metrics illustrated in the table above, we believe that strong levels of noninterest-bearing deposits, in particular, contribute meaningfully to our ability to maintain our low cost of deposits. With a ratio of noninterest-bearing deposits to total deposits of 31%, our deposit composition is similar to that of the low cost of deposits Comparable Company group median and the western region Comparable Company group median. We are focused on continuing to grow all types of core deposits and, specifically, operating accounts for commercial and small business customers in order to further improve our cost of deposits and overall profitability.

We have the ability to improve our profitability without reliance on total asset growth due to an opportunity to change the composition of our asset mix. At 76%, our loan-to-deposit ratio is lower than the medians for both the low cost of deposits Comparable Company group and the western region Comparable Company group, at 79% and 83%, respectively. We believe that we have the capacity to re-allocate a portion of our balance sheet into higher-yielding earning loan assets and, in doing so, improve our already strong net interest margin as compared to our peers.

We believe our capital ratios are robust in relation to our business model which, as described above, calls for steady and modest overall growth without relying on acquisitions. Our business model attributes stand in contrast to many of our peers who choose to carry somewhat higher capital levels in part to support acquisitive growth strategies and without similar levels of loan-to-deposit ratios providing as much room to grow commercial loan balances. Further, our credit quality ratios fall in line with most of our peers.

Profitability ⁽¹⁾	ASB	Median of Low Cost of Deposit Comparable Company Group	Median of Western Region Comparable Company Group
Last quarter annualized return on average assets (%)	1.21	1.54	1.25
Last quarter annualized return on average tangible common stockholders' equity (%)	15.87	15.96	14.28
Last quarter annualized net interest margin (%)	3.57	3.81	3.58
Last quarter annualized cost of deposits (%)	0.69	1.20	1.29
Last quarter annualized efficiency ratio (%)	61.67	53.19	48.48

(1) Financial data as of June 30, 2026

We believe we have selected peers that have recently produced strong levels of financial performance, making the comparison of our performance metrics to their levels an instructive analysis. Our focus on producing attractive returns on our stockholders' capital is represented in our return on average tangible common stockholders' equity of 15.87%, which is similar to the median of the low cost of deposits Comparable Company group at 15.96% and shows our relative strength as compared to the median of the western region Comparable Company group at 14.28%. Our cost of deposits of 0.69% is superior compared to medians of 1.20% and 1.29% for the low cost of deposits Comparable Company group and the western region Comparable Company group, respectively. We believe one of the most challenging financial characteristics of banking is producing attractive funding costs, making our strong performance in this measure highly valuable to our stockholders. Our low cost of deposits is a key driver for our net interest margin which, at 3.57%, is in line with the western region Comparable Company group median of 3.58% and below the low cost of deposits Comparable Company group median of 3.81%. Our return on average assets was 1.21%, lower than the medians of 1.54% and 1.25% for the low cost of deposits Comparable Company group and the western region Comparable Company group, respectively. We achieved strong profitability metrics in our return on average tangible common stockholders' equity and return on average assets despite having an efficiency ratio of 61.67% which is higher compared to the medians of 53.19% and 48.48% for the low cost of deposits Comparable Company group and the western region Comparable Company group, respectively.

Summary Risk Factors

Our business is subject to numerous risks and uncertainties, including those highlighted in the section titled "Risk Factors" immediately following this prospectus summary. The following is a summary of the principal risks we face:

- Our deposit customers may pursue alternatives to deposits at our Bank or seek higher yielding deposits causing us to incur increased funding costs.
- We could fail to attract, retain or motivate highly skilled and qualified personnel, including our senior management and other key employees or members of our Board, which could impair our ability to successfully execute our strategic plan and otherwise adversely affect our business.
- Besides the risks associated with national and international economies, we are particularly subject to risks associated with the Hawaii economy, both in the aggregate and on an individual island basis.
- Our business is subject to risks of adverse weather conditions and natural disasters affecting our markets.
- If we fail to maintain an effective system of internal controls and disclosure controls and procedures, we may not be able to accurately report our financial results or prevent fraud.
- Our operations could be interrupted if our third-party service providers experience difficulty, terminate their services or fail to comply with banking regulations.
- Our ability to meet our obligations when they become due, and the cost of doing so, depends on our ability to access sources of liquidity.

- We rely on deposits from our customers in Hawaii, which can be materially and adversely affected by local, national, and general economic conditions.
- We are subject to capital requirements, which could have an adverse effect on our operations.
- We are subject to interest rate risk and fluctuations in interest rates which could negatively impact our earnings, our cost of funds, our ability to originate new loans, or on the ability of borrowers to make payments on their adjustable-rate loans.
- A large percentage of our loans and securities are collateralized by real estate. Adverse changes in the real estate market or general economic or other conditions may result in losses.
- Significant increases in residential home insurance premiums and overall challenges in obtaining homeowners insurance generally may negatively impact the residential real estate market.
- Geopolitical instability including recent military actions involving the United States in Venezuela, Iran and Israel, and other international conflicts could disrupt global financial markets and adversely affect the ability of our borrowers to repay their loans.
- Our allowance for credit losses may not cover actual loan losses.
- Our framework for managing risks may not be effective in mitigating risk and loss and our use of models may present risks to our risk management framework.
- We are subject to risks of information technology system failures, network disruptions and breaches in data security that could adversely affect our business and reputation.
- The use of AI presents new or heightened legal, regulatory, ethical, operational or other challenges that may adversely impact our business.
- We are subject to extensive regulation and supervision, which could limit or restrict our activities and negatively impact our financial performance.
- We will be subject to heightened regulatory requirements if our total assets exceed \$10 billion.
- Consumer protection initiatives related to foreclosure processes could affect our remedies as a creditor.
- Environmental laws may force us to pay for resolution of environmental problems.
- We face a risk of noncompliance and enforcement action with the Bank Secrecy Act and other anti-money laundering statutes and regulations.
- The corporate and securities laws applicable to us are substantially similar to those applicable to a state-chartered corporation, but are administered by the OCC, which may be unfamiliar to you.
- We have no operating history as an independent publicly traded company, and our historical financial information is not necessarily representative of the results we would have achieved as an independent publicly traded company and may not be a reliable indicator of our future results.
- No public market exists for our common stock, and one may not develop.
- We expect that our stock price will fluctuate significantly, and you may not be able to resell your shares at or above the initial public offering price.
- Potential indemnification liabilities with HEI from the Separation could materially adversely affect us.
- As of June 30, 2026, approximately 99% of our common stock is owned by certain institutional holders, and if a substantial number of shares become available for sale and are sold in a short period of time, the market price of our common stock could decline.

- We may not pay dividends on our common stock in the future, and our ability to pay dividends is subject to certain restrictions.
- We are an “emerging growth company.” The reduced disclosure requirements applicable to emerging growth companies may make our common stock less attractive to investors.
- The requirements of being a public company may strain our resources and divert management’s attention.

Channels for Disclosure of Information

Following the closing of this offering, we intend to announce material information to the public through filings with the OCC, the investor relations page on our website (ir.asbhawaii.com), press releases, public conference calls, and public webcasts. Any updates to the list of disclosure channels through which we will announce information will be posted on the investor relations page on our website.

Corporate Information

Our principal executive offices are located at 300 North Beretania Street, Honolulu, Hawaii 96817 and our telephone number at that address is (800) 272-2566. Our website address is www.asbhawaii.com. The information contained on our website is not a part of, or incorporated by reference into, this prospectus, and the inclusion of our website and account addresses in this prospectus is only as inactive textual references.

THE OFFERING

The following summary contains basic information about the offering of our common stock and is not intended to be complete. It does not contain all the information that may be important to you in connection with an investment in our common stock. For a more complete description of our common stock, see “Description of Capital Stock.”

Common stock offered by the selling stockholders.....	8,057,240 shares.
Common stock outstanding after this offering	64,997,983 shares.
Option to purchase additional shares offered by selling stockholders	1,208,586 shares.
Use of proceeds	We will not receive any proceeds from the sale of our common stock in the offering. The selling stockholders will receive all of the proceeds from the sale of shares of our common stock. See “Use of Proceeds.”
Indications of interest	We have received a non-binding indication of interest from an entity affiliated with CDI American, an existing stockholder, to purchase up to 2,101,600 shares of our common stock in this offering at the initial public offering price per share, on the same terms as the other purchasers in this offering. If this investor purchases the full number of shares indicated, CDI American and such affiliated entity would beneficially own approximately 9.9% of our outstanding common stock after this offering. Because indications of interest are not binding agreements or commitments to purchase shares, this investor may determine to purchase more, fewer or no shares in this offering, and the underwriters may determine to sell more, fewer or no shares to this investor. The underwriters will receive the same underwriting discount and commissions on any shares sold to this investor as they will on any other shares sold to the public in this offering.
Dividend policy	The declaration of all future dividends, if any, will be at the discretion of our board of directors (the “Board”) and will depend on many factors, including the financial condition, earnings and liquidity requirements applicable to us, regulatory constraints and any other factors that our Board deems relevant in making such a determination. Our ability to pay dividends is subject to restrictions under applicable banking laws and regulations. We are subject to certain restrictions under corporate and banking laws and regulations that may limit our ability to pay dividends. Therefore, there can be no assurance that we will pay any dividends to holders of our common stock, or as to the amount of any such dividends. See “Dividend Policy.”
Risk factors	See the section titled “Risk Factors” and other information included in this prospectus for a

discussion of factors you should carefully consider before deciding to invest in our common stock.

Directed share program

At our request, the underwriters have reserved for sale, at the initial public offering price, up to 7% of the shares of our common stock offered by this prospectus for sale to our directors, officers, employees, business associates and related persons. Reserved shares purchased will not be subject to lock-up restrictions, except to the extent that the purchasers of such shares are otherwise subject to lock-up agreements as a result of their relationships with us. The number of shares of our common stock available for sale to the general public will be reduced to the extent these persons purchase the reserved shares. Any reserved shares of our common stock that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of our common stock offered by this prospectus. See “Underwriting—Directed Share Program.”

NYSE stock symbol “ASBH.”

The number of shares of our common stock that will be outstanding before and after this offering is based on 64,997,983 shares of our common stock outstanding as of the date of this offering, after giving effect to the Stock Split, and excludes 1,624,950 additional shares of our common stock that are reserved for future issuance under American Savings Bank, N.A.’s 2026 Equity and Incentive Plan (the “2026 Plan”), which became effective as of May 5, 2026, (including 163,750 shares of our common stock underlying the restricted stock units granted to certain of our executive officers, non-employee directors and eligible employees as an RSU Award, as described below, and 84,375 shares of our common stock underlying the performance-based restricted stock units granted to certain of our executive officers as a PSU Award, measured at target and as described below, in each case in connection with this offering).

Unless we specifically state otherwise, and except for our historical financial statements and the information under “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” the information in this prospectus assumes or gives effect to the following:

- the Stock Split (including the retirement of 17 shares of our common stock in connection with the Stock Split due to fractional shares);
- no exercise of the underwriters’ option to purchase additional shares of our common stock from the selling stockholders; and
- an initial public offering price of \$16.00 per share.

SUMMARY HISTORICAL FINANCIAL INFORMATION AND OTHER DATA

The following table sets forth summary historical financial information and other data for the Bank as of the dates and for the periods shown. The summary balance sheet data as of December 31, 2025 and 2024 and the summary income statement data for the years then ended have been derived from our audited financial statement included elsewhere in this prospectus. The summary balance sheet data as of December 31, 2023, 2022 and 2021 and the summary income statement data for the years then ended is derived from our audited financial statements not included in this prospectus. The summary historical income statement data for the three months ended June 30, 2026, March 31, 2026, December 31, 2025, September 30, 2025, and June 30, 2025 and the historical balance sheets as of June 30, 2026, March 31, 2026, September 30, 2025, and June 30, 2025, have been derived from our unaudited financial statements, of which only the summary historical income statement data for the six months ended June 30, 2026 and 2025 and the historical balance sheets as of June 30, 2026 are included in this prospectus. Our results of operations for any period are not necessarily indicative of the results to be expected in any future period.

The summary historical financial information and other data below should be read together with the information in “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements and related notes included elsewhere in this prospectus.

	Years ended December 31,				
	2025	2024	2023	2022	2021
	(dollars in thousands)				
Income statement data:					
Interest income	\$ 353,033	\$ 349,044	\$ 334,783	\$ 265,874	\$ 242,266
Interest expense	69,904	100,169	82,797	13,301	5,040
Provision (benefit) for credit losses	(834)	(1,963)	10,357	2,037	(25,825)
Adjusted provision (benefit) for credit losses ⁽¹⁾	10,666	(1,963)	10,357	2,037	(25,825)
Noninterest income	(87,979)	69,528	45,410	56,972	64,660
Adjusted noninterest income ⁽¹⁾	81,808	69,528	60,375	56,972	64,660
Noninterest expense	246,856	307,009	223,638	205,267	197,152
Adjusted noninterest expense ⁽¹⁾	225,581	224,819	223,638	205,267	197,152
Net income (loss)	(30,194)	12,317	53,362	79,989	101,234
Adjusted net income ⁽¹⁾	101,245	78,447	64,316	79,989	101,234
Performance ratios:					
Return on average total assets ⁽²⁾	(0.34)%	0.13%	0.55%	0.86%	1.15%
Adjusted return on average total assets ⁽¹⁾	1.13%	0.84%	0.67%	0.86%	1.15%
Return on average common stockholders' equity ⁽³⁾	(4.93)%	2.28%	10.98%	14.08%	13.76%
Adjusted return on average common stockholders' equity ⁽¹⁾	16.52%	14.55%	13.24%	14.08%	13.76%
Return on average tangible common stockholders' equity ⁽¹⁾	(4.93)%	2.47%	13.22%	16.46%	15.49%
Adjusted return on average tangible common stockholders' equity ⁽¹⁾	16.52%	15.72%	15.94%	16.46%	15.49%
Net interest margin ⁽⁴⁾	3.36%	2.81%	2.74%	2.89%	2.91%
Cost of deposits ⁽⁵⁾	0.79%	0.91%	0.60%	0.09%	0.06%
Efficiency ratio ⁽¹⁾	126.50%	96.42%	75.20%	66.31%	65.31%
Adjusted efficiency ratio ⁽¹⁾	61.81%	70.61%	71.60%	66.31%	65.31%
Average balances:					
Average loans held for investment	6,091,610	6,077,219	6,113,467	5,456,952	5,220,491
Average total assets	8,957,392	9,315,383	9,622,403	9,273,573	8,826,100
Average total deposits	8,016,142	7,982,753	8,147,301	8,247,599	7,816,867
Average stockholders' equity	612,889	539,268	485,787	568,232	735,542
At December 31 Balance sheet data:					
Loans held for investment ⁽⁶⁾	6,083,247	6,114,721	6,180,810	5,978,906	5,211,114
Total assets	8,979,486	9,290,946	9,673,192	9,545,970	9,181,603
Total deposits	8,137,022	8,032,407	8,145,778	8,169,696	8,172,212
Stockholders' equity	669,876	546,458	529,851	468,885	727,818
Asset quality:					
Nonperforming loans / total loans, net	0.47%	0.41%	0.46%	0.28%	0.86%
Allowance for credit losses / total loans, net	0.95%	1.05%	1.20%	1.21%	1.36%
Net charge-offs / average total loans, net	0.08%	0.15%	0.12%	0.03%	0.07%
Capital ratios:					
Tier 1 leverage	9.00%	8.86%	7.68%	7.78%	7.86%
Tier 1 capital	13.46%	13.68%	12.27%	12.15%	13.29%
Total capital	14.52%	14.71%	13.38%	13.14%	14.31%
Common equity tier 1	13.46%	13.68%	12.27%	12.15%	13.29%

- (1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP financial measures, see "Management's Discussion and Analysis of Financial Condition and Results of Operations— Non-GAAP Financial Measures Reconciliations," and for a reconciliation to the most directly comparable GAAP financial measure, see "—Non-GAAP Financial Measures Reconciliations."
- (2) Return on average total assets is defined as net income divided by average total assets.
- (3) Return on average common stockholders' equity is defined as net income divided by average common stockholders' equity.
- (4) Net interest margin is defined as net interest income, on a fully taxable-equivalent basis, as a percentage of average total interest-earning assets. Interest income includes taxable equivalent basis adjustments, based upon a federal statutory tax rate of 21%, of \$1.3 million, \$1.4 million, \$1.1 million, \$0.7 million and \$0.4 million for the years ended December 31, 2025, 2024, 2023, 2022 and 2021, respectively.
- (5) Cost of deposits is defined as interest expense on deposits divided by average total deposits.
- (6) Loans held for investment include unpaid principal balance net of unearned deferred fees and discounts, and net loans in process and excludes loans held for sale of \$4.7 million, \$6.1 million, \$15.2 million, \$0.8 million and \$10.4 million at December 31, 2025, 2024, 2023, 2022 and 2021, respectively.

	For the three months ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(dollars in thousands)				
Income statement data:					
Interest income	\$ 89,258	\$ 88,079	\$ 88,669	\$ 87,116	\$ 87,237
Interest expense	14,041	13,835	14,649	15,406	16,552

	For the three months ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(dollars in thousands)				
Provision (benefit) for credit losses	3,298	1,049	1,903	(7,816)	2,700
Adjusted provision (benefit) for credit losses ⁽¹⁾	3,298	1,049	1,903	3,684	2,700
Noninterest income	23,827	20,103	22,836	2,442	19,189
Adjusted noninterest income ⁽¹⁾	23,827	20,103	22,836	22,360	19,613
Noninterest expense	61,083	56,879	81,040	58,049	54,093
Adjusted noninterest expense ⁽¹⁾	59,945	56,559	59,765	58,049	54,093
Net income (loss)	27,175	28,553	11,353	19,961	25,706
Adjusted net income ⁽¹⁾	28,008	28,787	26,926	26,123	26,016
Performance ratios:					
Return on average total assets ⁽²⁾⁽³⁾	1.21%	1.27%	0.51%	0.91%	1.16%
Adjusted return on average total assets ⁽¹⁾	1.25%	1.28%	1.21%	1.19%	1.17%
Return on average common stockholders' equity ⁽³⁾⁽⁴⁾	15.87%	16.91%	6.86%	12.62%	17.08%
Adjusted return on average common stockholders' equity ⁽¹⁾⁽³⁾	16.36%	17.05%	16.26%	16.52%	17.29%
Return on average tangible common stockholders' equity ⁽¹⁾⁽³⁾	15.87%	16.91%	6.86%	12.62%	17.08%
Adjusted return on average tangible common stockholders' equity ⁽¹⁾⁽³⁾	16.36%	17.05%	16.26%	16.52%	17.29%
Net interest margin ⁽³⁾⁽⁵⁾	3.57%	3.55%	3.55%	3.46%	3.40%
Cost of deposits ⁽³⁾⁽⁶⁾	0.69%	0.69%	0.72%	0.77%	0.78%
Efficiency ratio ⁽¹⁾	61.67%	60.29%	83.67%	78.28%	60.19%
Adjusted efficiency ratio ⁽¹⁾⁽³⁾	60.52%	59.95%	61.71%	61.71%	59.90%
Average balances:					
Average loans held for investment	6,175,040	6,089,262	6,097,586	6,087,274	6,076,554
Average total assets	8,995,938	8,969,324	8,879,842	8,795,986	8,858,903
Average total deposits	8,143,415	8,123,212	8,028,080	7,969,399	7,986,853
Average stockholders' equity	684,818	675,488	662,337	632,435	601,939
Balance sheet data:					
Loans held for investment ⁽⁷⁾	6,238,473	6,147,761	6,083,247	6,090,536	6,092,423
Total assets	9,049,160	9,042,709	8,979,486	8,794,992	8,813,856
Total deposits	8,191,488	8,199,814	8,137,022	7,946,132	8,004,334
Stockholders' equity	692,496	681,470	669,876	645,141	616,966
Asset quality:					
Nonperforming loans / total loans, net	0.19%	0.20%	0.47%	0.19%	0.23%
Allowance for credit losses / total loans, net	0.99%	0.95%	0.95%	0.92%	1.08%
Net charge-offs / average total loans, net ⁽³⁾	0.00%	0.02%	0.02%	0.07%	0.12%
Capital ratios:					
Tier 1 leverage	9.10%	9.03%	9.00%	8.93%	8.64%
Tier 1 capital	13.49%	13.49%	13.46%	13.17%	12.79%
Total capital	14.59%	14.55%	14.52%	14.19%	13.96%
Common equity tier 1	13.49%	13.49%	13.46%	13.17%	12.79%

- (1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP financial measures, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures Reconciliations," and for a reconciliation to the most directly comparable GAAP financial measure, see "—Non-GAAP Financial Measures Reconciliations."
- (2) Return on average total assets is defined as net income divided by average total assets.
- (3) Ratios for the three months ended June 30, 2026, March 31, 2026, December 31, 2025, September 30, 2025, and June 30, 2025 are presented on an annualized basis.
- (4) Return on average common stockholders' equity is defined as net income divided by average common stockholders' equity.
- (5) Net interest margin is defined as net interest income, on a fully taxable-equivalent basis, as a percentage of average total interest-earning assets. Interest income includes taxable equivalent basis adjustments, based upon a federal statutory tax rate of 21%, of \$0.3 million, \$0.3 million, \$0.3 million, \$0.4 million, and \$0.3 million, for the three months ended June 30, 2026, March 31, 2026, December 31, 2025, September 30, 2025, and June 30, 2025, respectively.
- (6) Cost of deposits is defined as interest expense on deposits divided by average total deposits.
- (7) Loans held for investment include unpaid principal balance net of unearned deferred fees and discounts, and net loans in process and excludes loans held for sale of \$4.5 million, nil, \$4.7 million, \$1.8 million, and \$4.2 million at June 30, 2026, March 31, 2026, December 31, 2025, September 30, 2025, and June 30, 2025, respectively.

Non-GAAP Financial Measures Reconciliations

To supplement our financial statements prepared and presented in accordance with generally accepted accounting principles in the United States, or GAAP, we use certain non-GAAP financial measures, as described

below, to facilitate analysis of our financial and business trends and for internal planning and forecasting purposes. We are presenting these non-GAAP financial measures because we believe, when taken collectively, they may be helpful to investors because they provide consistency and comparability with past financial performance by excluding certain items that may not be indicative of our business, results of operations, or outlook.

However, non-GAAP financial measures have limitations in their usefulness to investors because they have no standardized meaning prescribed by GAAP and are not prepared under any comprehensive set of accounting rules or principles. In addition, other companies, including companies in our industry, may calculate similarly titled non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. As a result, our non-GAAP financial measures are presented for supplemental informational purposes only and should not be considered in isolation or as a substitute for our financial statements presented in accordance with GAAP.

The following tables present the reconciliation of our adjusted provision (benefit) for credit losses.

	Years ended December 31,				
	2025	2024	2023	2022	2021
	(dollars in thousands)				
Provision (benefit) for credit losses	\$ (834)	\$ (1,963)	\$ 10,357	\$ 2,037	\$ (25,825)
Less release of allowance for credit losses:					
Sale of consumer loans	11,500	-	-	-	-
Adjusted provision (benefit) for credit losses ⁽¹⁾	<u>\$ 10,666</u>	<u>\$ (1,963)</u>	<u>\$ 10,357</u>	<u>\$ 2,037</u>	<u>\$ (25,825)</u>

	For the three months ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(dollars in thousands)				
Provision (benefit) for credit losses	\$ 3,298	\$ 1,049	\$ 1,903	\$ (7,816)	\$ 2,700
Less release of allowance for credit losses:					
Sale of consumer loans	-	-	-	11,500	-
Adjusted provision (benefit) for credit losses ⁽¹⁾	<u>\$ 3,298</u>	<u>\$ 1,049</u>	<u>\$ 1,903</u>	<u>\$ 3,684</u>	<u>\$ 2,700</u>

(1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures Reconciliations.”

The following tables present the reconciliation of our adjusted noninterest income.

	Years ended December 31,				
	2025	2024	2023	2022	2021
	(dollars in thousands)				
Noninterest income	\$ (87,979)	\$ 69,528	\$ 45,410	\$ 56,972	\$ 64,660
Less:					
Loss on sale of investment securities, net	(149,869)	-	(14,965)	-	-
Loss on sale of consumer loans	(19,918)	-	-	-	-
Adjusted noninterest income ⁽¹⁾	<u>\$ 81,808</u>	<u>\$ 69,528</u>	<u>\$ 60,375</u>	<u>\$ 56,972</u>	<u>\$ 64,660</u>

	For the three months ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(dollars in thousands)				
Noninterest income	\$ 23,827	\$ 20,103	\$ 22,836	\$ 2,442	\$ 19,189
Less:					
Loss on sale of investment securities, net	-	-	-	-	(424)
Loss on sale of consumer loans	-	-	-	(19,918)	-
Adjusted noninterest income ⁽¹⁾	<u>\$ 23,827</u>	<u>\$ 20,103</u>	<u>\$ 22,836</u>	<u>\$ 22,360</u>	<u>\$ 19,613</u>

(1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures Reconciliations.”

The following tables present the reconciliation of our adjusted total revenue, adjusted noninterest expense, efficiency ratio, and adjusted efficiency ratio.

	Years ended December 31,				
	2025	2024	2023	2022	2021
	(dollars in thousands)				
Net interest income	\$ 283,129	\$ 248,875	\$ 251,986	\$ 252,573	\$ 237,226
Noninterest income	(87,979)	69,528	45,410	56,972	64,660
Total revenue	195,150	318,403	297,396	309,545	301,886
Less:					
Loss on sale of investment securities, net	(149,869)	-	(14,965)	-	-
Loss on sale of consumer loans	(19,918)	-	-	-	-
Adjusted total revenue ⁽¹⁾	\$ 364,937	\$ 318,403	\$ 312,361	\$ 309,545	\$ 301,886
Noninterest expense	\$ 246,856	\$ 307,009	\$ 223,638	\$ 205,267	\$ 197,152
Less:					
Goodwill impairment	-	82,190	-	-	-
Pension plan settlement charge	21,275	-	-	-	-
Adjusted noninterest expense ⁽¹⁾	\$ 225,581	\$ 224,819	\$ 223,638	\$ 205,267	\$ 197,152
Efficiency ratio ⁽¹⁾	126.50%	96.42%	75.20%	66.31%	65.31%
Adjusted efficiency ratio ⁽¹⁾	61.81%	70.61%	71.60%	66.31%	65.31%

	For the three months ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(dollars in thousands)				
Net interest income	\$ 75,217	\$ 74,244	\$ 74,020	\$ 71,710	\$ 70,685
Noninterest income	23,827	20,103	22,836	2,442	19,189
Total revenue	99,044	94,347	96,856	74,152	89,874
Less:					
Loss on sale of investment securities, net	-	-	-	-	(424)
Loss on sale of consumer loans	-	-	-	(19,918)	-
Adjusted total revenue ⁽¹⁾	\$ 99,044	\$ 94,347	\$ 96,856	\$ 94,070	\$ 90,298
Noninterest expense	\$ 61,083	\$ 56,879	\$ 81,040	\$ 58,049	\$ 54,093
Less:					
Pension plan settlement charge	-	(717)	21,275	-	-
Professional services	1,138	1,037	-	-	-
Adjusted noninterest expense ⁽¹⁾	\$ 59,945	\$ 56,559	\$ 59,765	\$ 58,049	\$ 54,093
Efficiency ratio ⁽¹⁾	61.67%	60.29%	83.67%	78.28%	60.19%
Adjusted efficiency ratio ⁽¹⁾	60.52%	59.95%	61.71%	61.71%	59.90%

(1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures Reconciliations.”

The following tables present the reconciliation of our adjusted net income, return on average total assets, adjusted return on average total assets, return on average common stockholders’ equity, and adjusted return on average common stockholders’ equity. The tables also present the reconciliation of tangible common stockholders’ equity, tangible assets, tangible common stockholders’ equity to tangible assets, average tangible common stockholders’ equity, return on average tangible common stockholders’ equity and adjusted return on average tangible common stockholders’ equity.

	Years ended December 31,				
	2025	2024	2023	2022	2021
	(dollars in thousands)				
Net income (loss)	\$ (30,194)	\$ 12,317	\$ 53,362	\$ 79,989	\$ 101,234
Add:					
Loss on sale of investment securities	149,869	-	14,965	-	-
Loss on sale of consumer loans, net of provision (benefit) for credit losses	8,418	-	-	-	-
Goodwill impairment	-	82,190	-	-	-
Less:					
Pension plan settlement charge	21,275	-	-	-	-
Tax effect of adjustments ⁽²⁾	(48,123)	(16,060)	(4,011)	-	-
Adjusted net income ⁽¹⁾	\$ 101,245	\$ 78,447	\$ 64,316	\$ 79,989	\$ 101,234
Average total assets	\$ 8,957,392	\$ 9,315,383	\$ 9,622,403	\$ 9,273,573	\$ 8,826,100
Return on average total assets	(0.34)%	0.13%	0.55%	0.86%	1.15%
Adjusted return on average total assets ⁽¹⁾	1.13%	0.84%	0.67%	0.86%	1.15%
Average common stockholders' equity	\$ 612,889	\$ 539,268	\$ 485,787	\$ 568,232	\$ 735,542
Return on average common stockholders' equity	(4.93)%	2.28%	10.98%	14.08%	13.76%
Adjusted return on average common stockholders' equity ⁽¹⁾	16.52%	14.55%	13.24%	14.08%	13.76%

	Years ended December 31,				
	2025	2024	2023	2022	2021
	(dollars in thousands)				
Total stockholders' equity	\$ 669,876	\$ 546,458	\$ 529,851	\$ 468,885	\$ 727,818
Less:					
Preferred stock	(5)	-	-	-	-
Goodwill	-	-	(82,190)	(82,190)	(82,190)
Tangible common stockholders' equity	\$ 669,871	\$ 546,458	\$ 447,661	\$ 386,695	\$ 645,628
Total assets	\$ 8,979,486	\$ 9,290,946	\$ 9,673,192	\$ 9,545,970	\$ 9,181,603
Less: Goodwill	-	-	(82,190)	(82,190)	(82,190)
Tangible assets	\$ 8,979,486	\$ 9,290,946	\$ 9,591,002	\$ 9,463,780	\$ 9,099,413
Tangible common stockholders' equity to tangible assets ⁽¹⁾	7.46%	5.88%	4.67%	4.09%	7.10%
Average common stockholders' equity	\$ 612,889	\$ 539,268	\$ 485,787	\$ 568,232	\$ 735,542
Less: Goodwill	-	(40,197)	(82,190)	(82,190)	(82,190)
Average tangible common stockholders' equity	\$ 612,889	\$ 499,071	\$ 403,597	\$ 486,042	\$ 653,352
Return on average tangible common stockholders' equity ⁽¹⁾	(4.93)%	2.47%	13.22%	16.46%	15.49%
Adjusted return on average tangible common stockholders' equity ⁽¹⁾	16.52%	15.72%	15.94%	16.46%	15.49%

	For the three months ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(dollars in thousands)				
Net income (loss)	\$ 27,175	\$ 28,553	\$ 11,353	\$ 19,961	\$ 25,706
Add:					
Loss on sale of investment securities	-	-	-	-	424
Loss on sale of consumer loans, net of provision (benefit) for credit losses	-	-	-	8,418	-
Professional services	1,138	1,037	-	-	-
Less:					
Pension plan settlement charge	-	(717)	21,275	-	-
Tax effect of adjustments ⁽²⁾	(305)	(86)	(5,702)	(2,256)	(114)
Adjusted net income ⁽¹⁾	\$ 28,008	\$ 28,787	\$ 26,926	\$ 26,123	\$ 26,016
Average total assets	\$ 8,995,938	\$ 8,969,324	\$ 8,879,842	\$ 8,795,986	\$ 8,858,903
Return on average total assets ⁽³⁾	1.21%	1.27%	0.51%	0.91%	1.16%
Adjusted return on average total assets ⁽¹⁾⁽³⁾	1.25%	1.28%	1.21%	1.19%	1.17%
Average common stockholders' equity	\$ 684,813	\$ 675,483	\$ 662,337	\$ 632,435	\$ 601,939
Return on average common stockholders' equity ⁽³⁾	15.87%	16.91%	6.86%	12.62%	17.08%
Adjusted return on average common stockholders' equity ⁽¹⁾⁽³⁾	16.36%	17.05%	16.26%	16.52%	17.29%
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(dollars in thousands)				
Total stockholders' equity	\$ 692,496	\$ 681,470	\$ 669,876	\$ 645,141	\$ 616,966
Less: Preferred stock	5	5	5	-	-
Tangible common stockholders' equity	692,491	681,465	669,871	645,141	616,966
Total tangible assets	\$ 9,049,160	\$ 9,042,709	\$ 8,979,486	\$ 8,794,992	\$ 8,813,856
Tangible common stockholders' equity to tangible assets ⁽¹⁾	7.65%	7.54%	7.46%	7.34%	7.00%
	For the three months ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(dollars in thousands)				
Average stockholders' equity	\$ 684,818	\$ 675,488	\$ 662,337	\$ 632,435	\$ 601,939
Less: Preferred stock	5	5	-	-	-
Average tangible common stockholders' equity	684,813	675,483	662,337	632,435	601,939
Return on average tangible common stockholders' equity ⁽¹⁾⁽³⁾	15.87%	16.91%	6.86%	12.62%	17.08%
Adjusted return on average tangible common stockholders' equity ⁽¹⁾⁽³⁾	16.36%	17.05%	16.26%	16.52%	17.29%

(1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures Reconciliations."

(2) Effective tax rate of 26.80% used for all periods.

(3) Ratios for the three-month periods are presented on an annualized basis.

RISK FACTORS

An investment in our common stock involves a significant degree of risk. The material risks and uncertainties that management believes affect us are described below. Before you decide to invest in our common stock, you should carefully read and consider the risk factors described below as well as the other information included in this prospectus, including our financial statements and the related notes included elsewhere in this prospectus. Any of these risks, if they are realized, could have an adverse effect on our business, financial condition and results of operations, and consequently, the value of our common stock. In any such case, you could lose all or a portion of your original investment. Further, additional risks and uncertainties not currently known to us or that we currently believe to be immaterial may also adversely affect us.

Risks Related to Our Business

Operational and Market Risks

We operate in a highly competitive environment in terms of the products and services we offer and the geographic markets in which we compete.

As the third largest bank headquartered in Hawaii based on total assets as of June 30, 2026, we are in direct competition for deposits and loans not only with larger banks that have capital, technology and marketing resources substantially greater than ours, but also with smaller Hawaii financial institutions and other U.S. financial institutions, including credit unions, mutual funds, mortgage brokers, finance companies and investment banking firms. Larger financial institutions may have greater access to capital at lower costs, which could impair our ability to compete effectively. Additionally, due to the size of these larger institutions, many competitors may be able to achieve economies of scale and, as a result, may offer a broader range of products and services as well as better pricing for those products and services than we can.

Our ability to compete successfully depends on a number of factors, including, among other things:

- our ability to develop, maintain and build upon long-term customer relationships;
- the scope, relevance and pricing of products and services offered to meet customer needs and demands;
- the rate at which we introduce new products and services relative to our competitors;
- customer satisfaction with our level of service; and
- industry and general economic trends.

With financial institutions from outside of Hawaii becoming increasingly more active, even if not physically present in Hawaii, we are facing more competition and it could impact our ability to execute our strategic plan, maintain our market share in key strategic areas, or drive profitable growth.

Consolidation in our industry, including among smaller banks combining to form more competitive larger ones and between banks and non-bank entities, could result in us facing more intense competition. If we expand into new markets or products, we may face competitors with more experience and established relationships in these markets, which could adversely affect our ability to compete. A failure to adequately address the competitive pressures we face could make it harder for us to attract and retain customers.

We depend on the accuracy and completeness of information provided by customers and counterparties.

In deciding whether to extend credit or enter into other transactions with customers and counterparties, we may rely on information furnished to us by or on behalf of customers and counterparties, including financial statements and other financial information. We also may rely on representations of customers and counterparties as to the accuracy and completeness of that information. In deciding whether to extend credit, we may rely upon our customers' representations that their financial statements conform to GAAP and present fairly, in all material respects, the financial condition, results of operations and cash flows of the customer. We also may rely on customer representations and certifications, or other audit or accountants' reports, with respect to the business and financial condition of our

customers. We employ various processes to verify the accuracy of information provided to us, such as independently pulling credit reports, IRS tax transcripts, asset verifications, property appraisals, and work history, but such processes may contain limitations. Our financial condition, results of operations, financial reporting and reputation could be negatively affected if we rely on materially misleading, false, inaccurate or fraudulent information.

Our deposit customers may pursue alternatives to deposits at our Bank or seek higher yielding deposits causing us to incur increased funding costs.

Checking and savings account balances and other forms of deposits can decrease when our deposit customers perceive alternative investments, such as the stock market or other non-depository investments, as providing superior expected returns or seek to spread their deposits over several banks to maximize FDIC insurance coverage. Furthermore, technology and other changes have made it more convenient for the Bank's customers to transfer funds into alternative investments including products offered by other financial institutions or non-bank service providers. Increases in short-term interest rates could increase transfers of deposits to higher yielding deposits. Efforts and initiatives that we undertake to retain and increase deposits, including deposit pricing, can increase our costs. When the Bank's customers move money out of bank deposits in favor of alternative investments, or into higher yielding deposits, or spread their accounts over several banks, we can lose a relatively inexpensive source of funds, thus increasing our funding costs.

Our ability to develop, adopt, implement, and deliver technological advancements could adversely affect us.

The financial services industry is undergoing rapid technological changes, with frequent introductions of new technology-driven products and services. The effective use of technology increases efficiency and enables financial and lending institutions to better serve customers and reduce costs. Our future success will depend, in part, upon our ability to address the needs of our customers by using technology, such as mobile and online services, to provide products and services that will satisfy customer demands for convenience, as well as to create additional efficiencies in our operations. We may not be able to effectively implement new technology-driven products and services as quickly as competitors or be successful in marketing these products and services to our customers. Failure to successfully keep pace with technological change affecting the financial services industry could harm our ability to attract customers and adversely affect liquidity, as well as our business, financial condition, and results of operations. Our ability to remain competitive increasingly depends on maintaining robust technological capabilities and continuously identifying and developing innovative, value-added products for both current and prospective customers. Competitive pressures in technology arise from traditional banking and nontraditional sources. Larger banks often benefit from greater resources and economies of scale, enabling them to maintain advanced capabilities and accelerate the development or adoption of digital and emerging technologies.

In addition, so called "fintechs" and other technology-driven platforms are expanding their presence, offering a wide variety of products and services that challenge traditional banking models. The growing experimentation with and adoption of technologies such as artificial intelligence, quantum computing, blockchain, stablecoins, and other digital currencies—including the potential issuance, acceptance, and integration of central bank digital currencies—have the potential to fundamentally reshape the financial services landscape. Failure to keep pace with technological advancements may adversely affect our competitive position, diminish customer satisfaction, and reduce the accessibility and relevance of our products and services.

We could fail to attract, retain or motivate highly skilled and qualified personnel, including our senior management and other key employees or members of our Board, which could impair our ability to successfully execute our strategic plan and otherwise adversely affect our business.

Our ability to execute on our strategic initiatives and our future success depends on our ability to attract, retain and motivate highly skilled and qualified personnel, including our senior management and other key employees and directors. The marketplace for skilled personnel in Hawaii is becoming more competitive, which means the cost of hiring, incentivizing and retaining skilled personnel may continue to increase. The failure to attract or retain a sufficient number of appropriately skilled personnel could place us at a significant competitive disadvantage and prevent us from successfully executing on strategic initiatives, which could impair our ability to achieve our

performance targets and otherwise have a material adverse effect on our business, financial condition and results of operations.

Employee misconduct or mistakes could expose us to significant legal liability and reputational harm.

We operate in an industry in which integrity and the confidence of our customers are of critical importance. Our employees could engage in, or our former employees could have engaged in, misconduct that adversely affects our business. For example, if an employee were to engage in fraudulent, illegal or suspicious activities, we could be subject to litigation or regulatory sanctions, and suffer serious harm to our reputation (as a consequence of the negative perception resulting from such activities), financial position, customer relationships and ability to attract new customers. Our business often requires that we deal with confidential information. If our employees were to improperly use or disclose this information, even if inadvertently, we could suffer serious harm to our reputation, financial position, and current and future business relationships. It is not always possible to deter employee misconduct, and the precautions we take to detect and prevent this activity may not always be effective. Misconduct by our employees, or even unsubstantiated allegations of misconduct, could result in a material adverse effect on our business, financial condition and results of operations. In addition, employee errors, such as inadvertent use or disclosure of confidential information, calculation errors, mistakes in addressing communications or data inputs, errors in developing, implementing or applying information technology systems or simple errors in judgment, could also have similar adverse effects.

A slowdown in economic growth or a resumption of recessionary economic conditions due to global events could have an adverse effect on our business in the future.

The economy is subject to worldwide events, such as the geopolitical tensions in Europe, the Middle East, Asia and Latin America, as well as domestic events, any or all of which could impact inflationary pressures and interest rates to dampen demand. These and other political and market developments are affecting and could continue to affect consumer confidence levels and cause adverse changes in consumer behavior that affect our business. External factors such as tariffs, sanctions, stricter immigration policies, high unemployment, civil unrest, geopolitical tensions, and other political or trade-related policies affecting domestic and global markets may further intensify economic uncertainty. Changes in the financial services industry and the effects of current and future law and regulations that may be imposed in response to future market developments also could negatively affect us by restricting our business operations, including our ability to originate or sell loans, and adversely impact our financial performance.

Besides the risks associated with national and international economies, we are particularly subject to risks associated with the Hawaii economy, both in the aggregate and on an individual island basis.

Our business is geographically concentrated in Hawaii and is particularly subject to economic conditions affecting the state, in addition to the national and global economic conditions. The two largest components of Hawaii's economy are tourism and the federal government, including military spending. A decline in visitor arrivals, a substantial reduction in federal government spending or large scale reduction in the number of military personnel stationed in Hawaii could in the future reduce the demand for our products and services and lead to lower revenues and earnings. Factors that could lower visitor arrivals include, among other factors, a reduction in the number of airline seats available to Hawaii visitors, a pandemic or terrorist event that causes visitors to reduce overseas travel, a natural disaster such as hurricanes or tsunamis that damage infrastructure and hotels, or currency exchange rates that make Hawaii vacations expensive. Federal government spending and the location of military personnel in Hawaii are determined by national agendas on spending and could be cut at any time through Congressional legislation or through the appropriations process.

Substantially all of the real estate underlying our residential and commercial real estate loans are located in Hawaii. These assets may be subject to a greater risk of default than comparable assets held by other financial institutions, with a broader geographic footprint, in the event of adverse economic, political, business development or natural disasters affecting Hawaii. While a majority of our customers are located on Oahu, we also have customers on the neighboring islands, whose economies during downturns may be weaker and less diverse than that of Oahu.

Our business reputation is very important to our business and any damage to it may have material adverse effects on our business.

Our reputation is very important for our business, as we rely on our relationships with our current, former and potential customers and stockholders, and the communities we serve. Maintaining a positive reputation is critical to attracting and retaining customers and employees. Additionally, as a financial institution, we are inherently exposed to operational risk in the form of theft and other fraudulent activity by employees, customers and other third parties targeting us and our customers or data. Such activity may take many forms, including check fraud, electronic fraud, wire fraud, phishing, social engineering and other dishonest acts. Although we devote substantial resources to maintaining effective policies and internal controls to identify and prevent such incidents, given the increasing sophistication of possible perpetrators, we may experience financial losses or reputational harm as a result of fraud. Any damage to our reputation, whether arising from our financial performance, regulatory, supervisory or enforcement actions, matters affecting our financial reporting or compliance with the OCC and/or the SEC and exchange listing requirements, negative publicity, our conduct of our business or otherwise may have a material adverse effect on our financial condition and results of operations.

Our business is subject to risks of adverse weather conditions and natural disasters affecting our markets.

The real estate collateral securing our loans may be vulnerable to natural disasters, such as hurricanes, earthquakes, lava flows, the rising sea level, tsunamis, floods, wildfires, tornados and unusually heavy or prolonged rain, which could damage or destroy such real estate and result in substantial repair or replacement costs not covered by insurance, a reduction in property values or loss of revenues for our borrowers, which would adversely affect their ability to repay our loans. Such natural disasters could also result in increases in property insurance rates and deductibles that could reduce demand for existing real estate and for real estate loans.

Changes in accounting policies or in accounting standards may affect how we record and report our business, financial condition and results of operations.

Our accounting policies and methods are fundamental to how we record and report our business, financial condition and results of operations. From time to time, the Financial Accounting Standards Board and the OCC and/or the SEC change the financial accounting and reporting standards that govern the preparation of our financial statements. These changes and their impacts on us can be hard to predict and may result in unexpected and materially adverse impacts on our reported business, financial condition and results of operations.

If we fail to maintain an effective system of internal controls and disclosure controls and procedures, we may not be able to accurately report our business, financial results or prevent fraud.

Effective internal controls and disclosure controls and procedures are necessary for us to provide reliable financial reports and disclosures to stockholders, to prevent fraud and to operate successfully as a public company. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We have a system of internal controls and disclosure controls and procedures in place and we are continuing to refine our disclosure controls, internal control over financial reporting and other procedures that are designed such that information required to be disclosed by us in the reports that we will file with the OCC is recorded, processed, summarized and reported within the time periods specified in SEC and/or OCC rules and forms, and that information required to be disclosed in reports under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) is accumulated and communicated to our principal executive and financial officers. If we cannot provide reliable financial reports and disclosures or prevent fraud, our business may be adversely affected, and our reputation and operating results would be harmed. Any failure to maintain effective internal controls and disclosure controls and procedures or difficulties encountered in their implementation may also result in regulatory enforcement action against us, adversely affect our operating results or cause us to fail to meet our reporting obligations.

Our products use software, hardware and services that may be difficult to replace or cause errors or failures of our products that could adversely affect our business.

In addition to our proprietary software, we currently, and may in the future, license third-party software, utilize third-party hardware and depend on services from various third parties for use in our products. In the future, this third-party software or these services may not be available to us on commercially reasonable terms, or at all. Further, if we fail to comply with any applicable obligations under our agreements with any such third parties, such third parties may have the right to terminate such agreements, which may cause us to lose valuable rights, be responsible for damages and otherwise disrupt our operations. Any loss of the right to use any of the software or services could result in decreased functionality of our products until equivalent technology is either developed by us or, if available from another provider, is identified, obtained and integrated, which could adversely affect our business. In such circumstances, there may be no alternative technology for us to use or an appropriate alternative technology might be expensive to obtain.

In addition, any errors or defects in or failures of the software, hardware or services we rely on, whether maintained by us or by third parties, could result in errors or defects in our products or cause our products to fail, which could adversely affect our business and be costly to correct. Many of our third-party providers attempt to impose limitations on their liability for such errors, defects or failures, and if enforceable, we may have additional liability to our customers or to other third parties that could harm our reputation and increase our operating costs. We will need to maintain our relationships with third-party software and service providers and to obtain software and services from such providers that do not contain any material errors or defects. Any failure to do so could adversely affect our ability to deliver effective products to our customers and loan applicants and adversely affect our business. See “—Cyber-attacks and other data or security breaches involving our information technology networks and systems, or those of third parties with whom we do business, could result in serious harm to our reputation and adversely affect our business.”

Our operations could be interrupted if our third-party service providers experience difficulty, terminate their services or fail to comply with banking regulations.

We depend to a significant extent on a number of relationships with third-party service providers. For example, we receive core systems processing, essential web hosting and other internet systems, deposit processing and other processing services from third-party service providers. We also rely on third parties as partners for the delivery of certain of our products such as credit cards, insurance and investments. If these third-party service providers experience difficulties including operational difficulties or terminate their services and their services provided to us are interrupted or discontinue, our operations could be interrupted. If an interruption were to continue for a significant period of time, our business, financial condition and results of operations could be adversely affected, perhaps materially. Even if we are able to replace them, it may be at a higher cost to us, which could adversely affect our business, financial condition and results of operations.

Liquidity and Capital Risks

Our operations may require us to raise additional capital, which may result in dilution to our then-existing stockholders and may not be available when it is needed, on terms that are acceptable to us, or at all.

We are required by regulatory authorities to maintain adequate levels of capital to support our operations. We can offer no assurance that our capital resources will be adequate to satisfy our capital requirements for the foreseeable future. Accordingly, we may need to raise additional capital by issuing securities. The issuance of additional equity capital could be dilutive to the interests of our then-existing stockholders, including investors in this offering.

Our ability to raise additional capital, if needed, will depend in part on conditions in the capital markets at that time, which are outside our control, and on our financial performance. Accordingly, we may be unable to raise additional capital, if and when needed, on terms acceptable to us, or at all. If we cannot raise additional capital when needed, we may be unable to comply with regulatory capital requirements, which could cause our federal and state regulators to restrict our operations. Our inability to raise additional capital when needed could have a material adverse effect on our business, financial condition and results of operations, and consequently, the value of our common stock.

Our ability to meet our obligations when they become due, and the cost of doing so, depends on our ability to access sources of liquidity.

Liquidity risk is the risk that we will not be able to meet our obligations when they become due. Liquidity risk is inherent in our operations and could be driven by a number of factors, including an over-reliance on certain sources of funding (such as short-term funding and brokered deposits), changes in credit ratings, market dislocations or major disasters. The majority of our funding is represented by customer deposits. Although historically stable, these deposits are subject to fluctuations due to certain factors outside of our control, such as decreased customer confidence in us or the banking sector in general, competitive pressures for personal, small business or commercial customer deposits, changes in interest rates and other factors that could cause an outflow of deposits within a short period. Under these scenarios, our ability to grow or maintain our deposit base may be impacted. If we are not able to retain and attract deposits, or if there is a material decrease in our deposit base, it could have a material adverse effect on our ability to meet our liquidity needs.

Maintaining a diverse and appropriate funding strategy and monitoring and managing liquidity risk and the events that may cause liquidity risk, are fundamental to our operating strategy. Although we currently have access to alternative sources of funding such as wholesale borrowing, public funding, brokered deposits or repurchase agreements, these sources may become unavailable due to market dislocations, declining operating performance, or inadequate credit ratings, among other things. If this were the case, we would be required to seek funds from alternative sources, potentially at higher costs than previously had been the case, or may be required to consider disposals of assets in adverse market conditions.

We rely on deposits from our customers in Hawaii, which can be materially and adversely affected by local, national, and general economic conditions.

As of June 30, 2026, approximately \$2.5 billion, or 31%, of our total deposits consisted of noninterest-bearing demand accounts. The approximately \$5.7 billion remaining balance of deposits includes time certificates, of which approximately \$578 million, or 7% of our total deposits, are due to mature within one year, interest-bearing demand accounts and savings accounts. Our ability to attract and maintain low-cost deposits has been, and will continue to be, significantly affected by market and general economic conditions. If we fail to attract new deposits or maintain existing deposits or are forced to increase interest rates paid to customers to attract and maintain deposits, our net interest income would be negatively impacted and we could be materially and adversely affected.

We could recognize realized or unrealized losses on our investment securities if economic and market conditions deteriorate.

As of June 30, 2026, the book value of our investment securities portfolio was approximately \$2.0 billion. Factors beyond our control can significantly influence the fair value of securities in our portfolio and can cause potential adverse changes to the fair value of the securities held. If such factors occur, they could cause an other-than-temporary impairment in future periods and result in realized losses. The process for determining whether impairment is other-than-temporary usually requires subjective judgments about the future financial performance of the issuer and any collateral underlying the security in order to assess the probability of receiving all contractual principal and interest payments on the security. Because of changing economic and market conditions affecting issuers and the performance of the underlying collateral and cash flows, we may recognize realized and/or unrealized losses in future periods, which could have an adverse effect on our business, financial condition and results of operations.

The requirement to record certain assets and liabilities at fair value may adversely affect our reported financial results.

We report certain assets at fair value, including investment securities available-for-sale. Generally, for assets that are reported at fair value we use quoted market prices or valuation models that utilize market data inputs to estimate fair value. Factors such as the level of interest rates and disruptions in the capital markets may impact the fair value of such assets and require us to record an impairment charge in our income statement even if the asset in question presents minimal credit risk. The severity and duration of the decline in fair value and our estimation of the anticipated recovery period may also be considered in determining whether an impairment charge is required.

We are subject to capital requirements, which could have an adverse effect on our operations.

Federal regulations establish minimum capital requirements for insured depository institutions, including minimum risk-based capital and leverage ratios, and defines “capital” for calculating these ratios. The capital rules require banks to maintain a common equity Tier 1 capital ratio (“CET1”) of at least 7.0% (a minimum of 4.5% plus a capital conservation buffer of 2.5%), a Tier 1 capital ratio of at least 8.5% (a minimum of 6.0% plus a capital conservation buffer of 2.5%), a total capital ratio of at least 10.5% (a minimum of 8% plus a capital conservation buffer of 2.5%), and a Tier 1 leverage ratio of at least 4.0%. An institution’s failure to exceed the capital conservation buffer with common equity Tier 1 capital would result in limitations on an institution’s ability to make capital distributions and discretionary bonus payments. In addition, for an insured depository institution to be “well-capitalized” under the banking agencies’ prompt corrective action framework, it must have a common equity Tier 1 capital ratio of at least 6.5%, Tier 1 capital ratio of at least 8.0%, a total capital ratio of at least 10.0%, and a Tier 1 leverage ratio of at least 5.0%, and must not be subject to any written agreement, order or capital directive, or prompt corrective action directive issued by its primary federal or state banking regulator to meet and maintain a specific capital level for any capital measure. For our current regulatory capital ratios, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Capital Management.”

Any new or revised standards adopted in the future may require us to maintain more capital, with common equity as a more predominant component, or manage the configuration of our assets and liabilities to comply with formulaic capital requirements. We may not be able to raise additional capital at all, or on terms acceptable to us. Failure to maintain capital to meet current or future regulatory requirements could have an adverse effect on our business, financial condition and results of operations.

Interest Rate Risks

We are subject to interest rate risk and fluctuations in interest rates which could negatively impact our earnings, our cost of funds, our ability to originate new loans, or on the ability of borrowers to make payments on their adjustable-rate loans.

Like most financial institutions, net interest income is a significant component of our total revenue. Our net interest income consists primarily of the excess of the interest income received on fixed-rate and adjustable-rate loans, mortgage-related securities and other securities investments over our interest expense, which consists primarily of interest paid on deposits and other borrowings. Interest rate risk is a significant risk of our operations as changes in interest rates can have material impacts on the level of our net interest income. Interest rate risk arises when earning assets and interest paying liabilities have different repricing characteristics, maturities, or sensitivities to changes in interest rates. Changes in market interest rates, including changes in the relationship between short-term and long-term market interest rates or between different interest rate indices, can have material impacts on our net interest margin. Although we pursue an asset-liability management strategy that is intended to mitigate or limit our risk from changes in market interest rates, unfavorable movements in interest rates could result in lower net interest income or net interest margin.

Residential fixed-rate mortgage loans comprised about 36% of our loan portfolio as of June 30, 2026. Significant increases in market interest rates, or the perception that an increase may occur, could adversely affect our ability to originate new loans. An increase in market interest rates, especially a sudden increase, could also adversely affect the ability of our adjustable-rate borrowers to meet their higher payment obligations. If this occurred, it could cause an increase in nonperforming assets and charge-offs. Conversely, a decrease in interest rates or a mismatching of maturities of interest sensitive financial instruments could result in an acceleration in the prepayment of loans and mortgage-backed securities and impact our ability to reinvest resulting balance sheet liquidity in similar yielding assets.

We rely on customer deposits as a sizable source of relatively stable and low-cost funding. Changes in interest rates impact the interest paid on deposits and can significantly impact our net interest income and net interest margin. Because we rely extensively on deposits to fund our operations, our cost of funding would increase if there were an increase in the interest rates we are required to pay our customers to retain their deposits. Changes in interest rates may also impact the balance of low-cost core deposits that our customers maintain in their accounts, which may require

us to seek wholesale borrowings at higher costs. If we are unable to retain our deposit base, we may have to supplement our current funding with other, higher cost sources of funds, such as wholesale borrowing or public deposits. If the foregoing risks occur, our net interest margin would narrow unless there were a correlative increase in the interest we earn from our loans and investments. Although we are slightly asset sensitive to increases in interest rates (meaning that our assets re-price faster than our liabilities, thereby potentially benefiting net interest income as interest rates rise), the benefit from rising rates could be less than we assume, which may have a negative impact on our profitability.

Significant changes in market interest rates or the perception that a change in market interest rates may occur could adversely affect our ability to originate new loans and grow. Higher interest rates may decrease customer demand for loans due to the higher cost of obtaining credit. Further, at higher borrowing rates, there may be fewer customers that qualify for our loan products due to minimum debt-to-income ratios requirements or other underwriting restrictions.

An increase in market interest rates, especially a sudden increase, could adversely affect the ability of adjustable-rate borrowers to meet their higher payment obligations. If this occurs, it could cause an increase in nonperforming assets and charge-offs.

Changes in market interest rates may adversely affect the value of our investment securities and the value of our loan portfolio.

Interest rate risk also represents a market risk factor affecting the fair value of our investment securities. Increases and decreases in prevailing interest rates generally translate into decreases and increases in the fair values of those instruments, respectively. Disruptions in the credit markets, a liquidity crisis in the banking industry or increased levels of residential mortgage delinquencies and defaults may result in decreases in the fair value of our investment securities. If we are unable to hold our investment securities until the amortized cost is recovered, there is a change in the expected cash flows such that the cash flows are not expected to be collected or there are increases in the credit risk of the investment securities, an impairment that is other-than-temporary may be realized, which would require us to write down the carrying value of our investment securities. Impairment charges may be required to be reflected even though there is no intent to sell the investment security before maturity. Changes in interest rates may also impact the value of our loan portfolio. Although we carry these loans at book value, changes in interest rates may require us to sell loans below book value, which would result in reduction of net income and regulatory capital.

The monetary policies of the Board of Governors of the Federal Reserve have had a significant effect on the operating results of financial institutions in the past and are expected to continue to do so in the future. New appointments to the Federal Reserve could affect its monetary policies, and in turn, interest rates. The effects of such policies upon our business, financial condition and results of operations cannot be predicted.

Credit and Lending Risks

A large percentage of our loans and securities are collateralized by real estate. Adverse changes in the real estate market or general economic or other conditions may result in losses.

As of June 30, 2026, approximately 87% of our loan portfolio was loans primarily collateralized by real estate, most of which is concentrated in Hawaii. Residential loans represent a significant portion of our overall loan portfolio. Real property values in Hawaii may be affected by a variety of factors outside of our control and the control of our borrowers, including national and local economic conditions generally. Further, our financial results may be adversely affected by changes in prevailing economic conditions and natural disasters in Hawaii, including decreases in real estate values, reduced levels of employment, the monetary and fiscal policies of the federal and state governments and other significant external events including storms and hurricanes. A deterioration of the economic environment, including a material decline in the real estate market, further declines in home re-sales, a material external shock including natural disasters or environmental clean-up obligations, may significantly impair the value of our collateral and our ability to sell the collateral upon foreclosure. In the event of a default, amounts received upon sale of the collateral may be insufficient to recover outstanding principal and interest. Adverse changes in the economy and natural disasters may also have a negative effect on the ability of borrowers to make timely repayments of their

loans. In addition, if poor economic conditions result in decreased demand for real estate loans, our profits may decrease if alternative investments yield less than real estate related loans.

Significant increases in residential home insurance premiums and overall challenges in obtaining homeowners insurance generally may negatively impact the residential real estate market.

We originate a significant amount of residential mortgage loans. Recent natural disasters locally and nationally, including fires in Maui and California, as well as flooding in other parts of the United States, have caused home insurers to significantly increase their premiums on homeowner's insurance and/or eliminate or limit the availability of certain insurance products, including homeowners and condo insurance. If prospective or existing customers are unable to obtain homeowners insurance or the cost of such insurance becomes prohibitively expensive, the market for our residential mortgage loans and real estate valuations will be reduced, therefore loan-to-value ratios could be negatively impacted and our financial condition and results of operations would be adversely affected.

Geopolitical instability including recent military actions involving the United States in Venezuela, Iran and Israel, and other international conflicts could disrupt global financial markets and adversely affect the ability of our borrowers to repay their loans.

We have meaningful credit exposures to borrowers in certain industries, including commercial and residential real estate. Economic conditions were challenging throughout 2025 and have continued as such in 2026. If the economic environment remains challenging, including as a result of high inflation and increased geopolitical tensions around the world, including hostilities in the Middle East, Latin America, and the ongoing conflict in Ukraine, our exposure to these certain industries or other concentrations could result in increased deterioration in credit quality, past dues, loan charge-offs and collateral value declines, which could cause our results of operations and financial condition to be negatively impacted. Changes in trade policies by the United States or other countries, such as tariffs or retaliatory tariffs, may also cause and/or exacerbate inflation and impact the ability of our borrowers to repay their loans. Furthermore, any of our large credit exposures that deteriorate unexpectedly could cause us to have to make significant additional credit loss provisions, negatively impacting our results of operations and financial condition. A focus of our business is to serve small businesses in our market areas in Hawaii. Small businesses frequently have smaller market shares than their competition, may be more vulnerable to economic downturns, or other operational challenges like those resulting from supply chain disruption, labor shortages or inflationary pressures on their costs, often need substantial additional capital to expand or compete and may experience substantial volatility in operating results, any of which may impair a borrower's ability to repay a loan. If general economic conditions negatively impact the markets of Hawaii in which we operate and small businesses are adversely affected or our borrowers are otherwise harmed by adverse business developments, the ability of such businesses to repay their loans may deteriorate, and in some cases this deterioration may occur quickly, which would adversely impact our results of operations and financial condition.

Expanding our commercial lending activities may result in higher loan origination and servicing costs and greater credit risk than residential lending activities due to the unique characteristics of these markets.

We have been and intend to continue pursuing a strategy that includes expanding our commercial lending products. These types of loans generally have higher underwriting and other service costs and present greater credit risks than residential mortgage loans. Generally, commercial loans have shorter terms to maturity and earn higher spreads than residential mortgage loans. Only the assets of the business typically secure commercial & industrial loans. In such cases, upon default, any collateral repossessed may not be sufficient to repay the outstanding loan balance. In addition, loan collections for commercial & industrial loans are dependent on the borrower's continuing financial stability and, thus, are more likely to be affected by economic conditions and adverse business developments. This potential volatility could have a material impact on our business, financial condition and results of operations.

We have a national syndicated lending portfolio through which we are a participant in credit facilities originated by experienced national commercial lenders. Our national lending commitments predominately range from \$15 million to \$30 million per loan, and we look for actively used senior secured credit facilities to borrowers that are industry or market leaders, with acceptable debt maturity profiles and cash flow generation. We select loans in which we will participate based on our own credit criteria that are intended to result in a high-quality, well-diversified

portfolio. Certain borrowers have in the past, and may in the future, encounter financial difficulties, and in the event we are unable to sell our participation interest in the loan in the secondary market, we are typically reliant on the originating lender for managing any loan workout or foreclosure proceedings that may become necessary. Accordingly, we have less control over such proceedings than we do with respect to loans we originate and may be required to accommodate the interests of other participating lenders in resolving delinquencies or defaults on participated loans, which could result in outcomes that are not fully consistent with our preferred strategies. In addition, a significant proportion of our syndicated loans is originated in states other than Hawaii, and are subject to the local, regional and regulatory risks specific to those states.

Commercial real estate properties tend to be unique and are more difficult to value than residential real estate properties. Commercial real estate loans may not be fully amortizing, meaning that they may have a significant principal balance or balloon payment due at maturity. In addition, commercial real estate properties, particularly industrial and warehouse properties, are generally subject to relatively greater environmental risks than noncommercial properties and to the corresponding burdens and costs of compliance with environmental laws and regulations. Also, there may be costs and delays involved in enforcing rights of a property owner against tenants in default under the terms of leases with respect to commercial properties. For example, a tenant may seek the protection of bankruptcy laws, which could result in termination of the tenant's lease or tenants' obligation to pay. Moreover, there may be costs and delays in enforcing our collateral rights in instances of non-payment or bankruptcy.

In addition, a secondary market for most types of commercial real estate loans is not readily liquid, so we have less opportunity to mitigate credit risk by selling part or all of our interest in these loans. As a result of these characteristics, if we foreclose on a commercial real estate loan, our holding period for the collateral typically is longer than for residential mortgage loans because there are fewer potential purchasers of the collateral. Accordingly, charge-offs on commercial real estate loans may be larger as a percentage of the total principal outstanding than those incurred with our residential or consumer loan portfolios.

The amount of nonperforming and criticized loans may increase significantly, resulting in additional losses and costs and expenses that will negatively affect our operations and financial condition.

Nonperforming loans include nonaccrual loans and accruing loans past due 90 days or more, or earlier if we believe the probability of collection is insufficient to warrant further accrual. At June 30, 2026, we had \$11.9 million of nonperforming loans, or 0.19% of total loans. Criticized loans include loans with an Asset Quality Rating of Special Mention, Substandard, Doubtful or Loss. Special Mention loans have potential weaknesses that, if left uncorrected, could jeopardize the liquidation of the debt. Substandard loans have well-defined weaknesses that jeopardize the liquidation of the debt and are characterized by the distinct possibility that we may sustain some loss. An asset classified Doubtful has the weaknesses of those classified Substandard, with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently existing facts, conditions, and values, highly questionable and improbable. An asset classified Loss is considered uncollectible and has such little value that its continuance as a bankable asset is not warranted. At June 30, 2026, we had \$149.7 million of criticized loans, or 2.40% of total loans.

In the event the amount of nonperforming loans or criticized loans increase in the future, we may incur losses and the costs and expenses to maintain such loans may increase and potentially negatively affect earnings. An increase in the level of nonperforming loans and criticized loans increases our risk profile and may impact the capital levels regulators believe are appropriate considering the ensuing risk profile. An additional increase in losses due to such loans could have a material adverse effect on our business, financial condition and results of operations.

Nonperforming assets take significant time and resources to resolve and adversely affect our results of operations and financial condition.

An increase in the level of nonperforming assets increases our risk profile and may impact the capital levels regulators believe are appropriate in light of the ensuing risk profile. While we seek to reduce problem assets through loan workouts, restructurings, and otherwise, decreases in the value of the underlying collateral, or in these borrowers' performance or financial condition, whether or not due to economic and market conditions beyond our control, could have a material effect on our business, financial condition and results of operations. In addition, the resolution of

nonperforming assets requires significant commitments of time from management, which may materially and adversely impact their ability to perform their other responsibilities. We may not experience future increases in the value of nonperforming assets.

Our allowance for credit losses may not cover actual loan losses.

Our allowance for credit losses is our estimate of probable losses inherent in our loan portfolio and is based on a continuing assessment of:

- existing risks in our loan portfolio;
- historical loss experience with our loans;
- changes in collateral values; and
- current conditions (for example, economic conditions, real estate market conditions and interest rate environment).

If our actual loan losses exceed our allowance for credit losses, we may incur losses, our financial condition may be materially and adversely affected and we may be required to raise additional capital to enhance our capital position. In addition, various regulatory agencies, as an integral part of their examination process, regularly review the adequacy of our allowance. These agencies may require us to establish additional allowances based on their judgment of the information available at the time of their examinations. No assurance can be given that we will not sustain loan losses in excess of present or future levels of our allowance for credit losses.

Our use of appraisals in deciding whether to make loans secured by real property does not ensure that the value of our real property collateral will be sufficient to repay our loans.

In considering whether to make a loan secured by real property, we require an appraisal of the property, and in determining the value of real estate collateral, we rely on external appraisals and assessment of property values by our internal staff. An appraisal is only an estimate of the value of the property at the time the appraisal is made and requires the exercise of a considerable degree of judgment and adherence to professional standards. If the appraisal does not accurately reflect the amount that may be obtained upon sale or foreclosure of the property, whether due to a decline in property value after the date of the original appraisal or defective preparation of the appraisal, we may not realize an amount equal to the indebtedness secured by the property, and as a result, we may suffer losses.

Our framework for managing risks may not be effective in mitigating risk and loss and our use of models may present risks to our risk management framework.

Our risk management framework is made up of various processes and strategies to identify, assess, mitigate, manage and report risk. The framework to manage risk, including the underlying assumptions, may not be effective under all conditions and circumstances. If the risk management framework proves ineffective, we could suffer unexpected losses and could be materially adversely affected.

One of the main types of risk inherent in our business is credit risk. Our credit risk management framework has various elements that are intended to enable us to identify, measure, monitor and manage risk. Included in this framework are credit risk models which rely on the accuracy of data input, statistical analysis and various assumptions. The overall framework involves detailed analysis of the customer or credit risk, taking into consideration both quantitative and qualitative factors, which are subject to human error and potential data inaccuracies. In the event that the data utilized, statistical analysis conducted or assumptions made were inaccurate or incomplete, it could result in an increase in the level of non-performing loans or higher risk exposure. Credit risk is a significant risk in our business also because changes in economic conditions, which may include level of tourism, government spending, construction activity, inflationary pressures on economic expansion, geopolitical risks, pandemic risks, and environmental risks can have a material impact on the level of our net charge-offs, and additional provision for loan losses.

Our mortgage banking profitability could significantly decline if we are not able to originate and resell a sufficiently high volume of mortgage loans.

Because we sell a portion of the mortgage loans we originate, including VA home loans, the profitability of that business also depends in large part on our ability to aggregate a sufficient volume of loans and sell them at a gain in the secondary market. Our mortgage loans contain a small number of VA home loans that made up approximately 3% of our total production in 2025, totaling \$12.8 million out of \$409.3 million, and for the six months ended June 30, 2026, our VA home loans were approximately 3% of our total production, that is approximately \$5.1 million out of \$165.3 million of production. Thus, in addition to our dependence on the interest rate environment, we are dependent upon (i) the existence of an active secondary market and (ii) our ability to profitably sell loans or securities into that market and our ability to price loans at a gain within our market despite a high level of market competition within Hawaii and out of market competitors. If our level of mortgage production materially declines, the profitability will depend upon our ability to reduce our costs commensurate with the reduction of revenue from our mortgage operations.

Our ability to sell mortgage loans readily is dependent upon our ability to remain eligible for the programs offered by Government-Sponsored Enterprise (“GSEs”), and other institutional and non-institutional investors. Any significant impairment of our eligibility with any of the GSEs could materially and adversely affect our operations. Further, the criteria for loans to be accepted under such programs may be changed from time to time by the sponsoring entity, which could result in a lower volume of corresponding loan originations. The profitability of participating in specific programs may vary depending on a number of factors, including our administrative costs of originating qualifying loans and our costs of meeting such criteria.

The ability for us to originate and sell residential mortgage loans is dependent upon the availability of an active secondary market for residential mortgage loans, which in turn depends in part upon the continuation of programs currently offered by GSEs and other institutional and non-institutional investors. GSEs account for a substantial portion of the secondary market in residential mortgage loans. Because the largest participants in the secondary market are the Federal National Mortgage Association (“Fannie Mae”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac”), GSEs whose activities are governed by federal law and are currently under conservatorship by the Federal Housing Finance Agency (“FHFA”), any future changes in laws that significantly affect the activity of these GSEs could, in turn, adversely affect our operations. For instance, the federal government has for many years considered proposals to reform Fannie Mae and Freddie Mac, but the results of any such reform, and their impact on us, are difficult to predict. It is unclear when the GSEs will exit conservatorship, if at all, and what effects such exit would have on us or our operations.

Risks Related to Technology and Cybersecurity

We are subject to risks of information technology system failures, network disruptions and breaches in data security that could adversely affect our business and reputation.

We are subject to cybersecurity risks and the potential for cyber incidents, including potential incidents at our branch offices, and incidents at data processing centers we use, to the extent not prevented by intrusion detection and prevention systems, anti-virus software, firewalls and other general information technology controls. We are highly dependent on our ability to process a large number of transactions on a daily basis and rely heavily on data processing systems. If any of these systems fails to operate properly or becomes disabled even for a brief period of time, we could suffer financial loss, business disruptions, liability to customers, regulatory intervention or damage to our reputation. We have disaster recovery plans in place to protect our businesses against natural disasters, security breaches, military or terrorist actions, power or communication failures or similar events. The disaster recovery plans are designed to ensure rapid recovery and resumption of operations following a destructive event, and however, may not be successful in preventing the loss of customer data, service interruptions and disruptions to operations or damage to important facilities.

Cyber-attacks and other data or security breaches involving our information technology networks and systems, or those of third parties with whom we do business, could result in serious harm to our reputation and adversely affect our business.

We are dependent on information technology networks and systems, including the internet, to, among other things, securely collect, transmit, store and otherwise process electronic information. In the ordinary course of our business, we collect, receive, retain, transmit, use and otherwise process proprietary information and sensitive or

confidential data, including the personal information, the non-public personal information, transaction data of our team members, customers and loan applicants. Despite our efforts designed to bolster the integrity of our information technology networks and systems, effectively anticipating or implementing preventive measures against all cyber-attacks or other data or security breaches or all unauthorized access of our information technology networks and systems or the information technology networks and systems of our third-party vendors can be difficult.

Cyber-attacks and other data or security breaches, acts of vandalism, natural disasters, fire, power loss, electrical or telecommunication failures, system errors or vulnerabilities, team member misconduct, human error and developments in computer intrusion capabilities could result in a compromise or breach of the information technology networks and systems that we or our third-party vendors use to collect, receive, retain, transmit, protect, use and otherwise process proprietary information and sensitive or confidential data, including the personal information and transaction data of our team members, customers and loan applicants. Similar events outside of our control can also affect the demands we and our third-party vendors may make to respond to any cyber-attacks and other data or security breaches or similar disruptive events. We invest in security technology designed to protect our data and business processes against risk of a cyber-attack or other data or security breach. Our data security management program includes identity, trust, vulnerability and threat management business processes as well as the adoption of data protection policies. We also measure our data security effectiveness and seek to remediate significant findings. Such technology and other controls and processes are designed to secure our team member, customer and loan applicant information and data and to prevent, detect and remedy any unauthorized access to that information or data. Such technology and other controls and processes have not always detected, and may in the future fail to prevent or detect, cyber-attacks and other data or security breaches or unauthorized access to our team member, customer and loan applicant information or data.

The techniques used to obtain unauthorized, improper or illegal access to our information technology networks and systems and those of our third-party vendors, our data, our team members', customers' and loan applicants' proprietary information and sensitive or confidential data or to disable, degrade or sabotage service are constantly evolving, and have become increasingly complex and sophisticated, including through the use of artificial intelligence, machine learning and automated decision-making models, algorithms and technologies (collectively, "AI"). Furthermore, such techniques change frequently and are often not recognized or detected until after they have been launched, and therefore, we may be unable to anticipate these techniques and may not become aware in a timely manner of such a cyber-attack or other data or security breach, which could exacerbate any damage we experience. Security attacks can originate from a wide variety of sources, including third parties such as computer hackers or "hacktivists," persons involved with organized crime or associated with external service providers, terrorists, or foreign state or foreign state-supported actors. Those parties may also attempt to fraudulently induce team members, customers and loan applicants or other users of our information technology networks and systems to disclose sensitive information in order to gain access to our proprietary and sensitive or confidential data (including personal information and non-public personal information) or that of our team members, customers and loan applicants.

Cybersecurity risks for lenders have significantly increased in recent years, in part, because of the proliferation of new technologies (including AI), the use of the internet and telecommunications technologies to conduct financial transactions, and the increased sophistication and activities of computer hackers, organized crime, terrorists, and other external parties, including foreign state or state-supported actors. We, our customers and loan applicants, regulators and other third parties have been subject to, and are likely to continue to be the target of, cyber-attacks or other data or security breaches.

Because we rely on third parties in our business, we rely on the cybersecurity practices and policies adopted by such third parties to prevent against the foregoing risks. Our ability to monitor the cybersecurity practices of third parties with whom we do business is limited, and there can be no assurance that we can prevent, mitigate, or remediate the risk of any cyber-attack or other data or security breach in the information technology networks or systems owned or controlled by such third parties. Further, any contractual protections with such third parties, including our right to indemnification, if any at all, may be limited or insufficient to prevent a negative impact on our business from any such cyber-attack or breach. Additionally, cyber-attacks and other data or security breaches involving local and state government databases and offices, including the rising trend of ransomware attacks, may expose us to the risk of losing access to critical data and the ability to provide services to our customers and loan applicants.

Any penetration of our or our third-party vendors' information technology networks and systems, network security, mobile devices or other misappropriation or misuse of proprietary information and sensitive or confidential data (including personal information and non-public personal information) of our team members, customers or loan applicants, including wire fraud, phishing attacks and business e-mail compromise, could cause interruptions in the operations of our businesses, financial loss to us or our customers or loan applicants, damage to our computers or operating systems and to those of our customers, loan applicants and other counterparties, and subject us to increased costs, litigation, disputes, damages, and other liabilities. In addition, the foregoing events could result in violations of applicable privacy, data protection, cybersecurity and other laws. If any of our or our team members', customers' or loan applicants' proprietary information or sensitive or confidential data (including personal information and non-public personal information) is inappropriately accessed and used by a third party or a team member for illegal purposes, such as identity theft, we may be liable to the affected individuals for any losses they may have incurred as a result of such misappropriation. In such an instance, we may also be subject to regulatory action, investigation or liable to a governmental authority for fines or penalties associated with a lapse in the integrity and security of our team members', customers' and loan applicants' information or data. Further, we cannot ensure that any such insurance will continue to be available on acceptable terms, or at all, or that our insurers will not deny coverage as to any future claims.

Cyber-attacks and other data or security breaches could also significantly damage our reputation with existing and prospective customers, loan applicants and other third parties with whom we do business. Any publicized security problems affecting our businesses and/or those of such third parties may negatively impact the market perception of our products and discourage customers from doing business with us. These risks may increase in the future as we continue to increase our reliance on the internet and use of web-based product offerings.

The use of AI presents new or heightened legal, regulatory, ethical, operational or other challenges that may adversely impact our business.

The financial services industry is undergoing rapid technological change with frequent introductions of new, technology-driven products and services, including those developed by or based on AI. We have not yet developed, nor do we have plans to develop, AI-driven systems to implement into our institution in the near future, and we have not incorporated AI into our business activities. We are monitoring the trend and development of use of AI in the banking industry. Our vendors or third parties with whom we do business may use, and may in the future continue to use or incorporate, AI, including generative artificial intelligence, in certain services or products that we use. There are significant risks involved in utilizing AI, and no assurance can be provided that such use will enhance our business or operations or result in our business or operations being more efficient or profitable. For example, AI models and algorithms, and the data and other material or content on which they rely, could be flawed, insufficient, of poor quality, reflect unwanted forms of bias, or contain other errors or inadequacies, any of which may not be easily detectable. AI has also been known to produce false or "hallucinatory" inferences or outputs and AI can subject users to new or heightened legal, regulatory, ethical, operational, or other challenges. Inappropriate or controversial data practices by developers and end-users, or other factors adversely affecting public opinion of AI, could impair the acceptance of AI solutions. If the AI solutions in the services or products from our vendors are or are perceived to be deficient, inaccurate or controversial, we could suffer operational inefficiencies, competitive harm, legal liability, brand or reputational harm, or other adverse impacts on our business, operations and financial results. If any of our employees, contractors, vendors or service providers use any third-party AI solutions in connection with the services they provide to us, it may lead to the inadvertent disclosure of our confidential information, including inadvertent disclosure of our confidential information into publicly available third-party training sets, which may impact our ability to realize the benefit of, or adequately protect and enforce, our intellectual property rights or confidential information, harming our competitive position and business. Further, any content created by our employees using generative AI may not be subject to copyright protection which may adversely affect our intellectual property rights in, or ability to commercialize or use, any such content. In addition, the use of AI solutions by companies has resulted in, and may in the future result in, failures, interruptions and security breaches of their information technology networks and systems and privacy, data protection and cybersecurity violations that implicate the personal data or confidential information of users of such AI solutions.

In addition, regulation of AI is rapidly evolving worldwide as legislators and regulators are increasingly focused on this emerging technology. The technologies underlying AI and its uses are already subject to a variety of laws and

regulations, including intellectual property, privacy, data protection and cybersecurity, consumer protection, competition and equal opportunity laws and regulations, and are expected to be subject to increased regulation and new laws or new applications of existing laws and regulations. AI is the subject of ongoing review by various U.S. governmental and regulatory agencies, and various U.S. states and other foreign jurisdictions are applying, or are considering applying, their platform moderation and privacy, data protection and cybersecurity laws and regulations to AI or are considering general legal frameworks for AI. It is possible that we will not be able to anticipate how to respond to these rapidly evolving frameworks, and we could be required to expend resources to adjust our offerings in certain jurisdictions if the legal frameworks are inconsistent across jurisdictions. Furthermore, because AI is highly complex and rapidly developing, it is not possible to predict all of the legal, operational or technological risks that may arise relating to the use of AI. For additional discussion about AI and the legal and regulatory environment that we operate in, please see “Supervision and Regulation—Artificial Intelligence.”

Risks Related to Our Industry and Regulation

We are subject to extensive regulation and supervision, which could limit or restrict our activities and negatively impact our financial performance.

Banking is highly regulated under federal and state law. We are subject to extensive regulation and supervision that governs almost all aspects of our operations. As a national banking association, we are subject to supervision, regulation and examination by the OCC, and to a certain extent by the FDIC. We, along with the broader financial services industry, have incurred and will continue to incur substantial costs related to personnel, systems, consulting, and other resources necessary to comply with evolving banking regulations.

The primary goals of the bank regulatory scheme are to maintain a safe and sound banking system and to facilitate the conduct of sound monetary policy. This system is intended primarily for the protection of depositors rather than stockholders (including those that participate in this offering) and creditors.

Our banking agencies have broad enforcement power over banks, including the authority, among other things, to enjoin or pursue enforcement against unsafe or unsound practices, including the ability to require that a board of directors immediately correct any violation or practice, issue administrative orders that may be judicially enforced in federal court, direct increases in capital, direct the sale of subsidiaries or other assets, limit dividends and distributions, restrict growth, assess civil monetary penalties, remove officers and directors, and, with respect to banks, terminate charters, terminate deposit insurance or place institutions into conservatorship or receivership. Were one of our regulators to pursue any of these enforcement mechanisms against us it could have an adverse effect on our business, financial condition and results of operations.

Compliance with laws and regulations applicable to us can be difficult and costly. In addition, these laws, regulations and policies are subject to continual review by governmental authorities, and changes to these laws, regulations and policies, including changes in interpretation or implementation of these laws, regulations and policies, could affect us in substantial and unpredictable ways and often impose additional compliance costs. Further, any new laws, rules and regulations, could make compliance more difficult or expensive. For example, if Congress or the Federal Reserve were to remove, or amend the \$10 billion limit for qualifying for, the small issuer exemption from the interchange fee cap, we may become subject to the cap on the amount interchange fees we may charge on our debit cards. All of these laws and regulations, and the supervisory framework applicable to our industry, could have a material adverse effect on our business, financial condition and results of operations.

The current U.S. administration and Congress have implemented significant changes in federal priorities and has taken steps to change the operations, structure, and policy focus of various federal agencies, as well as regulatory priorities, policy approaches and interpretations of existing laws by those federal agencies. For example, some of the regulations finalized in the prior presidential administration that are applicable to financial institutions have been modified, rescinded, or withdrawn or are subject to reevaluation, creating further uncertainty. Although the current administration has indicated an intent to pursue the regulation of the financial services industry differently than was the case under the previous administration, there is significant uncertainty regarding the direction this administration will continue to take and its ability to implement its policies and objectives, as well as the ultimate impact on potential new regulatory initiatives and the enforcement of existing laws and

regulations. Future changes in these regulations and oversight, whether in the form of regulatory policy, new regulations or legislation, presidential executive orders, or new interpretation or application of existing statutes and regulations by courts and government agencies, or additional deposit insurance premiums could have a material impact on our operations. It is also possible the expected changes in regulation do not occur or are reversed by a subsequent administration, or the regulatory measures that are ultimately enacted deliver significant competitive advantages to financial services that are structured differently or serve different markets than us.

While the enactment of proposed regulatory changes remains uncertain, any implementation could have adverse effects on our business, operations and financial performance. Potential consequences include reduced after-tax returns for financial institutions, constraints on growth, increased FDIC insurance assessments, higher taxes or fees on funding and activities, limitations on the scope of products and services we may offer, increased regulatory or legal compliance costs, and requirements to raise additional capital under unfavorable market conditions.

In addition, new regulations or increased regulatory scrutiny often occur in response to negative developments in the banking industry, which may increase our cost of doing business and reduce our profitability. Among other things, there may be increased focus by both regulators and investors on deposit composition, the level of uninsured deposits, brokered deposits, unrealized losses in securities portfolios, liquidity, commercial real estate loan composition and concentrations, and capital as well as general oversight and control of the foregoing. We could face increased scrutiny or be viewed as higher risk by regulators and/or the investor community, which could have a material adverse effect on our business, financial condition and results of operations. See “Supervision and Regulation.”

We may be adversely impacted by changes to interchange rates and associated debit card regulations.

We generate revenue from interchange fees when customers use our branded debit cards. Interchange fees vary based on factors such as card network rates, transaction type, merchant agreements, and regulatory changes—many of which are outside our control. Card networks periodically adjust fees and rules, and while we have negotiated favorable pricing in some cases, these agreements are complex and contingent on specific conditions. Failure to meet these conditions or renew agreements on favorable terms could increase our costs per transaction.

The Durbin Amendment and Regulation II govern debit card interchange fees, network exclusivity, and transaction routing. Although we are currently exempt from interchange fee caps due to our asset size, we cannot guarantee that we will remain exempt. Regulation II also mandates that debit card issuers enable at least two unaffiliated networks for transaction routing, giving merchants flexibility to choose networks based on fees. This may reduce our payments revenue and impact our financial performance. Any changes to interchange rates, network fees, or regulatory requirements could have a material adverse effect on our business, financial condition, and results of operations.

We will be subject to heightened regulatory requirements if our total assets exceed \$10 billion.

As of June 30, 2026, we had total assets of approximately \$9.0 billion and it is possible that our total assets could exceed \$10 billion in the near future. The laws and regulations impose enhanced supervisory requirements on financial institutions with more than \$10 billion in total assets. For financial institutions with more than \$10 billion in total assets, such requirements include, among other things:

- Applicability of the Volcker Rule and its requirements and restrictions;
- Examinations by the Consumer Financial Protection Bureau (the “CFPB”) for compliance with federal consumer financial protection laws and regulations;
- Limits on interchange fees on debit cards; and
- Increased FDIC assessment rates for deposit insurance.

If we were to exceed \$10 billion in assets, we would be subject to enhanced CFPB examination and our compliance costs would increase. In addition, federal financial regulators may require us to take certain actions to prepare for compliance with the foregoing requirements before we exceed \$10 billion in total assets. Our regulators may consider our preparation

for compliance with these regulatory requirements when examining our operations or considering any request for regulatory approval. We would, therefore, incur compliance costs before we reach \$10 billion in total assets and may be required to maintain the additional compliance procedures even if we do not grow at the anticipated rate or at all.

Failure to comply with these new requirements may negatively impact our business, financial condition and results of our operations. To enhance compliance, we may be required to invest significant resources, which may necessitate hiring additional personnel and implementing additional internal controls. These additional compliance costs may have a material adverse effect on our business, financial condition and results of operations.

Our FDIC deposit insurance premiums and assessments may increase.

We are a member of the FDIC and our deposits are insured by the FDIC up to legal limits and, accordingly, subject us to the payment of FDIC deposit insurance assessments. Our regular assessments are determined by our asset size, which includes whether we have \$10 billion or more in total assets, and risk classification, which is based on our regulatory capital levels and the level of supervisory concern that we pose.

High levels of bank failures during recent financial downturns and increases in the statutory deposit insurance limits have increased resolution costs to the FDIC and put significant pressure on the Deposit Insurance Fund (the “DIF”). In order to maintain a strong funding position and restore the reserve ratios of the DIF, the FDIC increased deposit insurance assessment rates and charged a special assessment to all FDIC-insured financial institutions. Further increases in assessment rates or special assessments may occur in the future, especially if there are significant additional financial institution failures. Any future special assessments, increases in assessment rates or required prepayments in FDIC insurance premiums could reduce our profitability or limit our ability to pursue certain business opportunities, which could materially and adversely affect our business, financial condition and results of operations.

We are subject to numerous banking laws and other laws and regulations designed to protect consumers, and failure to comply with these laws could lead to a wide variety of sanctions.

The Equal Credit Opportunity Act, the Fair Housing Act and other fair lending laws and regulations, including state laws and regulations, prohibit discriminatory lending practices by financial institutions. The Federal Trade Commission Act prohibits unfair or deceptive acts or practices, and the Dodd-Frank Act prohibits unfair, deceptive, or abusive acts or practices by financial institutions. The U.S. Department of Justice, federal and state banking agencies, and other federal and state agencies, including the CFPB, are responsible for enforcing these fair and responsible banking laws and regulations. Because we have less than \$10 billion in assets, most consumer protection aspects of the Dodd-Frank Act will continue to be applied by the FDIC. But smaller banks, including us, are subject to rules promulgated by the CFPB and thus CFPB rulemaking has the potential to have a significant impact on our operations.

A challenge to an institution’s compliance with banking laws and regulations could result in a wide variety of sanctions, including damages and civil money penalties, injunctive relief, restrictions on mergers and acquisitions activity, restrictions on expansion, and restrictions on entering new business lines. Private parties may also have the ability to challenge an institution’s performance under fair lending laws in private litigation, including through class action litigation. Such actions could have an adverse effect on our business, financial condition and results of operations.

Consumer protection initiatives related to foreclosure processes could affect our remedies as a creditor.

The consumer protection initiatives related to the foreclosure process, including voluntary or mandatory programs intended to permit or require lenders to consider loan modifications or other alternatives to foreclosure, could increase our credit losses or increase our expense in pursuing our remedies as a creditor.

In the past, most lenders in Hawaii used nonjudicial foreclosures for loan defaults, as the process was quicker and less expensive than the judicial foreclosure process. After Hawaii overhauled its rules for nonjudicial, or out-of-court, foreclosures, the revised rules had the unintended effect of lenders forgoing nonjudicial foreclosures entirely

and filing all foreclosures in court, creating a backlog that has slowed the judicial foreclosure process. Although some of the backlog has been cleared, lenders continue to use the judicial foreclosure process exclusively, making the foreclosure process very lengthy. Further changes to the foreclosure laws may cause further delays for new and existing cases. A joint federal-state settlement with several mortgage servicers over foreclosure practice abuses has created additional uncertainty for the mortgage servicing industry in general as it relates to the implementation of mortgage loan modifications and loss mitigation practices in the future. The manner in which these issues are ultimately resolved could impact our foreclosure procedures, which in turn could affect our business, financial condition and results of operations.

Environmental laws may force us to pay for resolution of environmental problems.

Since we originate loans secured by real estate, we may have to foreclose on collateral property to protect our investment and may thereafter own and operate such property, in which case we would be exposed to the risks inherent in the ownership of real estate, including environmental liabilities. The cost of cleaning up or paying damages and penalties associated with environmental problems may increase our operating expenses. When a borrower defaults on a loan secured by real property, we have the option to purchase the property in foreclosure or accept a deed to the property surrendered by the borrower. Although we have lending, foreclosure and facilities guidelines that are intended to exclude properties with an unreasonable risk of contamination, hazardous substances may exist on some of the properties that we own, lease, manage or occupy. We may face the risk that environmental laws may force us to clean up the properties at our expense. The cost of cleaning up a property may exceed the value of the property. We may also be liable for pollution generated by a borrower's operations if we take a role in managing those operations after a default. We may find it difficult or impossible to sell contaminated properties. We also lease premises where our branches and other facilities are located and where environmental problems may exist.

We are subject to laws, rules, regulations and standards regarding privacy, data protection and cybersecurity, and any actual or perceived violation of these laws, rules, regulations or standards or any cyber-attack or other data or security breach involving personal, confidential, or proprietary information of individuals could damage our reputation and otherwise adversely affect our business.

Our business requires the collection, receipt, retention, transmission and other processing of large volumes of customer data, including personal information and non-public personal information, in various information technology networks and systems that we maintain and in those maintained by third-party service providers. We also maintain important internal company data such as personal information and non-public personal information about our employees and proprietary or confidential information relating to our operations. We are subject to complex and evolving laws and regulations governing privacy, data protection, cybersecurity and the protection, collection, use, sharing, storage and other processing of personal information and non-public personal information of individuals (including our team members, customers, loan applicants, and other third parties). For example, our business is subject to the Gramm-Leach-Bliley Financial Services Modernization Act of 1999 (along with its implementing regulations, the "GLB Act"), which, among other things: (i) imposes certain limitations on our ability to share nonpublic personal information about our customers with nonaffiliated third parties; (ii) requires that we provide certain disclosures to customers about our personal information collection, sharing and security practices and afford customers the right to "opt out" of any personal information sharing by us with nonaffiliated third parties (with certain exceptions); and (iii) requires that we develop, implement and maintain a written comprehensive information security program containing appropriate safeguards based on our size and complexity, the nature and scope of our activities, and the sensitivity of customer information we process, as well as plans for responding to cyber-attacks or other data or security breaches. Various federal and state banking regulators and states have also enacted data breach notification requirements with varying levels of individual, consumer, regulatory or law enforcement notification in the event of a security breach. For additional discussion about privacy, data protection and cybersecurity and the legal and regulatory environment that we operate in, please see "Supervision and Regulation—Privacy, Data Protection and Cybersecurity."

Our obligations related to privacy, data protection and cybersecurity are quickly changing in an increasingly stringent fashion and may be subject to differing applications and interpretations, which may be inconsistent or in conflict among jurisdictions. Ensuring that our collection, receipt, retention, transmission, use, transfer, storage and other processing of personal information complies with all applicable laws and regulations can require significant resources, necessitate changes to our business practices and increase our costs. Furthermore,

we may not be able to ensure that customers, loan applicants and other third parties have appropriate controls in place to protect the confidentiality of the information that they exchange with us, particularly where such information is transmitted by electronic means. We also enter into agreements with third parties regarding our disclosure, collection, transmission, use and other processing of personal information and publish public privacy policies and make other public statements about our privacy, data protection and cybersecurity practices. Although we endeavor to comply with our privacy, data protection and cybersecurity obligations, we may at times fail to do so or may be perceived to have failed to do so, including due to the errors or omissions of our personnel and third parties upon which we rely. If personal, confidential or proprietary information of team members, customers, loan applicants or others were to be mishandled or misused (in situations where, for example, such information was erroneously provided to parties who are not permitted to have the information, or where such information was intercepted or otherwise compromised by third parties), we could be exposed to litigation or regulatory sanctions under privacy, data protection and cybersecurity laws, rules, regulations and standards. Concerns regarding the effectiveness of our measures to safeguard personal information, or even the perception that such measures are inadequate, could cause us to lose customers or potential customers and thereby reduce our revenues. Accordingly, any failure or perceived failure to comply with applicable privacy, data protection or cybersecurity laws, rules, regulations and standards may subject us to claims, litigation, enforcement or assessment notices, audits, inquiries, examinations and investigations that could result in requirements to modify or cease certain operations or practices or in significant liabilities, fines or penalties, and could damage our reputation and otherwise adversely affect our business, financial condition and results of operations.

We face a risk of noncompliance and enforcement action with the Bank Secrecy Act and other anti-money laundering statutes and regulations.

The Bank Secrecy Act of 1970 (the “BSA”), the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the “Patriot Act”), the Anti-Money Laundering Act of 2020 and other laws and regulations require financial institutions, among other duties, to institute and maintain an effective anti-money laundering program and to file reports such as suspicious activity reports and currency transaction reports. We are required to comply with these and other anti-money laundering requirements. Our federal and state banking regulators, the U.S. Department of the Treasury’s Financial Crimes Enforcement Network, and other government agencies are authorized to impose significant civil money penalties for violations of anti-money laundering requirements. We are also subject to increased scrutiny of compliance with the regulations issued and enforced by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”), which is responsible for monitoring that U.S. entities do not engage in transactions with certain prohibited parties, as defined by various Executive Orders and Acts of Congress. In recent years, several banking institutions have received large fines for non-compliance with these laws and regulations. If our program is deemed deficient, we could be subject to liability, including fines, civil money penalties and other regulatory actions, which may include restrictions on our business operations and our ability to pay dividends, restrictions on mergers and acquisitions activity, restrictions on expansion, and restrictions on entering new business lines. Failure to maintain and implement adequate programs to combat money laundering and terrorist financing could also have significant reputational consequences for us. Any of these circumstances could have an adverse effect on our business, financial condition and results of operations.

The corporate and securities laws applicable to us are substantially similar to those applicable to a state-chartered corporation, but are administered by the OCC, which may be initially unfamiliar to you.

Our corporate affairs are governed by the National Bank Act, with related regulations administered by the OCC. In matters related to securities laws, the OCC enforces its own securities offering framework applicable to national banks and their securities issuances. Accordingly, our compliance with the Exchange Act is governed and enforced by the OCC.

The SEC maintains a well-developed regulatory regime and well-staffed organization relating to securities offerings under or exempt from the Securities Act. The OCC’s statutory and regulatory frameworks applicable to us as a national bank are substantially similar to the securities laws that govern many other publicly traded banking institutions, but are administered by the OCC. Because there are a limited number of national banks whose common

stock has been issued under the OCC's securities offering regime and subsequently listed on national exchanges, the OCC's approach may be initially unfamiliar to our stockholders and investors that participate in our offerings.

Provisions of our charter documents or Delaware law could delay or prevent an acquisition of us, even if the acquisition would be beneficial to our stockholders, which could make it more difficult for you to change management.

Provisions in our Amended and Restated Articles of Association and our Amended and Restated Bylaws may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. In addition, these provisions may frustrate or prevent any attempt by our stockholders to replace or remove our current management by making it more difficult to replace or remove our Board.

We are a national banking association subject to federal banking statutes and regulations. We elect to follow, to the extent not inconsistent with applicable federal statutes or regulations, the corporate governance procedures of the Delaware General Corporation Law (the "DGCL"). The DGCL prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder, generally a person who, together with its affiliates, owns, or within the last three years has owned, 15% or more of our voting stock, for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. Accordingly, the DGCL may discourage, delay, or prevent a change in control of our company.

Furthermore, our Amended and Restated Bylaws specify that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for most legal actions involving actions brought against us by stockholders. We believe this provision benefits us by providing increased consistency in the application of the DGCL by chancellors particularly experienced in resolving corporate disputes, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi-forum litigation. The provision may have the effect of discouraging lawsuits against our directors and officers.

For further discussion on the anti-takeover provisions of our Amended and Restated Articles of Association and Amended and Restated Bylaws, see "Description of Capital Stock—Anti-Takeover Provisions."

We are subject to restrictions on permissible activities that limit the types of new business we or our competitors may conduct or seek to conduct in the future, such limitations may make acquisitions of other financial companies more challenging or impossible.

Under applicable laws and regulations, bank holding companies are generally limited to business activities and investments that are related to banking or are financial in nature. The range of permissible financial activities is more limited for banks than for bank holding company organizations. For example, while banks may engage in certain insurance agency, broker-dealer and investment advisory activities, only bank holding companies that are financial holding companies may engage in insurance underwriting and merchant banking. As a standalone national bank without a bank holding company, this may present challenges in pursuing acquisitions of financial institutions that engage in activities that a bank itself may not engage in. This could limit our strategic ability to expand into certain financial sectors, which could place us at a competitive disadvantage.

Developments in the regulatory landscape relating to emerging technologies, such as the enactment and implementation of the Guiding and Establishing National Innovation for U.S. Stablecoins Act of 2025 and potential enactment of the Digital Asset Market Clarity Act of 2025 or similar market structure legislation, may affect our customers' needs and expectations for products and services.

Risks Related to this Offering and an Investment in Our Common Stock

We have no operating history as an independent publicly traded company, and our historical financial information is not necessarily representative of the results we would have achieved as an independent publicly traded company and may not be a reliable indicator of our future results.

Historically, we generally operated on a separate company basis as a subsidiary of HEI, with certain exceptions, and did not rely on HEI for personnel or for corporate or other services. We were charged for the services that we obtained from HEI, which included, among others, assistance with investor relations, governance expenses, information technology audit services, tax, and public company reporting relating specifically to ASB Hawaii and its subsidiary, on a fully burdened basis pursuant to cost sharing agreements established for regulatory compliance purposes and the related expenses were included in our historical financial statements. As an independent entity, however, we may not be able to purchase goods, services or technologies, including insurance and health care benefits and computer software licenses or data processing services, on terms as favorable to us as those we obtained as a subsidiary of HEI. In addition, while we will incur certain incremental expenses as an independent publicly traded company that we do not currently expect to be material in relation to our business as a whole, it is possible that such expenses will exceed our current estimates.

No public market exists for our common stock, and one may not develop.

Prior to this offering, there has been no public market for shares of our common stock. We cannot predict the extent to which investor interest in our company will lead to the development of a trading market on the NYSE or how liquid that market may become. If an active trading market does not develop, you may have difficulty selling any of our common stock that you purchase. The initial public offering price of shares of our common stock was determined by negotiation among us, the selling stockholders and the underwriters and may not be indicative of prices that will prevail following the completion of this offering. The market price of shares of our common stock may decline below the initial public offering price, and you may not be able to resell your shares of our common stock at or above the initial public offering price.

We expect that our stock price will fluctuate significantly, and you may not be able to resell your shares at or above the initial public offering price.

The trading price of our common stock is likely to be volatile and subject to wide price fluctuations in response to various factors, including:

- market conditions in the broader stock market in general, or in our industry in particular;
- actual or anticipated fluctuations in our quarterly financial and operating results;
- introduction of new products and services by us or our competitors;
- issuance of new or changed securities analysts' reports or recommendations;
- sales of large blocks of our stock;
- additions or departures of key personnel;
- regulatory developments;
- litigation and governmental investigations; and
- economic and political conditions or events.

These and other factors may cause the market price and demand for our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of our common stock and may otherwise negatively affect the liquidity of our common stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business.

Your investment in our common stock will not be a bank deposit and would not be insured or guaranteed by the FDIC or any other government agency. Your investment will be subject to investment risk, and you must

be capable of affording the loss of your entire investment. As a result, if you acquire our common stock, you could lose some or all of your investment.

Potential indemnification liabilities with HEI from the Separation could materially adversely affect us.

Among other things, the Separation Agreement, dated as of December 31, 2024 by and between us and Hawaiian Electric Industries, Inc. (the “Separation Agreement”) provides for certain customary indemnification obligations, such as those arising out of claims for breach of any covenant or agreement under the Separation Agreement and related ancillary agreements. See “Certain Relationships and Related Person Transactions—The Separation Agreement.” If we are required to indemnify HEI under the circumstances set forth in the Separation Agreement, we may be subject to substantial liabilities.

Pursuant to the Separation Agreement, and subject to the limitations described in that agreement, HEI has agreed to release us from all liabilities to the extent relating to the HEI businesses. Third parties could seek to hold us responsible for any of the liabilities that HEI agrees to retain, and there can be no assurance that the indemnity from HEI will be sufficient to protect us against the full amount of such liabilities, or that HEI will be able to fully satisfy its indemnification obligations. Moreover, even if we ultimately succeed in recovering from HEI any amounts for which we are held liable, we may be temporarily required to bear such losses.

As of June 30, 2026, approximately 99% of our common stock is owned by certain institutional holders, and if a substantial number of shares become available for sale and are sold in a short period of time, the market price of our common stock could decline.

On December 30, 2024, when we were a wholly owned subsidiary of ASB Hawaii (an intermediate holding company wholly owned by HEI), HEI through ASB Hawaii sold 8,109 shares of our then common stock to various individuals and entities, including certain of our officers and directors, constituting 90.1% of our then common stock, while HEI retained 9.9% of our then common stock held by ASB Hawaii. This sale transaction closed on December 31, 2024, and no investor, including HEI through ASB Hawaii, retains or owns more than 9.9% of our then common stock. See “Certain Relationships and Related Person Transactions” for a discussion of certain relationships between us and our directors and executive officers.

In connection with the transaction above, we entered into certain investment agreements and stockholder agreements with certain stockholders (each a “Stockholder Agreement,” and together, the “Stockholder Agreements”). Such Stockholder Agreements provide for demand and piggyback registration rights, pursuant to which, certain of our stockholders, subject to limitations set forth therein, have the right to require us to register their respective shares of our common stock so that they may resell their respective shares of our common stock. If we file a registration statement for a primary or secondary offer of their securities (other than a registration statement related to equity compensation plans or mergers and acquisitions), the Stockholder Agreements require us to notify such stockholders, who may elect to have their securities included in such registration statement for resale.

As of June 30, 2026, approximately 99% of our common stock is owned by certain institutional holders. Upon completion of this offering, such institutional holders will beneficially own approximately 89% of the outstanding shares of our common stock (or 87% if the underwriters exercise their option to purchase additional shares in full). We, our officers, directors, the selling stockholders and the holders of substantially all of our outstanding common stock have agreed not to sell any shares of our common stock for a period of 180 days from the date of the Underwritten Offering Prospectus, subject to certain exceptions.

Concurrent with this offering, we are also registering for resale all the shares of our common stock owned by our existing shareholders that are not sold in this offering. As a result, 56,940,743 shares of our common stock (or 55,732,157 shares if the underwriters exercise their option to purchase additional shares in full) may be sold free of restriction following the expiration of the lock-up. Such resales could have adverse effect on volatility and the market value of our common stock outstanding. Such resales could also make it more difficult for us and our stockholders to sell common stock.

Certain of the Bank's pre-IPO investors have the right to nominate directors to our board of directors, subject to an ownership percentage threshold, and their interests may conflict with ours or yours in the future.

Pursuant to our Stockholder Agreements, the Eligible Investors and Pomegranate Funding, LLC (including certain of its permitted transferees (the "Farallon Investors")) each have the right to nominate one director to our Board. Under our Stockholder Agreements, each Eligible Investor's right to nominate a director is contingent upon maintaining equal to or more than 50% of such investor's ownership at closing of the Separation. As a result of these nomination rights, the Eligible Investors collectively have significant influence over the composition of our Board and the appointment of our management, and their interests may differ from or conflict with your interests.

If an Eligible Investor's holdings fall below the ownership threshold, such investor loses its right to nominate a director and is required to vote for, or deliver a written consent in favor of, the resignation or removal of its nominated director. Upon any such removal, the size of our Board will be correspondingly reduced, subject to applicable law. While these provisions may reduce the influence of an Eligible Investor whose ownership stake has been substantially diluted, for so long as Eligible Investors retain holdings at or above the required ownership threshold, they will continue to exercise considerable influence over the composition of our Board and corporate governance. In addition, any resignation or removal of a previously nominated director could result in the departures of experienced directors or otherwise disrupt the Board's continuity and oversight of our business. See "Certain Relationships and Related Person Transactions—Stockholder Agreements."

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us or our business. We may be unable to attract or sustain research coverage by securities and industry analysts. If no securities or industry analysts commence coverage of our company, the trading price for our stock would be negatively impacted. If we obtain securities or industry analyst coverage and if one or more of the analysts who covers us downgrades our stock or publishes inaccurate or unfavorable research about our business, our stock price would likely decline. If we fail to meet the expectations of analysts for our operating results, our stock price would likely decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, demand for our stock could decrease, which could cause our stock price and trading volume to decline.

We may not pay dividends on our common stock in the future, and our ability to pay dividends is subject to certain restrictions.

Although holders of our common stock are entitled to receive such dividends as our Board may declare out of funds legally available for such payments, our Board may, in its sole discretion, change the amount or frequency of dividends or discontinue the payment of dividends entirely. Any decision to declare and pay dividends will be dependent on a variety of factors, including our financial condition, earnings, legal requirements, our general liquidity needs, and other factors that our Board deems relevant.

In addition, as a national banking association, we are subject to certain regulatory restrictions on the payment of cash dividends as a result of banking laws, regulations and policies. We elect to follow, to the extent not inconsistent with applicable federal statutes or regulations, or bank safety and soundness, the corporate governance procedures of DGCL, and thus we are also subject to certain restrictions on dividends under DGCL. Additionally, we are required by federal law to obtain prior approval of the OCC for payments of dividends if the total of all dividends declared by our Board in any year will exceed our net profits earned during the current year combined with our retained net profits of the immediately preceding two years, less any required transfers to surplus. Under the Federal Deposit Insurance Corporation Improvement Act of 1991 ("FDICIA"), we may not pay any dividend if we are undercapitalized or the payment of the dividend would cause us to become undercapitalized.

The OCC may further restrict the payment of dividends by requiring that we maintain a higher level of capital than we would otherwise be required to be adequately capitalized for regulatory purposes. Moreover, if, in the opinion of the OCC, we are engaged in an unsound practice (which could include the payment of dividends), it may require, generally after notice and hearing, that we cease such practice. The OCC has indicated that paying dividends that deplete a depository institution's capital base to an inadequate level would be an unsafe banking practice. The OCC has also issued policy statements providing that insured depository institutions generally should pay dividends only out of current operating earnings. Finally, our ability to pay dividends to our stockholders may be limited by contractual restrictions, such as covenants in any financing arrangements we may enter into in the future.

The holders of our preferred stock will have priority over our common stock with respect to payment in the event of liquidation, dissolution or winding up and with respect to the payment of interest and dividends.

In any liquidation, receivership, dissolution or winding up of the Bank, our common stock would rank below all claims of any preferred stock that has been issued and below all depositors. As of June 30, 2026, we had outstanding an aggregate \$5,000 of non-cumulative perpetual preferred stock. Holders of our common stock will not be entitled to receive any payment or other distribution of assets upon the liquidation, dissolution or winding up of the Bank until after all of our obligations to the holders of our preferred stock are satisfied. The holders of the outstanding aggregate \$5,000 of our non-cumulative perpetual preferred stock are not entitled to receive or to participate in any dividends (payable in cash, stock or otherwise) on their preferred stock, but we could in the future authorize and issue series of preferred stock entitled to dividends, and if we do so, we will be required to pay dividends on the preferred stock before we will be able to pay any dividends on our common stock.

We are an "emerging growth company." The reduced disclosure requirements applicable to emerging growth companies may make our common stock less attractive to investors.

We are an emerging growth company as defined in the JOBS Act. We will remain an emerging growth company until the earliest to occur of: (i) the last day of the fiscal year in which we have total annual gross revenues of \$1.235 billion or more, (ii) the date on which we are deemed to be a large accelerated filer under the rules of the SEC, with at least \$700.0 million of equity securities held by non-affiliates; (iii) the date on which we have issued more than \$1.0 billion in nonconvertible debt during the previous three years; and (iv) the last day of our fiscal year following the fifth anniversary of the date of our initial public offering. During the period that we remain an emerging growth company, we are permitted and intend to rely on exemptions from certain disclosure requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include:

- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act;
- not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements;
- being permitted to defer adoption of certain new or revised accounting standards generally applicable to public companies until those standards also apply to private companies;
- reduced disclosure obligations regarding executive compensation; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

When evaluating our internal controls over financial reporting, we may identify material weaknesses that we may not be able to remediate in time to meet the applicable deadline imposed upon us for compliance with the requirements of Section 404 of the Sarbanes-Oxley Act. In addition, if we fail to achieve and maintain the adequacy of our internal controls, as such standards are modified, supplemented or amended from time to time, we may not be able to ensure that we can conclude on an ongoing basis that we have effective internal controls over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act. We cannot be certain as to the timing of completion of our evaluation, testing and any remediation actions or the impact of the same on our operations. If we are not able to implement the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner or with adequate compliance, our independent registered public

accounting firm may issue an adverse opinion due to ineffective internal controls over financial reporting, and we may be subject to sanctions or investigation by regulatory authorities, such as the SEC. As a result, there could be a negative reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. In addition, we may be required to incur costs in improving our internal control system and the hiring of additional personnel. Any such action could negatively affect our results of operations and cash flows.

We have not included all of the executive compensation information herein that would be required if we were not an emerging growth company. In addition, we currently intend to make use of the right to defer adoption of certain new accounting standards as described above, if such new accounting standards arise during the period we remain an emerging growth company, in which event our financial statements may not be comparable to those of other public companies that are similar to us. We may also choose to make use of some or all of the other reduced disclosure requirements and exemptions available to emerging growth companies in the future. We cannot predict whether investors will find our common stock less attractive as a result of our reliance on some or all of the reduced reporting requirements and other exemptions that are available to emerging growth companies. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be adversely affected.

Changes in tax laws or tax rulings, or the examination of our tax positions, could materially affect our business, financial condition and results of operations.

We are subject to various types of tax arising from normal business operations in the jurisdictions in which we operate and transact. Any changes to local, domestic or international tax laws, regulations and treaties, or their interpretation and application, including those with retroactive effect, could affect ours or our customers' tax obligations, profitability, and cash flows in the future. In addition, tax rates in the various jurisdictions in which we operate may change significantly due to political or economic factors beyond our control. We are unable to predict changes in tax laws or applicable tax rates enacted in the future in jurisdictions where we have operations or what effect such changes would have on our business. Furthermore, the taxing authorities in the United States regularly examine income and other tax returns and we expect that they may examine our income and other tax returns. The ultimate outcome of these examinations cannot be predicted with certainty. We continuously monitor and assess proposed tax legislation that could negatively impact our business.

The requirements of being a public company may strain our resources and divert management's attention.

As a public company, we will incur additional legal, accounting, insurance and other expenses. We will be subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act and certain securities rules and regulations, as implemented by the OCC. These laws and regulations increase the scope, complexity and cost of corporate governance, reporting and disclosure practices over those of non-public or non-reporting companies. Despite our conducting business in a highly regulated environment, these laws and regulations have different requirements for compliance than we have experienced prior to becoming a public company. Among other things, the Exchange Act requires that we file annual, quarterly and current reports with respect to our business and operating results and maintain effective disclosure controls and procedures and internal control over financial reporting with the OCC. As a NYSE-listed company, we will be required to prepare and file proxy materials which meet the requirements of the Exchange Act and the SEC's proxy rules, as incorporated by the OCC and made applicable to us. Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly, and increase demand on our systems and resources, particularly after we are no longer an "emerging growth company" as defined in the JOBS Act. In order to maintain, appropriately document and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet the standards required by the Sarbanes-Oxley Act, additional resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns, which could harm our business and operating results. Additionally, any failure by us to file our periodic reports in a timely manner could harm our reputation and cause our investors and potential investors to lose confidence in us, and restrict trading in, and reduce the market price of, our common stock, and potentially our ability to access the capital markets.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. All statements contained in this prospectus other than statements of historical fact, including statements regarding our future operating results and financial position, our business strategy and plans, market growth, and for future operations, are forward-looking statements. Forward-looking statements include without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and are typically identified with words such as “may,” “could,” “should,” “will,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “intend,” “plan” or words or phrases of similar meaning, such as “will be positioned to.” We have based these forward-looking statements on our current expectations and projections about future events and trends that we believe may affect our business, financial condition and results of operations. We caution that these forward-looking statements are subject to a number of known and unknown risks, uncertainties and assumptions, including those described in “Risk Factors,” that are subject to change based on factors, which are, in many instances, beyond our control. Risks, uncertainties and other important factors that could cause actual results to differ materially from those described in forward-looking statements included in this prospectus and from historical results include, but are not limited to, the following:

- International, national and local economic conditions, including Hawaii tourism, defense and construction industries, the strength or weakness of the Hawaii or other real estate or commercial lending markets (including the fair value or the actual performance of collateral underlying loans held by us, which could result in higher than expected loan loss provisions and write-offs), decisions concerning the extent of the presence of the federal government and military in Hawaii, the implications and potential impact of U.S. and foreign capital and credit market conditions and federal, state and international responses to those conditions;
- Changes in general banking, political, and economic conditions, including elevated inflation, economic slowdown or recession, or other economic challenges;
- Growing fiscal deficits;
- Trade disputes, barriers to trade or the emergence of trade restrictions, including the imposition of tariffs, and the resulting impacts on market volatility and global trade;
- The effect of the timing and extent of changes in interest and reference rates and the shape of the yield curve on loan prepayment speeds and credit risk, which could adversely affect our revenue and expenses, the value of assets and liabilities, and the availability and cost of capital and liquidity;
- The effects of future action or inaction of the U.S. government or related agencies, including those related to monetary policy and interest rates;
- Weather and natural disasters (including hurricanes, earthquakes, tsunamis, lava flows and the potential effects of climate change, such as more severe storms and rising sea levels), including their impact on the value of real properties securing our loan portfolio and the Hawaii economy;
- Increasing competition in the banking industry, including increased price competition for deposits and possible outflows of deposits to alternative investments, such as stablecoins or other digital assets, which may have an adverse impact on our cost of funds;
- The use, reliability, and accuracy of the models, and data on which we rely;
- Risks associated with the geographic concentration of our loans, its concentration in a single product type (first mortgage loans) and our concentrations of large loans or credit lines with certain customers;
- Changes in accounting principles applicable to us;
- Faster than expected loan prepayments that cause an acceleration of the amortization of premiums on loans and investments and the impairment of our mortgage-servicing assets;

- Changes in our loan portfolio, credit profile and asset quality, which may increase the required levels of provisions for loan losses, allowance for credit losses and charge-offs;
- Changes in our deposit cost or mix, which may have an adverse impact on our cost of funds;
- Risks associated with unauthorized access, cyber-crime and other threats to data security;
- Changes in tax laws and regulations;
- Our lack of an operating history as an independent publicly traded company;
- Our ability to attract, retain or motivate highly skilled and qualified personnel, including our senior management and other key employees or members of the Board;
- Geopolitical risks, including developments in Europe, the Middle East, Asia and Latin America, acts or threats of terrorism, and actions taken by the U.S. or other governments in response thereto and/or military conflicts, which could adversely affect business and economic conditions abroad as well as in the U.S.; and
- The additional risks and uncertainties discussed in this prospectus under the caption “Risk Factors.”

This list of factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this prospectus. We operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for us to predict all risks, nor can we assess the impact of all factors 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 we may make.

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. We are under no duty to update any of these forward-looking statements after the date of this prospectus to conform our prior statements to actual results or revised expectations.

You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement of which this prospectus forms a part completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by the cautionary statements contained in this section and elsewhere in this prospectus.

USE OF PROCEEDS

The selling stockholders are selling all of the shares of our common stock in this offering, and we will not receive any proceeds from the sale of our common stock in the offering (including any proceeds from the sale of our common stock that such selling stockholders may sell pursuant to the underwriters' option to purchase additional shares of our common stock). We will, however, bear the costs, other than the underwriting discounts and commissions, associated with the sale of shares of our common stock by the selling stockholders. The selling stockholders will receive approximately \$121.2 million of net proceeds, or approximately \$139.4 million if the underwriters exercise their option to purchase additional shares in full, from this offering after deducting underwriting discounts and commissions, net of the underwriters' agreed reimbursement of \$0.08 per share of the gross underwriting discounts payable for the shares sold in this offering.

CAPITALIZATION

The following table sets forth our capitalization as of June 30, 2026 on:

- an actual basis; and
- an as adjusted basis, after giving effect to the Stock Split.

The selling stockholders are selling all of the shares of our common stock in this offering, and we will not receive any proceeds from the sale of shares. The following should be read together with the sections entitled “Use of Proceeds,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Prospectus Summary—Summary Historical Financial Information and Other Data” and our financial statements and accompanying notes that are included elsewhere in this prospectus.

June 30, 2026		
<i>(dollars in thousands)</i>		
	<u>Actual</u>	<u>As Adjusted</u>
Long-term borrowings	-	-
Equity:		
Preferred stock (no par value per share, 8,000,000 shares authorized and 5 shares issued and outstanding, issued at \$1,000 per share and having a liquidation preference of \$1,000 per share)	5	5
Common stock (\$1.00 par value per share, 9,000 shares authorized, 9,000 issued and outstanding, actual; par value per share after giving effect to the Stock Split, presented as \$0.0001 after rounding, 200,000,000 shares authorized, 64,997,983 shares issued and outstanding, as adjusted) ⁽¹⁾	9	9
Additional paid-in capital	359,704	359,704
Accumulated other comprehensive loss, net of tax benefits	(134,118)	(134,118)
Retained earnings	466,896	466,896
Total equity	692,496	692,496
Total capitalization	<u>692,496</u>	<u>692,496</u>
Capital ratios		
Tier 1 leverage	9.10%	9.10%
Common equity tier 1	13.49	13.49
Tier 1 capital	13.49	13.49
Total capital	14.59	14.59
Tangible common stockholders’ equity to tangible assets ⁽²⁾	7.65	7.65

(1) Reflects the Stock Split. After giving effect to the Stock Split, the par value per share of common stock is presented in this prospectus as \$0.0001 after rounding. The related common stock amount in the capitalization table, which is presented in thousands, has been rounded to the nearest ten-thousandth.

(2) Tangible common stockholders’ equity to tangible assets is a non-GAAP financial measure. The Stock Split does not impact total stockholders’ equity, total assets, tangible common stockholders’ equity or tangible assets, and therefore the ratio is unchanged on an actual and as adjusted basis. For more information on non-GAAP financial measures and for a reconciliation to the most directly comparable GAAP financial measure, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures Reconciliations.”

DILUTION

All shares of our common stock being sold in the offering were issued and outstanding prior to this offering. As a result, this offering will not have a dilutive effect on our stockholders. Dilution results from the fact that the per share offering price of our common stock is substantially in excess of the tangible book value attributable to the existing equity holders. Our tangible book value represents the amount of total tangible assets, less total liabilities, and our tangible book value per share represents tangible book value divided by the number of shares of common stock outstanding. Our pro forma net tangible book value as of June 30, 2026, after giving effect to the Stock Split, was \$692.5 million or \$10.65 per share of common stock.

The following table summarizes, as of immediately following the completion of this offering, the difference between existing stockholders and new investors in this offering with respect to the aggregate number of shares of common stock owned or purchased, as applicable, and the total consideration and average price per share of common stock paid or to be paid with respect to such shares (assuming that none of the shares of common stock sold in this offering are purchased by existing stockholders).

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders	56,940,743	88%	\$ 394,029,942	75%	\$ 6.92
New investors	8,057,240	12%	\$ 128,915,840	25%	\$ 16.00
Total	64,997,983	100%	\$ 522,945,782	100%	\$ 8.05

We have reserved 1,624,950 shares of our common stock for future issuance under our equity incentive plans. To the extent that any shares are issued under these or future plans, or if we otherwise issue additional shares of common stock in the future, there may be dilution to investors participating in this offering.

DIVIDEND POLICY

On July 29, 2026, we announced a grant of a cash dividend for the period between April 1, 2026 and June 30, 2026 in the amount of \$1,945.00 per share to our stockholders of record as of July 29, 2026, totaling \$17,505,000. Such dividend was paid on August 7, 2026, to our stockholders of record as of July 29, 2026. On April 28, 2026, we announced a grant of a cash dividend for the period between January 1, 2026 and March 31, 2026 in the amount of \$1,945.00 per share to our stockholders of record as of April 28, 2026, totaling \$17,505,000. Such dividend was paid on May 21, 2026, to our stockholders of record as of April 28, 2026. On January 28, 2026, we announced a grant of a cash dividend for the period between October 1, 2025 and December 31, 2025, to our stockholders of record as of January 28, 2026, in the amount of \$1,945.00 per share or \$17,505,000 in the aggregate. The dividend was paid on February 27, 2026, to stockholders of record as of January 28, 2026. At this time, and subject to the considerations described below, our Board intends to continue quarterly cash dividends for the remaining quarters of 2026 in an aggregate amount equal to \$17,505,000 per quarter, which would represent \$0.27 per share after giving effect to the Stock Split (calculated on the assumption that the total number of our outstanding and issued common stock remains at 64,997,983 for the remaining quarters of 2026). If this cash dividend were to be continued for the remainder of 2026, the total 2026 cash dividend would equal \$70 million.

Any determination relating to our dividend policy will be made by our Board and will depend on a number of factors, including: (i) our historic and projected financial condition, liquidity and results of operations, (ii) our capital levels and needs, (iii) tax considerations, (iv) any acquisitions or potential acquisitions that we may consider, (v) statutory and regulatory prohibitions and other limitations, (vi) the terms of any credit agreements or other borrowing arrangements that restrict our ability to pay cash dividends, (vii) general economic conditions and (viii) other factors deemed relevant by our Board. We are not obligated to pay dividends on our common stock and are subject to restrictions on paying dividends on our common stock.

We are a national bank incorporated under the law of the United States. As a national bank, our ability to pay dividends is subject to limitations under various federal and state laws, regulations and policies, including minimum capital and other requirements. We elect to follow, to the extent not inconsistent with applicable federal statutes or regulations, or safe and sound banking practices, the corporate governance procedures of DGCL. The DGCL requires that dividends be paid only out of “surplus,” which is defined as the fair market value of our net assets, minus our stated capital, or out of the current or the immediately preceding year’s earnings. Additionally, we are required by federal law to obtain prior approval of the OCC for payments of dividends if the total of all dividends declared by our Board in any year will exceed our net income earned during the current year combined with our retained net profits of the immediately preceding two years, less any transfers required by the OCC and any transfers required to be made to a fund for the retirement of any preferred stock. For further discussion of the dividend restrictions applicable to us, see “Supervision and Regulation—Dividends.”

In addition, under FDICIA, we may not pay any dividend if we are undercapitalized or the payment of the dividend would cause us to become undercapitalized. The OCC may further restrict the payment of dividends by requiring that we maintain a higher level of capital than we would otherwise be required to be adequately capitalized for regulatory purposes. The OCC has indicated that paying dividends that deplete a depository institution’s capital base to an inadequate level would be an unsafe banking practice. The OCC has also issued policy statements providing that insured depository institutions generally should pay dividends only out of current operating earnings.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read together with the section entitled "Prospectus Summary — Summary Historical Financial Information and Other Data" and our audited and unaudited financial statements and related notes thereto and other financial information included elsewhere in this prospectus. To the extent that this discussion describes prior performance, the descriptions relate only to the periods listed, which may not be indicative of our future financial outcomes. In addition to containing historical information, this discussion contains forward-looking statements that involve risks, uncertainties and assumptions that could cause results to differ materially from management's expectations. Factors that could cause such differences are discussed in the sections entitled "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors." We assume no obligation to update any of these forward-looking statements, except to the extent required by law. The information in this section does not give effect to the Stock Split.

Overview

We are a national banking association, organized under the laws of the United States, headquartered in Honolulu, Hawaii. Since 1925, as a community bank, we have served customers with a broad range of banking products primarily in Hawaii.

We are the third largest financial institution headquartered in Hawaii based on total assets of \$9.0 billion as of June 30, 2026. We provide banking, lending, and investment products and services to customers statewide, primarily through our network of 35 branches on all the major Hawaiian Islands, except Lanai, and also through our interactions with our customers through our mobile apps and online services. As a community bank, we strive to provide a high level of customer service to our diverse base of nearly 400,000 customers including all customers across all our products, meeting their banking needs through more accessible banking hours, a network of over 120 ATMs operated throughout the state, and our user-friendly online, telephone and mobile banking platforms. We strive to Make People's Dreams Possible.

Recent Developments

Dividend

On July 29, 2026, we announced a grant of a cash dividend for the period between April 1, 2026 and June 30, 2026 in the amount of \$1,945.00 per share to our stockholders of record as of July 29, 2026, totaling \$17,505,000. Such dividend was paid on August 7, 2026, to our stockholders of record as of July 29, 2026.

Key Factors Affecting Our Results of Operations and Financial Conditions

Our business and results of operations have in the past been and may in the future be impacted by a variety of factors, including (but not limited to) the following:

Economic Conditions

Our business and financial performance is broadly impacted by current and anticipated economic conditions at the national level and more directly impacted by these conditions within Hawaii. There is a considerable amount of uncertainty surrounding economic growth, geopolitical tensions, labor market conditions and inflation, among other economic factors relevant to our business, amidst evolving trade policies, including the imposition of tariffs, fiscal policy, and monetary policy. We continue to monitor these risks and seek to mitigate their impact. See "Risk Factors—Risks Related to Our Business."

Interest Rates

The amount of net interest income (as defined below) we earn is mainly determined by the average balances of interest-earning assets and interest-bearing liabilities, as well as the spread between the yield on those assets and the cost of those liabilities. These factors are influenced by the pricing and composition of both interest earning assets and

interest-bearing liabilities and, therefore, our net interest income is impacted by changes in interest rates as well as the speed with which these changes occur. See “Risk Factors—Risks Related to Our Business—Interest Rate Risks.”

Credit Quality

Credit quality reflects the existing and potential credit risk associated with our loan portfolio, and we seek to maintain prudent lending practices and actively manage nonperforming assets to reduce our risk of loss. See “Risk Factors—Risks Related to Our Business—Credit and Lending Risks.”

Competition

The industry, geography, and businesses in which we operate are highly competitive. We may see increased competition through more aggressive interest rates, underwriting standards, product offerings and structure. See “Risk Factors—Risks Related to Our Business—We operate in a highly competitive environment in terms of the products and services we offer and the geographic markets in which we compete.”

Regulatory Environment

We operate in a highly regulated environment, and nearly all of our operations are subject to extensive supervision and regulation. Bank regulatory agencies have authority to impose restrictions, limit activities or take other actions that could impact our business and results of operations. See “Supervision and Regulation” and “Risk Factors—Risks Related to Our Industry and Regulation.”

Operational Efficiency

Our profitability is supported by our operational efficiency, and we believe that our focus on operational efficiency is critical to our profitability and future growth. In addition, we are continuing our strategic initiative to modernize our digital banking service offerings, which is designed to further improve our operational efficiency. For the six months ended June 30, 2026 and 2025, our efficiency ratio was 61.00% and 446.39%, respectively, and our adjusted efficiency ratio was 60.24% and 61.93%, respectively. For the year ended December 31, 2025 and 2024, our efficiency ratio was 126.5% and 96.4%, respectively, and our adjusted efficiency ratio was 61.8% and 70.6%, respectively. See “—Non-GAAP Financial Measures Reconciliations.”

Following the completion of this offering, we expect to incur additional one-time and recurring expenses to support our operations as a standalone public company, including expenses related to compliance with applicable legal and financial reporting standards and expansion of our investor relations functions. These expenses may adversely affect our efficiency ratio.

Net Interest Income

Net interest income is our primary source of income and is the difference between the interest and fees earned on interest-earning assets and interest expense incurred on interest-bearing liabilities. It is impacted by the level of interest rates (pricing) and the volume and mix of interest-earning assets and interest-bearing liabilities. Interest rate spread and net interest margin are utilized to measure and explain changes in net interest income. Interest rate spread is the difference between the yield on interest-earning assets and the rate paid for interest-bearing liabilities that fund those assets.

Net Interest Margin

The net interest margin is expressed as the percentage of net interest income to average interest-earning assets. The net interest margin exceeds the interest rate spread because noninterest-bearing sources of funds, principally noninterest-bearing demand deposits and stockholders’ equity, also support interest-earning assets.

Provision (Benefit) for Credit Losses

The provision (benefit) for credit losses is an expense charged to earnings necessary to maintain an allowance for credit losses that reflects management’s estimate of expected credit losses in the loan portfolio and to cover expected losses related to unfunded credit facilities.

Noninterest Income

Noninterest income comprises fees and commissions that are received from the products and services we provide to our customers. This includes service charges on deposit accounts, other service charges and fees, income from investment services, and mortgage banking income. Other components of noninterest income include bank-owned life insurance, gain or loss on investment securities, loss on sale of consumer loans and other income.

Noninterest Expense

Our noninterest expense consists primarily of salaries and employee benefits, occupancy, data processing, services, equipment, marketing, and FDIC insurance expense. Other components of this amount are office supplies, printing, postage and other expenses.

Loan Portfolio

Our loan portfolio includes all loans we hold for investment, carried at the outstanding principal balance of the loans, net of any deferred origination fees and related costs. Interest on loans is accrued and credited to income based on the principal amount outstanding, using primarily a simple interest calculation. Loan and commitment fees, net of associated costs, are deferred and amortized over the life of the loans, shown as an adjustment to interest income.

We perform internal loan reviews and grading on an ongoing basis. The review provides management with periodic information as to the quality of the loan portfolio and effectiveness of its lending policies and procedures. The objectives of the loan review and grading procedures are to identify, in a timely manner, existing or emerging credit trends so that appropriate steps can be initiated to manage risk and avoid or minimize future losses. Loans subject to grading include commercial & industrial, commercial real estate and commercial construction loans. Larger loans and loans rated as involving higher risks may be subject to more frequent review and monitoring processes.

Modifications for Borrowers Experiencing Financial Difficulty

When borrowers are experiencing financial difficulty, we may agree to modify the contractual terms of a loan to a borrower to assist the borrower in repaying the principal and interest owed to us. The modification of loans to borrowers experiencing financial difficulty is generally in the form of term extensions, repayment plans, payment deferrals, forbearance agreements, interest rate reductions, or any combination thereof.

Allowance for Credit Losses

We maintain an allowance for credit losses based on management's current estimate of expected losses on loans and other financial assets. We employ an average historical loss model which incorporates relevant information about past events, including historical credit loss experience on loans with similar risk characteristics, current conditions, and reasonable and supportable forecasts that affect the collectability of the remaining cash flows over the contractual term of the loans. Additionally, the allowance for credit losses considers other qualitative factors not included in historical loss rates or macroeconomic forecast such as changes in portfolio composition, underwriting practices, or significant unique events or conditions.

The allowance for credit loss is an estimate that is subject to uncertainty due to the various assumptions and judgments used in the estimation process. Actual losses may vary from these estimates. The allowance is evaluated on a quarterly basis by management. Changes to the allowance for credit losses are made by charges to the provision (benefit) for credit losses. Loans deemed to be uncollectable are charged-off against the allowance for credit losses. Recoveries of amounts previously charged-off are credited to the allowance for credit losses.

Investment Securities

We maintain a securities portfolio to enhance profitability, manage interest rate risk, provide liquidity, and comply with regulatory requirements. Securities are classified as trading, available-for-sale, or held-to-maturity. We invest primarily in high-quality, liquid securities guaranteed by the U.S. government, its agencies, or sponsored enterprises. Available-for-sale securities, which may be sold prior to maturity, are carried at fair value. Unrealized gains or losses, net of deferred taxes, are recorded as accumulated other comprehensive income in stockholders' equity.

Our Asset/Liability Committee (“ALCO”) has been authorized by our Board to oversee our investment portfolio to verify that our activities comply with our investment policy, which specifies overall objectives, acceptable investment types, duration and concentration limits, reporting and documentation requirements, among other items.

Customer Deposits

Our deposit types include savings and interest and noninterest-bearing demand deposits, money market, and time certificates.

Liquidity

The objective of our liquidity management strategy is to target the availability of cash sufficient to fund our operations and meet our present and future financial obligations at a reasonable cost. We monitor, evaluate and manage our liquidity utilizing relevant metrics, including readily available liquidity relative to collateralized or uncollateralized sources, our ability to meet short-term obligations in times of financial stress, wholesale funding availability and utilization, funding concentrations, and loan and deposit trends.

Capital

Our capital management strategy is designed to help facilitate having sufficient capital to support balance sheet growth while also maintaining reserves to absorb unexpected losses or write-downs that are risks inherent to the business of banking. Regulators assess our capital levels and classifications based on qualitative factors such as risk weightings, the components of capital, and other items. See “Supervision and Regulation” and “Risk Factors—Risks Related to Our Industry and Regulation.”

Financial Performance Highlights

The six months ended June 30, 2026 compared to the six months ended June 30, 2025 reflects 2.1% growth in loans, 4.2% growth in core deposits, partially offset by a 16.0% reduction in higher costing time certificates. During the six months ended June 30, 2026 compared to the same period in 2025, net income improved as net interest income, net interest margin, and noninterest income increased, partially offset by higher noninterest expense. The six months ended June 30, 2026 compared to the year ended December 31, 2025 reflects 2.5% growth in loans, 1.5% growth in core deposits, partially offset by 8.6% reduction in higher costing time certificates. The year ended December 31, 2025, reflects the execution of strategic initiatives to position us for the future and as a result reflects a reduction in investments, loans, total assets and total liabilities from the year ended December 31, 2024. Significant highlights include:

Results of Operations

The following table presents selected financials from our income statement and the performance ratios discussed below.

	At and for the six months ended June 30,		At and for the years ended December 31,	
	2026	2025	2025	2024
	(dollars in thousands)			
Income Statement Data:				
Interest income.....	\$ 177,337	\$ 177,248	\$ 353,033	\$ 349,044
Interest expense.....	27,876	39,849	69,904	100,169
Provision (benefit) for credit losses.....	4,347	5,079	(834)	(1,963)
Adjusted provision (benefit) for credit losses ⁽¹⁾	4,347	5,079	10,666	(1,963)
Noninterest income.....	43,930	(113,257)	(87,979)	69,528
Adjusted noninterest income ⁽¹⁾	43,930	36,612	81,808	69,528
Noninterest expense.....	117,962	107,767	246,856	307,009
Adjusted noninterest expense ⁽¹⁾	116,504	107,767	225,581	224,819
Income tax expense (benefit).....	15,354	(27,196)	(20,678)	1,040
Net income (loss)	55,728	(61,508)	(30,194)	12,317
Adjusted net income ⁽¹⁾	56,795	48,196	101,245	78,447

Performance Ratios:

	At and for the six months ended June 30,		At and for the years ended December 31,	
	2026	2025	2025	2024
	(dollars in thousands)			
Net interest margin ⁽²⁾	3.56%	3.20%	3.36%	2.81%
Return on average total assets ⁽²⁾	1.24%	(1.35)%	(0.34)%	0.13%
Adjusted return on average total assets ⁽¹⁾⁽²⁾	1.26%	1.06%	1.13%	0.84%
Return on average common stockholders' equity ⁽²⁾	16.39%	(21.29)%	(4.93)%	2.28%
Adjusted return on average common stockholders' equity ⁽¹⁾⁽²⁾	16.70%	16.68%	16.52%	14.55%
Return on average tangible common stockholders' equity ⁽¹⁾⁽²⁾	16.39%	(21.29)%	(4.93)%	2.47%
Adjusted return on average tangible common stockholders' equity ⁽¹⁾⁽²⁾	16.70%	16.68%	16.52%	15.72%

(1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures and for a reconciliation to the most directly comparable GAAP financial measures, see “—Non-GAAP Financial Measures Reconciliations.”

(2) Ratios for the six months ended June 30, 2026 and 2025 are presented on an annualized basis.

For the six months ended June 30, 2026:

Net interest income totaled \$149.5 million, an increase of \$12.1 million, or 8.8%, compared to \$137.4 million for the six months ended June 30, 2025. The increase in net interest income was primarily the result of deleveraging the balance sheet in 2025, the lower cost of deposits, and higher yield on interest-earning assets.

The provision (benefit) for credit losses was \$4.3 million, a decrease of \$0.7 million, or 14.4%, compared to \$5.1 million for the six months ended June 30, 2025. The reduction in the provision (benefit) for credit losses included lower reserves for the consumer portfolio primarily due to exit of the consumer purchased renewable energy portfolio in the second half of 2025 and the commercial real estate construction portfolio primarily due to the payoff of a nonperforming commercial real estate loan, partially offset by higher reserves on substandard and special mention loans in the commercial real estate portfolio, in addition to loan growth, during the six months ended June 30, 2026.

Noninterest income totaled \$43.9 million, an increase of \$157.2 million, or 138.8%, compared to (\$113.3) million for the six months ended June 30, 2025. The increase in noninterest income was primarily related to the loss on sale of investment securities and loss on sale of our consumer mainland solar and home improvement loan portfolio that occurred in the prior year. Adjusted noninterest income was \$43.9 million, an increase of \$7.3 million, or 20.0%, compared to \$36.6 million for the six months ended June 30, 2025. The increase was primarily due to higher bank owned life insurance income, income from investment services and other service charges and fees. See “—Non-GAAP Financial Measures Reconciliations.”

Noninterest expenses were \$118.0 million, an increase of \$10.2 million, or 9.5%, compared to \$107.8 million for the six months ended June 30, 2025. The increase was primarily due to higher salaries including deferred compensation, annual merit increases and higher professional services expense relating to this prospectus included in other expenses, partially offset by lower FDIC insurance and a pension plan settlement credit. Adjusted noninterest expense was \$116.5 million, an increase of \$8.7 million, or 8.1%, compared to \$107.8 million for the six months ended June 30, 2025. The increase was driven by higher salaries and other expense, partially offset by lower FDIC insurance. See “—Non-GAAP Financial Measures Reconciliations.”

Income tax expense (benefit) was \$15.4 million, an increase of \$42.6 million, or 156.5%, compared to (\$27.2) million for the six months ended June 30, 2025. The effective tax rate was 21.6% for the six months ended June 30, 2026, compared to 30.7% for the six months ended June 30, 2025. The increase in income tax expense and decrease in effective tax rate were primarily due to the pre-tax loss in 2025.

Net income totaled \$55.7 million, an increase of \$117.2 million, or 190.6%, compared to a net loss of \$61.5 million for the six months ended June 30, 2025. The increase was primarily due to the 2025 balance sheet initiatives resulting in after-tax losses on sale of securities of \$109.7 million in 2025, in addition to lower interest expense on borrowings and deposits. Adjusted net income totaled \$56.8 million, an increase of \$8.6 million, or 17.8%, compared to \$48.2 million for the six months ended June 30, 2025. The increase was

primarily driven by an 8.78%, or \$12.1 million, increase in net interest income and a 20.0%, or \$7.3 million, increase in adjusted noninterest income, partially offset by an 8.1%, or \$8.7 million, increase in adjusted noninterest expense. See “—Non-GAAP Financial Measures Reconciliations.”

Net interest margin was 3.56%, an increase of 36 basis points compared to 3.20% for the six months ended June 30, 2025. The increase was primarily due to improved yields on assets, along with reduced funding costs following execution of our balance sheet deleveraging activities and lower yield on deposits.

Return on average total assets was 1.24%, compared to (1.35)% for the six months ended June 30, 2025. Adjusted return on average total assets was 1.26%, compared to 1.06% for the six months ended June 30, 2025. See “—Non-GAAP Financial Measures Reconciliations.”

Return on average common stockholders’ equity was 16.39%, compared to (21.29)% for the six months ended June 30, 2025. Adjusted return on average common stockholders’ equity was 16.70%, compared to 16.68% for the six months ended June 30, 2025. See “—Non-GAAP Financial Measures Reconciliations.”

Return on average tangible common stockholders’ equity was 16.39% compared to (21.29)% for the six months ended June 30, 2025. Adjusted return on average tangible common stockholders’ equity was 16.70% compared to 16.68% for the six months ended June 30, 2025. See “—Non-GAAP Financial Measures Reconciliations.”

For the year ended December 31, 2025:

Net interest income totaled \$283.1 million, an increase of \$34.2 million, or 13.8%, compared to \$248.9 million for the year ended December 31, 2024. The increase was primarily driven by lower interest expense on borrowings and deposits, along with an increase in interest income on loans and deposits in other financial institutions, partially offset by reduced interest income on investments.

The provision (benefit) for credit losses was \$(0.8) million compared to a negative \$2.0 million for the year ended December 31, 2024. *Adjusted provision (benefit) for credit losses* was \$10.7 million, an increase of \$12.6 million or 643.4% compared to \$2.0 million benefit for the year ended December 31, 2024. The increase in provision (benefit) for credit losses and adjusted provision (benefit) for credit losses was primarily due to an increase in estimated losses for residential mortgage loans, individually evaluated commercial real estate portfolio, and unfunded commitments. See “—Non-GAAP Financial Measures Reconciliations.”

Noninterest income totaled \$(88.0) million, a decrease of \$157.5 million, or 226.5%, compared to \$69.5 million for the year ended December 31, 2024. The decrease was primarily due to loss on the sale of investment securities of \$149.9 million, and loss on the sale of the consumer mainland solar and home improvement loan portfolio of \$19.9 million. *Adjusted noninterest income* was \$81.8 million, an increase of \$12.3 million, or 17.7%, compared to \$69.5 million for the year ended December 31, 2024. The increase was primarily due to higher debit card interchange and investment services fees. See “—Non-GAAP Financial Measures Reconciliations.”

Noninterest expenses were \$246.9 million, a decrease of \$60.1 million, or 19.6%, compared to \$307.0 million for the year ended December 31, 2024. The decrease was primarily due to the \$82.2 million write-off of goodwill in 2024, partially offset by the \$21.3 million pension plan settlement charge in 2025. *Adjusted noninterest expense* was \$225.6 million, an increase of \$0.8 million, or 0.3%, compared to \$224.8 million for the year ended December 31, 2024. The increase was driven by higher salaries, occupancy, security, and insurance expenses. See “—Non-GAAP Financial Measures Reconciliations.”

Income tax expense (benefit) was \$(20.7) million, a decrease of \$21.7 million, or 2,088.3%, compared to \$1.0 million for the year ended December 31, 2024. The effective tax rate was 40.6% for the year ended December 31, 2025, compared to 7.8% for the year ended 2024. The decrease in income tax expense and increase in effective tax rate were primarily due to the pre-tax loss in the three-months ended September 30, 2025.

Net income (loss) totaled \$(30.2) million, a decrease of \$42.5 million, or 345.1%, compared to \$12.3 million for the year ended December 31, 2024. The decrease was primarily due to the balance sheet initiatives resulting in after-tax losses on sale of securities of \$109.7 million, loss on sale of consumer loans of \$14.6 million and pension settlement charges of \$15.6 million, partially offset by the reversal of allowance for credit losses in

connection with the sale of consumer loans of \$8.4 million. *Adjusted net income* totaled \$101.2 million, an increase of \$22.8 million, or 29.1%, compared to \$78.4 million for the year ended December 31, 2024. The increase was primarily driven by the 14.6% increase in adjusted total revenue, or \$46.5 million, partially offset by a 643.4% increase in the provision (benefit) for credit losses and by a 0.3% increase in adjusted noninterest expense. See “—Non-GAAP Financial Measures Reconciliations.”

Net interest margin was 3.36%, an increase of 55 basis points compared to 2.81% for the year ended December 31, 2024. The increase was primarily due to improved yields on assets, along with reduced funding costs following execution of our balance sheet repositioning activities.

Return on average total assets was (0.34)%, compared to 0.13% for the year ended December 31, 2024. *Adjusted return on average total assets* was 1.13%, compared to 0.84% for the year ended December 31, 2024. See “—Non-GAAP Financial Measures Reconciliations.”

Return on average common stockholders’ equity was (4.93)%, compared to 2.28% for the year ended December 31, 2024. *Adjusted return on average common stockholders’ equity* was 16.52%, compared to 14.55% for the year ended December 31, 2024. See “—Non-GAAP Financial Measures Reconciliations.”

Return on average tangible common stockholders’ equity was (4.93)% compared to 2.47% for the year ended December 31, 2024. *Adjusted return on average tangible common stockholders’ equity* was 16.52% compared to 15.72% for the year ended December 31, 2024. See “—Non-GAAP Financial Measures Reconciliations.”

Financial Condition

The following table presents selected financials from our balance sheet and the credit quality and capital ratios discussed below.

	At and for the six months ended June 30,		At and for the years ended December 31,	
	2026	2025	2025	2024
	(dollars in thousands)			
Balance Sheet Data:				
Total assets	\$ 9,049,160	\$ 8,813,856	\$ 8,979,486	\$ 9,290,946
Total loans ⁽¹⁾	6,238,473	6,092,423	6,083,247	6,114,721
Total investment securities	1,941,761	1,794,145	1,857,737	2,160,957
Total liabilities	8,356,664	8,196,890	8,309,610	8,744,488
Total deposits	8,191,488	8,004,334	8,137,022	8,032,407
Stockholders’ equity	692,496	616,966	669,876	546,458
Asset Quality Ratios:				
Nonperforming loans / total loans	0.19%	0.23%	0.47%	0.41%
Allowance for credit losses / total loans	0.99%	1.08%	0.95%	1.05%
Capital Ratios:				
Tier 1 leverage ratio	9.10%	8.64%	9.00%	8.86%
Common equity tier 1 ratio	13.49%	12.79%	13.46%	13.68%
Tier 1 capital ratio	13.49%	12.79%	13.46%	13.68%
Total capital ratio	14.59%	13.96%	14.52%	14.71%
Tangible common stockholders’ equity ratio	7.65%	7.00%	7.46%	5.88%

(1) Not including loans held-for-sale

As of June 30, 2026:

Total assets increased by \$69.7 million, or 0.78%, from December 31, 2025 including growth in loans, investment securities and cash, partially offset by reduction in interest-bearing deposits in other financial institutions.

Total loans increased by \$155.2 million, or 2.5%, from December 31, 2025 including growth in the commercial real estate, commercial & industrial loans, residential and consumer loans, partially offset by declines in HELOC loans.

Total investment securities increased by \$84.0 million, or 4.5%, from December 31, 2025. As of June 30, 2026, approximately 98.0% of our investment portfolio consisted of securities guaranteed by the U.S. government, its agencies, or sponsored enterprises. Available-for-sale securities represented 44.6% of our total portfolio.

Total liabilities increased by \$47.1 million, or 0.57%, from December 31, 2025 including \$54.5 million increase in deposits, partially offset by lower accrued expenses due to timing.

Total deposits increased by \$54.5 million, or 0.67%, from December 31, 2025 including \$112.3 million increase in savings, money market and noninterest- and interest-bearing checking accounts, partially offset by \$57.8 million reduction in time certificates.

Stockholders' equity increased by \$22.6 million, or 3.4%, from December 31, 2025.

As of December 31, 2025:

Total assets decreased by \$311.5 million, or 3.4%, from December 31, 2024.

Total loans totaled \$6.1 billion as of December 31, 2025 and 2024.

Total investment securities decreased by \$303.2 million, a decrease of 14.0% from December 31, 2024. As of December 31, 2025, approximately 97.5% of our investment portfolio consisted of securities guaranteed by the U.S. government, its agencies, or sponsored enterprises. Available-for-sale securities represented 40.7% of our total portfolio.

Total liabilities decreased by \$434.9 million, a decrease of 5.0% from December 31, 2024. The decrease was primarily due to the payoff of FHLB advances totaling \$520.0 million.

Total deposits increased by \$104.6 million, an increase of 1.3% from December 31, 2024. The increase was primarily due to growth in interest and noninterest-bearing demand, money market, and savings deposits, partially offset by a decrease in time certificates.

Stockholders' equity grew by \$123.4 million, an increase of 22.6% from December 31, 2024.

Credit Quality. Nonperforming loans represented 0.19%, 0.47% and 0.41% of total loans as of June 30, 2026, December 31, 2025 and 2024, respectively, which was well below the allowance for credit losses of 0.99%, 0.95% and 1.05% of total loans as of June 30, 2026, December 31, 2025 and 2024, respectively. Year to date net charge-off represented 0.01%, 0.08% and 0.15% of average loans annualized as of June 30, 2026, December 31, 2025 and December 31, 2024, respectively.

Liquidity. Total readily available liquidity sources include cash reserves at the Federal Reserve Bank ("FRB"), advance credit available from the Federal Home Loan Bank ("FHLB") ("FHLB Advance Capacity") and unencumbered securities lending value. Total readily available liquidity was \$3.9 billion as of June 30, 2026 and December 31, 2025.

Total readily available liquidity as of December 31, 2025 was \$3.9 billion, an increase of \$0.8 billion, or 25.8%, from December 31, 2024. The increase was primarily due to an increase in the FHLB Advance Capacity and unencumbered securities lending value.

Capital. Our Tier 1 leverage ratio was 9.10% as of June 30, 2026, representing \$461.2 million of additional capital compared to a 4.0% regulatory capital adequacy requirement. Our CET 1 capital ratio was 13.49% as of June 30, 2026, representing approximately \$548.2 million of additional capital compared to a 4.5% regulatory capital adequacy requirement. Our Tier 1 capital ratio was 13.49% as of June 30, 2026, representing \$456.8 million of additional capital compared to a 6.0% regulatory capital adequacy requirement. Our total capital ratio was 14.59% as of June 30, 2026, representing \$401.6 million of additional capital compared to an 8.0% regulatory capital adequacy requirement.

Our Tier 1 leverage ratio was 9.00% as of December 31, 2025, representing \$445.3 million of additional capital compared to a 4.0% regulatory capital adequacy requirement. Our CET 1 capital ratio was 13.46% as of December 31, 2025, representing approximately \$533.8 million of additional capital compared to a 4.5% regulatory capital adequacy requirement. Our Tier 1 capital ratio was 13.46% as of December 31, 2025, representing \$444.5 million of

additional capital compared to a 6.0% regulatory capital adequacy requirement. Our total capital ratio was 14.52% as of December 31, 2025, representing \$388.1 million of additional capital compared to an 8.0% regulatory capital adequacy requirement.

Our total capital ratio was 14.71% as of December 31, 2024, representing \$410.1 million of additional capital compared to an 8.0% regulatory capital adequacy requirement. Our Tier 1 capital ratio was 13.68% as of December 31, 2024, representing \$469.1 million of additional capital compared to a 6.0% regulatory capital adequacy requirement. Our CET1 capital ratio was 13.68% as of December 31, 2024, representing approximately \$560.8 million of additional capital compared to a 4.5% regulatory capital adequacy requirement. Our Tier 1 leverage ratio was 8.86% as of December 31, 2024, representing \$458.3 million of additional capital compared to a 4.0% regulatory capital adequacy requirement.

In addition, as of June 30, 2026, December 31, 2025, and December 31, 2024, each of our capital ratios exceeded the threshold for “well capitalized” status under the FDIC’s prompt corrective action framework. See “—Capital Management.”

Non-GAAP Financial Measures Reconciliations

To supplement our financial statements prepared and presented in accordance with generally accepted accounting principles in the United States, or GAAP, we use certain non-GAAP financial measures, as described below, to facilitate analysis of our financial and business trends and for internal planning and forecasting purposes. We are presenting these non-GAAP financial measures because we believe, when taken collectively, they may be helpful to investors because they provide consistency and comparability with past financial performance by excluding certain items that may not be indicative of our business, results of operations or outlook.

Non-GAAP financial measures have limitations in their usefulness to investors because they have no standardized meaning prescribed by GAAP and are not prepared under any comprehensive set of accounting rules or principles. In addition, other companies, including companies in our industry, may calculate similarly titled non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. As a result, our non-GAAP financial measures are presented for supplemental informational purposes only and should not be considered in isolation or as a substitute for our financial statements presented in accordance with GAAP.

Adjusted provision (benefit) for credit losses is defined as provision (benefit) for credit losses excluding release of allowance for credit losses for the sale of our consumer mainland solar and home improvement loan portfolio. We believe this measure allows investors to assess the credit quality of our loan portfolio, exclusive of activities unrelated to our ordinary business.

The following table presents the reconciliation of our adjusted provision (benefit) for credit losses.

	For the six months ended June 30,		For the years ended December 31,	
	2026	2025	2025	2024
	(dollars in thousands)			
Provision (benefit) for credit losses.....	\$ 4,347	\$ 5,079	\$ (834)	\$ (1,963)
Adjustments to allowance for credit losses:				
Sale of consumer loans	-	-	11,500	-
Adjusted provision (benefit) for credit losses ⁽¹⁾	<u>\$ 4,347</u>	<u>\$ 5,079</u>	<u>\$ 10,666</u>	<u>\$ (1,963)</u>

(1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures and for a reconciliation to the most directly comparable GAAP financial measures, see “—Non-GAAP Financial Measures Reconciliations.”

Adjusted noninterest income is defined as noninterest income, excluding loss on sale of investment securities and loss on sale of our consumer mainland solar and home improvement loan portfolio. These adjustments resulted from certain balance sheet repositioning activities during the periods presented that we consider to be outside of the ordinary course of business. We believe this measure allows investors to assess our noninterest income, exclusive of activities unrelated to our ordinary course business activities.

Adjusted total revenue is defined as total revenue, excluding loss on sale of investment securities and loss on the sale of our consumer mainland solar and home improvement loan portfolio. These adjustments resulted from certain balance sheet repositioning activities during the periods presented that we consider to be outside of the ordinary course of business. We believe this measure allows investors to assess our revenue, exclusive of activities unrelated to our ordinary course business activities.

The following table presents the reconciliation of adjusted noninterest income and adjusted total revenue.

	For the six months ended June 30,		For the years ended December 31,	
	2026	2025	2025	2024
(dollars in thousands)				
Noninterest income	\$ 43,930	\$ (113,257)	\$ (87,979)	\$ 69,528
Less:				
Loss on sale of investment securities, net	-	(149,869)	(149,869)	-
Loss on sale of consumer loans	-	-	(19,918)	-
Adjusted noninterest income ⁽¹⁾	<u>\$ 43,930</u>	<u>\$ 36,612</u>	<u>\$ 81,808</u>	<u>\$ 69,528</u>
Net interest income	\$ 149,461	\$ 137,399	\$ 283,129	\$ 248,875
Noninterest income	43,930	(113,257)	(87,979)	69,528
Total revenue	193,391	24,142	195,150	318,403
Less:				
Loss on sale of investment securities, net	-	(149,869)	(149,869)	-
Loss on sale of consumer loans	-	-	(19,918)	-
Adjusted total revenue ⁽¹⁾	<u>\$ 193,391</u>	<u>\$ 174,011</u>	<u>\$ 364,937</u>	<u>\$ 318,403</u>

- (1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures and for a reconciliation to the most directly comparable GAAP financial measures, see “—Non-GAAP Financial Measures Reconciliations.”

Adjusted noninterest expense Adjusted noninterest expense is defined as noninterest expense, excluding pension plan settlement charge, and goodwill impairment. These adjustments resulted from certain strategic activities during the periods presented that we consider to be outside of the ordinary course of business. Adjusted noninterest expense also excludes one-time professional services expense incurred relating to this prospectus that we consider to be outside of the ordinary course of business.

Efficiency ratio is defined as noninterest expense divided by total revenue. We believe this measure is useful to investors because it is commonly used by investors and analysts to evaluate banking organizations’ operating efficiency and expense discipline.

Adjusted efficiency ratio is defined as adjusted noninterest expense divided by adjusted total revenue. We believe this measure allows investors to assess our operational efficiency, exclusive of the impact of activities unrelated to our ordinary course business.

The following table presents the reconciliation of adjusted noninterest expense, efficiency ratio and adjusted efficiency ratio.

	For the six months ended June 30,		For the years ended December 31,	
	2026	2025	2025	2024
(dollars in thousands)				
Total revenue	\$193,391	\$24,142	\$195,150	\$318,403
Adjusted total revenue ⁽¹⁾	<u>\$ 193,391</u>	<u>\$ 174,011</u>	<u>\$ 364,937</u>	<u>\$ 318,403</u>
Noninterest expense.....	\$ 117,962	\$ 107,767	\$ 246,856	\$ 307,009
Less:				
Goodwill impairment.....	-	-	-	82,190
Pension plan settlement charge.....	(717)	-	21,275	-
Professional services.....	2,175	-	-	-
Adjusted noninterest expense ⁽¹⁾	<u>\$ 116,504</u>	<u>\$ 107,767</u>	<u>\$ 225,581</u>	<u>\$ 224,819</u>
Efficiency ratio	61.0%	446.4%	126.5%	96.4%

	For the six months ended June 30,		For the years ended December 31,	
	2026	2025	2025	2024
	(dollars in thousands)			
Adjusted efficiency ratio ⁽¹⁾	60.2%	61.9%	61.8%	70.6%

- (1) Adjusted total revenue is reconciled above. These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures and for a reconciliation to the most directly comparable GAAP financial measures, see “—Non-GAAP Financial Measures Reconciliations.”

Adjusted net income is defined as net income, excluding the effect of the loss on sale of investment securities, loss on the sale of our consumer mainland solar and home improvement loan portfolio, pension plan settlement charge, provision (benefit) for credit losses, and goodwill impairment, net of taxes. These adjustments resulted from certain strategic activities during the periods presented that we consider to be outside of the ordinary course of business. Adjusted net income also excludes one-time professional services expense incurred relating to this prospectus. These adjustments exclude from net income the impact of such items that we do not believe are representative of our results of operation and enhance the overall understanding of our past and future performance.

Adjusted return on average total assets is defined as the ratio of adjusted net income divided by average assets. We believe this ratio measures our ability to generate profits from our assets, exclusive of the impact of activities unrelated to our ordinary course business activities.

Adjusted return on average common stockholders’ equity is defined as the ratio of adjusted net income divided by average common stockholders’ equity. We believe this ratio measures our ability to generate profits from our common stockholders’ equity, exclusive of the impact of activities unrelated to our ordinary course business activities.

Return on average tangible common stockholders’ equity is defined as net income divided by average tangible common stockholders’ equity. We believe return on average tangible common stockholders’ equity is useful to investors because it is commonly used by investors and analysts to evaluate banking organizations’ profitability and capital efficiency by measuring returns generated on a tangible common equity base.

Adjusted return on average tangible common stockholders’ equity is defined as the ratio of adjusted net income divided by average tangible common stockholders’ equity. We believe this ratio measures our ability to generate profits from our tangible common stockholders’ equity, exclusive of the impact of activities unrelated to our ordinary course business activities.

Tangible common stockholders’ equity to tangible assets is defined as tangible common stockholders’ equity divided by tangible assets. We believe this measure is useful to investors because it is commonly used by investors and analysts to evaluate banking organizations’ capital adequacy and balance sheet leverage on a tangible common equity basis.

The following table presents the reconciliation of adjusted net income, adjusted return on average total assets, adjusted return on average common stockholders’ equity and adjusted return on average tangible common stockholders’ equity.

	For the six months ended June 30,		For the years ended December 31,	
	2026	2025	2025	2024
	(dollars in thousands)			
Net income (loss)	\$ 55,728	\$ (61,508)	\$ (30,194)	\$ 12,317
Add:				
Loss on sale of investment securities	-	149,869	149,869	-
Loss on sale of consumer loans	-	-	19,918	-
Pension plan settlement charge.....	-	-	21,275	-
Goodwill impairment.....	-	-	-	82,190
Professional services.....	2,175	-	-	-
Less:				
Provision (benefit) for credit losses.....	-	-	(11,500)	-
Pension plan settlement charge.....	(717)	-	-	-
Tax effect of adjustments ⁽¹⁾	(391)	(40,165)	(48,123)	(16,060)

	For the six months ended June 30,		For the years ended December 31,	
	2026	2025	2025	2024
	(dollars in thousands)			
Adjusted net income ⁽²⁾	\$ 56,795	\$ 48,196	\$ 101,245	\$ 78,447
Average total assets	\$ 8,982,704	\$ 9,078,850	\$ 8,957,392	\$ 9,315,383
Return on average total assets ⁽³⁾	1.24%	(1.35)%	(0.34)%	0.13%
Adjusted return on average total assets ⁽²⁾⁽³⁾	1.26%	1.06%	1.13%	0.84%
Average common stockholders' equity	\$ 680,174	\$ 577,821	\$ 612,889	\$ 539,268
Return on average common stockholders' equity ⁽³⁾	16.39%	(21.29)%	(4.93)%	2.28%
Adjusted return on average common stockholders' equity ⁽²⁾⁽³⁾	16.70%	16.68%	16.52%	14.55%
Average common stockholders' equity	\$ 680,174	\$ 577,821	\$ 612,889	\$ 539,268
Average goodwill	-	-	-	(40,197)
Average tangible common stockholders' equity	\$ 680,174	\$ 577,821	\$ 612,889	\$ 499,071
Return on average tangible common stockholders' equity ⁽²⁾⁽³⁾	16.39%	(21.29)%	(4.93)%	2.47%
Adjusted return on average tangible common stockholders' equity ⁽²⁾⁽³⁾	16.70%	16.68%	16.52%	15.72%

(1) Federal and state statutory tax rate of 26.80% used for all periods.

(2) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures and for a reconciliation to the most directly comparable GAAP financial measures, see “—Non-GAAP Financial Measures Reconciliations.”

(3) Ratios for the six months ended June 30, 2026 and 2025 are presented on an annualized basis.

Discussion and Analysis of Results of Operations

Net Interest Income and Net Interest Margin

The following table summarizes the distribution of average balances, average yields and costs, and changes in net interest income. Average balances are daily average balances and include nonaccrual loans. The table below includes the effect of deferred fees and expenses, discounts and premiums that are amortized or accreted to interest income or expense.

	Six Months Ended June 30,					
	2026			2025		
	Average balance	Interest income/ expense	Yield/ rate % ⁽⁵⁾	Average balance	Interest income/ expense	Yield/ rate % ⁽⁵⁾
	(dollars in thousands)					
Assets						
Interest-earning deposits	\$ 134,835	\$ 2,471	3.65	\$ 326,398	\$ 7,217	4.40
FHLB and FRB stock	16,318	489	6.01	18,184	788	8.74
Investment securities						
Taxable	2,080,436	23,461	2.26	2,131,480	19,565	1.84
Non-taxable	63,677	880	2.76	65,200	944	2.89
Total investment securities	2,144,113	24,341	2.27	2,196,680	20,509	1.87
Loans						
Residential mortgage	2,741,521	59,120	4.31	2,620,995	54,416	4.15
Commercial real estate	1,530,648	37,471	4.88	1,435,602	36,676	5.10
Home equity line of credit	928,087	21,397	4.65	949,705	21,688	4.61
Residential land	13,847	581	8.40	16,797	616	7.34
Commercial construction	189,955	6,430	6.76	197,750	6,872	6.94
Commercial & Industrial	617,148	17,590	5.72	650,336	18,967	5.85
Consumer	112,256	8,066	14.49	208,954	10,132	9.76
Total loans ^{(1),(2)}	6,133,462	150,655	4.92	6,080,139	149,367	4.92

Six Months Ended June 30,						
	2026			2025		
	Average balance	Interest income/ expense	Yield/ rate % ⁽⁵⁾	Average balance	Interest income/ expense	Yield/ rate % ⁽⁵⁾
(dollars in thousands)						
Total interest-earning assets ⁽³⁾	8,428,728	\$ 177,956	4.23	8,621,401	\$ 177,881	4.13
Allowance for credit losses..	(58,364)			(64,381)		
Noninterest-earning assets.....	612,340			521,830		
Total assets.....	<u>\$ 8,982,704</u>			<u>\$ 9,078,850</u>		
Liabilities and stockholders' equity						
Interest-bearing deposits						
Savings.....	\$ 2,800,746	\$ 7,503	0.54	\$ 2,703,087	\$ 6,006	0.45
Interest-bearing checking	1,634,149	6,307	0.78	1,476,162	5,509	0.75
Money market	555,077	6,681	2.43	506,702	7,892	3.14
Time certificates	648,672	7,364	2.29	874,114	13,753	3.17
Total interest-bearing deposits.....	5,638,644	27,855	1.00	5,560,065	33,160	1.20
Advances from Federal Home Loan Bank	1,064	21	3.84	277,790	6,689	4.79
Federal Funds Purchased	5	—	3.75	—	—	—
Total interest-bearing liabilities....	5,639,713	27,876	1.00	5,837,855	39,849	1.37
Noninterest-bearing liabilities						
Deposits	2,494,725			2,473,769		
Other	168,087			189,405		
Stockholders' equity	680,179			577,821		
Total liabilities and stockholders' equity	<u>\$ 8,982,704</u>			<u>\$ 9,078,850</u>		
Net interest income		<u>\$ 150,080</u>			<u>\$ 138,032</u>	
Net interest margin (%) ⁽⁴⁾			<u>3.56</u>			<u>3.20</u>

Years ended December 31,						
	2025			2024		
	Average balance	Interest income/ expense	Yield/ rate %	Average balance	Interest income/ expense	Yield/ rate %
(dollars in thousands)						
Assets						
Interest-earning deposits.....	\$ 253,340	\$ 11,028	4.35	\$ 167,326	\$ 8,851	5.29
FHLB and FRB stock	12,301	986	8.02	26,379	2,319	8.79
Investment securities						
Taxable	2,031,156	39,424	1.94	2,574,885	43,164	1.68
Non-taxable	64,819	1,871	2.89	66,303	2,038	3.07
Total investment securities	2,095,975	41,295	1.97	2,641,188	45,202	1.71
Loans.....						
Residential mortgage.....	2,646,022	110,724	4.18	2,615,927	103,826	3.97
Commercial real estate.....	1,452,075	73,726	5.08	1,385,478	68,056	4.91
Home equity line of credit	947,009	44,060	4.65	981,826	44,514	4.53
Residential land	16,306	1,267	7.77	19,122	1,209	6.32
Commercial construction	203,387	14,330	7.05	179,066	14,561	8.13
Commercial & Industrial	646,503	38,005	5.88	669,515	40,127	5.99
Consumer	181,784	18,938	10.42	229,284	21,796	9.51
Total loans ^{(1),(2)}	6,093,086	301,050	4.94	6,080,218	294,089	4.84
Total interest-earning assets ⁽³⁾ ...	8,454,702	<u>\$ 354,359</u>	<u>4.19</u>	8,915,111	<u>\$ 350,461</u>	<u>3.93</u>
Allowance for credit losses.....	(61,798)			(68,873)		
Noninterest-earning assets.....	564,488			469,145		
Total assets.....	<u>\$ 8,957,392</u>			<u>\$ 9,315,383</u>		
Liabilities and stockholders' equity						
Interest-bearing deposits.....						
Savings	\$ 2,733,139	\$ 13,251	0.48	\$ 2,672,184	\$ 6,709	0.25
Interest-bearing checking.....	1,500,495	11,421	0.76	1,399,206	11,866	0.85
Money market	519,172	15,691	3.02	391,659	14,372	3.67
Time certificates.....	791,904	22,851	2.89	1,032,737	39,780	3.85

	Years ended December 31,					
	2025			2024		
	Average balance	Interest income/ expense	Yield/ rate %	Average balance	Interest income/ expense	Yield/ rate %
Total interest-bearing deposits.....	5,544,710	63,214	1.14	5,495,786	72,727	1.32
Advances from Federal Home Loan Bank	137,756	6,690	4.86	457,637	22,248	4.86
Federal Bank Term Funding.....	-	-	-	118,443	5,193	4.38
Federal Funds Purchased	3	-	4.50	27	1	5.08
Total interest-bearing liabilities	5,682,469	69,904	1.23	6,071,893	100,169	1.65
Noninterest-bearing liabilities						
Deposits.....	2,471,432			2,486,967		
Other.....	190,602			217,255		
Stockholders' equity.....	612,889			539,268		
Total liabilities and stockholders' equity	\$ 8,957,392			\$ 9,315,383		
Net interest income		\$ 284,455			\$ 250,292	
Net interest margin (%) ⁽⁴⁾			3.36			2.81

- (1) Includes loans held for sale, at lower cost or fair value, of \$2.3 million, \$1.4 million, \$7.5 million, and \$8.6 million at June 30, 2026 and 2025, December 31, 2025 and 2024, respectively.
- (2) Includes recognition of net deferred loan fees of \$1.0 million, \$1.1 million, \$2.3 million, and \$2.7 million for the six months ended June 30, 2026 and 2025, and for the year ended December 31, 2025 and 2024 respectively, together with interest accrued prior to suspension of interest accrual on nonaccrual loans. Includes nonaccrual loans.
- (3) The taxable-equivalent basis adjustments were not material.
- (4) Defined as net interest income as a percentage of average interest-earning assets.
- (5) Average yields and costs for the six months ended June 30, 2026 and 2025 are presented on an annualized basis.

Net interest income, on a fully taxable-equivalent basis, was \$150.1 million for the six months ended June 30, 2026, an increase of \$12.0 million or 8.7% as compared to the same period in 2025. Our net interest margin was 3.56% for the six months ended June 30, 2026, an increase of 36 basis points compared to the same period in 2025. The increase in net interest income, on a fully taxable-equivalent basis reflects the execution of strategic initiatives that resulted in a change in asset mix with \$53 million growth in loans, a reduction in lower yielding investments and interest-earning deposits, and the payoff of higher costing wholesale funding in 2025.

Net interest income, on a fully taxable-equivalent basis, was \$284.5 million for the year ended December 31, 2025, an increase of \$34.2 million or 13.6% as compared to the same period in 2024. Our net interest margin was 3.36% for the year ended December 31, 2025, an increase of 55 basis points as compared to 2024. The increase in net interest income, on a fully taxable-equivalent basis, was primarily due to our balance sheet deleveraging strategy with the sale of approximately \$735 million lower-yielding securities and the use of the proceeds to pay off \$520 million FHLB Advances yielding 4.82% and pay off \$63.9 million broker deposits yielding 5.56%.

The yield on interest-earning assets for the six months ended June 30, 2026 was 4.23%, an increase of 10 basis points compared to 4.13% for the six months ended June 30, 2025. The increase in yield on interest-earning assets was primarily driven by the 2025 repositioning of the investment portfolio executed with the sale of approximately \$735 million lower yielding investment securities, and the purchase of higher-yielding securities. The yield on investment securities for the six months ended June 30, 2026 was 2.27%, an increase of 40 basis points compared to 1.87% for the six months ended June 30, 2025. The yield on the loan portfolio for the six months ended June 30, 2026 was 4.92%, unchanged from the six months ended June 30, 2025. The cost of interest-bearing liabilities for the six months ended June 30, 2026 was 1.00%, a decrease of 37 basis points compared to the same period in 2025. During the first and second quarter of 2025, we paid off all outstanding FHLB Advances and broker deposits totaling \$584 million yielding 4.90%. The cost of deposits for the six months ended June 30, 2026 was 69 basis points, a decrease of 14 basis points compared to 83 basis points for the six months ended June 30, 2025.

The yield on interest-earning assets for the year ended December 31, 2025 was 4.19%, an increase of 26 basis points compared to 3.93% for the year ended December 31, 2024. During 2025, driving the increase in the earning asset yield, was the change in asset mix from the repositioning of the investment portfolio with the sale of \$735 million lower yielding securities, partially offset by the purchase of \$450 million higher-yielding securities, and the repricing of the loan portfolio from the runoff of lower rate loans, partially offset by new loan originations at higher rates during

the period. The cost of interest-bearing liabilities for the year ended December 31, 2025 was 1.23%, a decrease of 42 basis points compared to the same period in 2024. During 2025, we paid off all outstanding FHLB Advances and broker deposits totaling \$584 million yielding 4.90%. During 2025, average lower costing core deposits increased \$274 million compared to the average balance of core deposits for the same period last year. The \$274 million average growth in core deposits was partially offset by the \$241 million average reduction in certificate of deposit, for a net increase in average deposits of \$33 million during 2025 compared to 2024. In 2025, the cost of deposits was 79 basis points compared to 91 basis points for the same period in 2024, for a 12 basis point reduction in cost of deposits.

	Six months ended June 30, 2026 vs. 2025			Years ended December 31, 2025 vs. 2024		
	Rate	Volume	Total	Rate	Volume	Total
(dollars in thousands)						
Interest income⁽¹⁾						
Interest-earning deposits.....	\$ (1,068)	\$ (3,678)	\$ (4,746)	\$ (1,813)	\$ 3,990	\$ 2,177
FHLB and FRB stock	(224)	(75)	(299)	(188)	(1,145)	(1,333)
Investment securities						
Taxable	4,373	(477)	3,896	6,374	(10,114)	(3,740)
Non-taxable.....	(42)	(22)	(64)	(121)	(46)	(167)
Total investment securities	4,331	(499)	3,832	6,253	(10,160)	(3,907)
Loans.....						
Residential mortgage ⁽²⁾	2,146	2,558	4,704	5,666	1,232	6,898
Commercial real estate	(1,598)	2,393	795	2,374	3,296	5,670
Home equity line of credit.....	195	(486)	(291)	1,155	(1,609)	(454)
Residential land	82	(117)	(35)	252	(194)	58
Commercial construction.....	(175)	(267)	(442)	(2,070)	1,839	(231)
Commercial & Industrial.....	(418)	(959)	(1,377)	(738)	(1,384)	(2,122)
Consumer.....	(583)	(1,483)	(2,066)	445	(3,303)	(2,858)
Total loans.....	(351)	1,639	1,288	7,084	(123)	6,961
Total increase (decrease) in interest income.....	2,688	(2,613)	75	11,336	(7,438)	3,898
Interest expense						
Savings.....	(1,268)	(229)	(1,497)	(6,384)	(158)	(6,542)
Interest-bearing checking.....	(218)	(580)	(798)	1,286	(841)	445
Money market	1,911	(700)	1,211	2,832	(4,151)	(1,319)
Time certificates	3,359	3,030	6,389	6,477	10,452	16,929
Advances from Federal Home Loan Bank	1,107	5,561	6,668	-	15,558	15,558
Federal Bank Term Funding.....	-	-	-	2,597	2,596	5,193
Federal Funds Purchased	-	-	-	-	1	1
Total decrease in interest expense...	4,891	7,082	11,973	6,808	23,457	30,265
Increase in net interest income	\$ 7,579	\$ 4,469	\$ 12,048	\$ 18,144	\$ 16,019	\$ 34,163

(1) The taxable-equivalent basis adjustments were not material.

(2) Includes residential construction loan interest income.

Interest Income

The following table presents interest income for the six months ended June 30, 2026 and 2025:

	Six months ended June 30,				Years ended December 31,			
	2026	2025	\$ Change	% Change	2025	2024	\$ Change	% Change
(dollars in thousands)								
Interest income								
Loans.....	\$ 150,221	\$ 148,932	\$ 1,289	0.9	\$ 300,117	\$ 293,100	\$ 7,017	2.4
Investment securities	24,156	20,311	3,845	18.9	40,902	44,774	(3,872)	(8.6)
Other	2,960	8,005	(5,045)	(63.0)	12,014	11,170	844	7.6
Total interest income.....	<u>\$ 177,337</u>	<u>\$ 177,248</u>	<u>\$ 89</u>	<u>0.1</u>	<u>\$ 353,033</u>	<u>\$ 349,044</u>	<u>\$ 3,989</u>	<u>1.1</u>

Total interest income primarily consists of interest income on loans and our investment portfolio. Total interest income increased \$0.1 million, or 0.1%, to \$177.3 million for the six months ended June 30, 2026, compared to the same period in 2025.

Total interest income increased \$4.0 million, or 1.1%, to \$353.0 million for the year ended December 31, 2025, compared to the same period in 2024.

Loans. Total interest income on all loans increased \$1.3 million, or 0.9%, to \$150.2 million for the six months ended June 30, 2026, compared to the same period in 2025. The average balance of loans was \$6.1 billion for the six months ended June 30, 2026 and 2025. The yield on the loan portfolio was 4.92% for the six months ended June 30, 2026 and 2025. Our cash flow from our residential mortgage portfolio for the six months ended June 30, 2026 was \$123.0 million. The weighted average rate of the loans generating this cash flow was 4.95%.

Total interest income on all loans increased \$7.0 million, or 2.4%, to \$300.1 million for the year ended December 31, 2025 compared to the same period in 2024. The increase was primarily due to increasing loan yields as loans running off at lower rates were replaced with new loans at higher rates.

Investment securities. Interest income on investments includes income earned on Available for Sale (“AFS”) and Held to Maturity (“HTM”). Income increased \$3.8 million, or 18.9%, to \$24.2 million for the six months ended June 30, 2026 compared to the same period in 2025. The increase in interest income included \$273.1 million of higher yielding investments purchased during the six months ended June 30, 2026, net of the sale of \$735 million of lower yielding investment securities executed in connection with the 2025 deleveraging strategy. Throughout 2025, \$450.3 million of securities were purchased at higher yields reflecting higher market rates, resulting in the improvement in the yield in the portfolio that substantially offset the reduction in the size of the investment securities portfolio.

Interest income on investments includes income earned on AFS and HTM. Income decreased \$3.9 million, or 8.6%, to \$40.9 million for the year ended December 31, 2025, compared to the same period in 2024. The decrease was due to our balance sheet deleveraging strategy with the sale of approximately \$735 million lower-yielding securities during 2025, resulting in a \$545 million reduction in average balance of investments compared to the same period last year, partially offset by higher-yielding securities reflecting higher market rates purchased during the year.

Other interest income. Interest income decreased \$5.0 million, or 63.0%, to \$3.0 million for the six months ended June 30, 2026, compared to the same period in 2025. During the six months ended June 30, 2025, \$735 million of investment securities were sold and the proceeds were temporarily invested at other financial institutions to pay off \$263.9 million of other borrowings and broker time certificates that matured during the second quarter of 2025.

Other interest income increased \$0.8 million, or 7.6%, to \$12.0 million driven by a combination of higher interest-earning deposit average balance of \$86.0 million from the \$735 million of investment securities sold during the six months ended June 30, 2025 and the proceeds were temporarily invested at other financial institutions, in addition to the growth in customer deposits and lower loan demand, partially offset by 94 basis points lower yield during the year ended December 31, 2025, compared to 2024. With the FOMC decreasing its policy rate from the second half of 2024 through 2025, the market rate of interest paid on deposits in other financial institutions has been negatively impacted.

	Six months ended June 30,				Years ended December 31,			
	2026	2025	\$ Change	% Change	2025	2024	\$ Change	% Change
(dollars in thousands)								
Interest expense								
Deposits								
Time certificates	\$ 7,364	\$ 13,753	\$ (6,389)	(46.5)	\$ 22,851	\$ 39,780	\$ (16,929)	(42.6)
Savings	7,503	6,006	1,497	24.9	13,251	6,709	6,542	97.5
Money market	6,681	7,892	(1,211)	(15.3)	15,691	14,372	1,319	9.2
Interest-bearing checking	6,307	5,509	798	14.5	11,421	11,866	(445)	(3.8)
Total deposits	27,855	33,160	(5,305)	(16.0)	63,214	72,727	(9,513)	(13.1)
Other borrowings	21	6,689	(6,668)	(99.7)	6,690	27,442	(20,752)	(75.6)
Total interest expense	\$ 27,876	\$ 39,849	\$ (11,973)	(30.0)	\$ 69,904	\$ 100,169	\$ (30,265)	(30.2)

Interest Expense

Deposits. Interest expense on deposits, consisting of savings accounts, interest-bearing checking, and time certificates was \$27.9 million for the six months ended June 30, 2026, a decrease of \$5.3 million, or 16.0%, compared to the same period in 2025. The decrease was primarily due to the reduction in average time certificates from \$874.1 million outstanding for the six months ending June 30, 2025 to \$648.7 million for the same period in 2026. The yield on the time certificate portfolio decreased from 3.17% for the six months ended June 30, 2025 to 2.29% for the same

period in 2026 resulting from the lower interest rate environment that contributed to the reduction in interest expense on time certificates by \$6.4 million or 46.5% for the six months ended June 30, 2026 compared to the same period in 2025. The average balance of interest-bearing core deposits including savings, checking account, and money market accounts increased \$304.0 million, and the yield decreased one basis point for the six months ended June 30, 2026 compared to the same period last year.

Interest expense on deposits, consisting of savings accounts, interest-bearing checking, and time certificates was \$63.2 million for the year ended December 31, 2025, a decrease of \$9.5 million, or 13.1%, compared to the same period in 2024. The decrease was primarily due to the reduction in average term certificates outstanding of \$240.8 million at a yield of 2.89% or a 96 basis point reduction in yield for the year ended December 31, 2025 compared to the same period last year. The average balance of interest-bearing core deposits including savings, checking and money market accounts increased \$289.8 million, and the yield increased 11 basis points for the year ended December 31, 2025 compared to the same period last year, resulting in a \$7.4 million or 22.5% increase in deposit interest expense on those products. Rate cuts by the FOMC have generally lowered interest rates paid on deposits. Cost of deposits for the year ended December 31, 2025 was 0.79%, a decrease of 0.12% compared to the same period in 2024.

Other borrowings. Interest expense on other borrowings decreased \$6.7 million, or 99.7%, for the six months ended June 30, 2026 resulting from the balance sheet deleveraging strategy executed in 2025 resulting in the payoff of all outstanding borrowings by the second quarter of 2025.

Interest expense on other borrowings decreased \$20.8 million, or 75.6%, to \$6.7 million for the year ended December 31, 2025 compared to 2024. The decrease in borrowings was a result of our balance sheet deleveraging strategy with the sale of lower-yielding securities and the use of the proceeds to pay off \$520 million FHLB Advances yielding 4.82%. There were no borrowings outstanding as of December 31, 2025.

Provision (Benefit) for Credit Losses

The provision (benefit) for credit losses, including provision for off-balance sheet exposures, for the six months ended June 30, 2026, was a provision of \$4.3 million compared to a provision of \$5.1 million in 2025, a decrease of \$0.7 million or 14.4%. The provision for off-balance sheet exposures of \$0.4 million for the six months ended June 30, 2025 was needed for the Commercial & Industrial portfolio based on higher line of credit utilization. No provision for off-balance sheet exposures were needed for the six months ended June 30, 2026. The sale of our consumer mainland solar and home improvement loan portfolio in the third quarter of 2025, improved the overall credit quality of the loan portfolio, lowered the net charge-off ratio for the loan portfolio, and lowered the estimated credit losses for the consumer portfolio.

The provision (benefit) for credit losses, including provision for off-balance sheet exposures, for the year ended December 31, 2025, was a negative provision of \$0.8 million compared to a negative provision of \$2.0 million in 2024, an increase of \$1.1 million or 57.5%. The increase in provision was primarily due to an increase in estimated losses for residential mortgage loans, individually evaluated loans in the commercial real estate portfolio, and unfunded commitments. The sale of our consumer mainland solar and home improvement loan portfolio in 2025, and lower net charge-offs in 2025 compared to 2024 decreased the provision (benefit) for credit losses and partially offset the increase in estimated losses.

The negative provision in 2024 was primarily due to the reversal of loan loss reserves related to borrowers impacted by the August 2023 wildfires on Maui, lower portfolio balances, and improved credit quality for several loan portfolios.

Noninterest Income

The following table presents the major components of our noninterest income for the six months ended June 30, 2026 and 2025, and the years ended December 31, 2025 and 2024:

	Six months ended June 30,				Years ended December 31,			
	2026	2025	\$ Change	% Change	2025	2024	\$ Change	% Change
(dollars in thousands)								
Noninterest income								
Service charges on deposit accounts.....	\$ 9,706	\$ 9,554	\$ 152	1.6	\$ 19,975	\$ 19,900	\$ 75	0.4
Other service charges and fees.....	16,500	15,589	911	5.8	32,308	20,797	11,511	55.4

	Six months ended June 30,				Years ended December 31,			
	2026	2025	\$ Change	% Change	2025	2024	\$ Change	% Change
Income from investment services	7,681	6,663	1,018	15.3	14,251	11,798	2,453	20.8
Mortgage banking income	393	407	(14)	(3.4)	748	1,419	(671)	(47.3)
Bank-owned life insurance	8,227	2,920	5,307	181.7	11,614	13,079	(1,465)	(11.2)
Loss on sale of investment securities, net.	-	(149,869)	149,869	100.0	(149,869)	-	(149,869)	(100.0)
Loss on sale of consumer loans	-	-	-	-	(19,918)	-	(19,918)	(100.0)
Other income, net	1,423	1,479	(56)	(3.8)	2,912	2,535	377	14.9
Total noninterest income	43,930	(113,257)	157,187	138.8	(87,979)	69,528	(157,507)	(226.5)
Less								
Loss on sale of investment securities, net.	-	(149,869)	149,869	100.0	(149,869)	-	(149,869)	(100.0)
Loss on sale of consumer loans	-	-	-	-	(19,918)	-	(19,918)	(100.0)
Adjusted noninterest income ⁽¹⁾	\$ 43,930	\$ 36,612	\$ 7,318	20.0	\$ 81,808	\$ 69,528	\$ 12,280	17.7

(1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures and for a reconciliation to the most directly comparable GAAP financial measures, see “—Non-GAAP Financial Measures Reconciliations.”

Noninterest income was \$43.9 million for the six months ended June 30, 2026, an increase of \$157.2 million or 138.8% compared to the six months ended June 30, 2025. Adjusted noninterest income was \$43.9 million for the six months ended June 30, 2026, an increase of \$7.3 million, or 20.0% from adjusted noninterest income for the six months ended June 30, 2025. The 2026 increase in noninterest income is primarily from higher bank-owned life insurance income, improvement in income from investment services and higher debit card interchange fees.

Noninterest income was a negative \$88.0 million for the year ended December 31, 2025, a decrease of \$157.5 million or 226.5% compared to the year ended December 31, 2024. Adjusted noninterest income was \$81.8 million for the year ended December 31, 2025, an increase of \$12.3 million or 17.7% from adjusted noninterest income for the year ended December 31, 2024. The increase in adjusted noninterest income is primarily due to higher other service charges and fees.

Significant components of noninterest income are described in further detail below. See “—Non-GAAP Financial Measures Reconciliations.”

Service charges on deposit accounts. Service charges on deposit accounts primarily include overdraft fees, monthly deposit account service charge fees, commercial account analysis fees, and other deposit fees. Service charges on deposit accounts for the six months ended June 30, 2026 were comparable to the same period in 2025.

Service charges on deposit accounts in 2025 were comparable to 2024.

Other service charges and fees. Other service charges and fees primarily include debit card interchange income and fees, automated teller machine fees, commissions from brokered loans, international banking fees, merchant income, wire fees, credit card interchange income and fees, online banking fees, safe deposit rental fees, corporate/business fees, and check ordering fees. Amounts paid to third parties for payment network expenses are presented net against debit card interchange income, and fees.

Other service charges and fees was \$16.5 million, an increase of \$0.9 million or 5.8% for the six months ended 2026 compared to the same period in 2025 primarily due to \$1.1 million higher debit card interchange income. Effective January 2025, due to our separation from HEI we are no longer subject to the debit card interchange fee limits set by the Durbin Amendment. The Durbin Amendment requires the Federal Reserve to limit any interchange fee that a debit card issuer may receive; however, it exempts any issuer that together with its affiliates has consolidated assets of less than \$10 billion. Other service charges and fees increased \$11.5 million from 2024 to 2025 primarily due to higher debit card interchange income.

Income from investment services. Income from investment services primarily includes commission income from the sales of annuity, mutual funds, and life insurance products. We also earn advisory income from offering a fee-based, managed account product in which income is based on a percentage of assets under management by a third party. Income from investment services increased \$1.0 million or 15.3% for the six months ended June 30, 2026, compared to the same period in 2025 driven by our relationship banking strategy and by building our managed account customer base.

Income from investment services increased \$2.5 million or 20.8% from 2024 to 2025 primarily due to higher fees from annuity sales and advisory income.

Mortgage banking income. Mortgage banking income is comprised of income generated from the sale of residential loans in the secondary market. The net gain on sale of mortgage loans fluctuates with the volume of loans sold, the type of loans sold, and market conditions, such as the current interest rate environment. The volume of loans that we sell depends upon conditions in the mortgage origination, loan securitization and secondary loan sale markets as well as our desire to portfolio loans. Mortgage banking income was \$0.4 million for the first six months of 2026 and 2025. Mortgage banking income decreased \$0.7 million or 47.3% from 2024 to 2025 due to a decrease in loans sold as a result of continued higher interest rates.

Bank-owned life insurance. Bank-owned life insurance includes increases in cash surrender value of bank-owned life insurance policies, proceeds from death benefits and adjustment for fair market value of policies used to hedge deferred compensation plans. For the six months ended June 30, 2026, the Bank recognized income of \$4.5 million as an adjustment for fair market value of policies used to hedge deferred compensation plans, compared to \$0.7 million expense for the six months ended June 30, 2025. For the year ended December 31, 2025, the Bank recognized income of \$3.1 million as an adjustment for fair market value of policies used to hedge deferred compensation plans, compared to \$6.7 million for the year ended December 31, 2024. The decrease in adjustment for fair market value of policies used to hedge deferred compensation plans was offset by higher income of \$2.1 million for the year ended December 31, 2025 compared to the year ended December 31, 2024.

Other income. Other income includes servicing income on loans sold, amortization of mortgage servicing rights and other miscellaneous income items. Other income for the six months ended June 30, 2026 was comparable to the same period in 2025. Other income increased \$0.4 million or 14.9% from 2024 to 2025.

Loss on sale of investment securities, net. Loss on sale of investment securities represents the difference between the gross sale proceeds and carrying value at amortized cost of investment securities sold. Investments sold in 2025 resulted in a loss on sale of investment securities, net of \$149.9 million. No investments were sold in 2026 and 2024.

Loss on sale of consumer loans. Loss on sale of consumer loans represents the difference between gross sale proceeds and carrying value of consumer loans sold. Consumer loans sold in 2025 resulted in a loss on sale of consumer loans of \$19.9 million. No consumer loans were sold in 2026 and 2024.

Noninterest Expense

The following table presents the major components of our noninterest expense for the six months ended June 30, 2026 and 2025, and for the years ended December 31, 2025 and 2024:

	Six months ended June 30,				Years ended December 31,			
	2026	2025	\$ Change	% Change	2025	2024	\$ Change	% Change
	(dollars in thousands)							
Noninterest expense								
Salaries and employee benefits.....	\$ 69,172	\$ 60,250	\$ 8,922	14.8	\$ 128,098	\$ 126,936	\$ 1,162	0.9
Occupancy.....	10,884	10,712	172	1.6	22,386	21,382	1,004	4.7
Data processing.....	11,160	10,860	300	2.8	22,173	19,612	2,561	13.1
Services.....	5,163	5,352	(189)	(3.5)	11,252	17,485	(6,233)	(35.7)
Equipment.....	4,560	4,711	(151)	(3.2)	9,256	9,914	(658)	(6.6)
Office supplies, printing and postage.....	2,281	2,089	192	9.2	4,234	4,085	149	3.7
Marketing.....	1,714	1,962	(248)	(12.6)	4,438	3,506	932	26.6
FDIC insurance.....	2,155	3,378	(1,223)	(36.2)	6,135	5,992	143	2.4
Goodwill impairment.....	-	-	-	-	-	82,190	(82,190)	(100.0)
Pension plan settlement charge.....	(717)	-	(717)	(100.0)	21,275	-	21,275	100.0
Other expense.....	11,590	8,453	3,137	37.1	17,609	15,907	1,702	10.7
Total noninterest expense.....	117,962	107,767	10,195	9.5	246,856	307,009	(60,153)	(19.6)
Less								
Goodwill impairment.....	-	-	-	-	-	82,190	(82,190)	(100.0)
Pension plan settlement charge.....	(717)	-	(717)	(100.0)	21,275	-	21,275	100.0
Professional services.....	2,175	-	2,175	100.0	-	-	-	-
Adjusted noninterest expense ⁽¹⁾	<u>\$ 116,504</u>	<u>\$ 107,767</u>	<u>\$ 8,737</u>	<u>8.1</u>	<u>\$ 225,581</u>	<u>\$ 224,819</u>	<u>\$ 762</u>	<u>0.34</u>

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- (1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures and for a reconciliation to the most directly comparable GAAP financial measures, see “—Non-GAAP Financial Measures Reconciliations.”

Noninterest expense was \$118.0 million for six months ended June 30, 2026, an increase of \$10.2 million or 9.5% compared to six months ended June 30, 2025. Adjusted noninterest expense was \$116.5 million for the six months ended June 30, 2026, an increase of \$8.7 million or 8.1% from the six months ended June 30, 2025.

Noninterest expense was \$246.9 million for the year ended December 31, 2025, a decrease of \$60.2 million or 19.6% compared to the year ended December 31, 2024. Adjusted noninterest expense was \$225.6 million for the year ended December 31, 2025, an increase of \$0.8 million or 0.34% from the year ended December 31, 2024. The increase in noninterest expense is primarily due to higher data processing expense, salaries and employee benefits expense, occupancy, and other expenses.

Significant components of noninterest expense are described in further detail below. See “—Non-GAAP Financial Measures Reconciliations.”

Salaries and employee benefits. Salaries and employee benefits consist of salaries, commission expense, incentive compensation, payroll taxes, medical and other health related benefits, retirement and other benefits. Salaries and employee benefits were \$69.2 million for the six months ended June 30, 2026, an increase of \$8.9 million or 14.8% compared to \$60.3 million for the six months ended June 30, 2025. The increase in salaries for the six months ended June 30, 2026, includes higher sales-related performance incentive cost, along with annual merit increases compared to same period in 2025. Salaries and employee benefits for the six months ended June 30, 2026 includes \$4.8 million of deferred compensation expense related to the increase the fair value of assets underlying bank-owned life insurance policies, compared to \$0.5 million reduction in deferred compensation expense for the six months ended June 30, 2025.

Salaries and employee benefits increased \$1.2 million or 0.9% from 2024 to 2025 primarily due to higher annual merit and performance incentives. Salaries and employee benefits included \$3.3 million of deferred compensation expense related to the increase in the fair value of assets underlying bank-owned life insurance policies in the year ended December 31, 2025, compared to \$6.6 million in the year ended December 31, 2024.

Occupancy. Occupancy consists of rent expense, facility maintenance expenses and depreciation of buildings and leasehold improvements of branches and back-office facilities. Occupancy expense for the six months ended June 30, 2026 was \$10.9 million, an increase of \$0.2 million, or 1.6%, compared to \$10.7 million for the six months ending June 30, 2025. Occupancy increased \$1.0 million or 4.7% from 2024 to 2025 primarily due to higher property insurance, security expense and rent expense.

Data processing. Data processing consists of service bureau charges, software maintenance and other data processing charges. Data processing for the six months ended June 30, 2026 was \$11.2 million, an increase of \$0.3 million, or 2.8%, compared to \$10.9 million for the six months ending June 30, 2025. Data processing increased \$2.6 million or 13.1% from 2024 to 2025 primarily due to higher core processing system, fraud and online mobile banking software costs.

Services. Services consist of consulting fees, contract services, directors’ fees, courier expenses, audit, and legal fees. Services decreased \$0.2 million to \$5.2 million or 3.5% for the six months ended June 30, 2026, compared to \$5.4 million for the six months ending June 30, 2025. Services decreased \$6.2 million or 35.7% from 2024 to 2025 primarily due to Maui wildfire and Separation costs incurred in 2024 of \$6.1 million.

Equipment. Equipment consists of furniture, fixture and equipment depreciation, equipment maintenance agreements, equipment repairs and maintenance, and equipment leases. Equipment for the six months ended June 30, 2026 was \$4.5 million, a decrease of \$0.2 million, or 3.2%, compared to \$4.7 million for the six month ending June 30, 2025. Equipment decreased \$0.7 million or 6.6% from 2024 to 2025.

Office supplies, printing and postage. Office supplies, printing and postage consists of office supplies, printing, and postage charges. Office supplies, printing and postage for the six months ended June 30, 2026 was \$2.3 million, an increase of \$0.2 million, or 9.2%, compared to \$2.1 million for the six months ending June 30, 2025. Office supplies, printing and postage increased \$0.1 million or 3.7% from 2024 to 2025.

Marketing. Marketing consists of advertising, public relations and promotional materials. Marketing for the six months ended June 30, 2026 was \$1.7 million, a decrease of \$0.2 million or 12.6% compared to the same period in 2025. Marketing increased \$0.9 million or 26.6% from 2024 to 2025 primarily due to increased advertising and promotions for debit cards including our Buy Local HawaiiSM program.

FDIC insurance. FDIC insurance includes assessment for deposit insurance. FDIC insurance was \$2.2 million for the six months ended June 30, 2026, a decrease of \$1.2 million or 36.2% compared to the same period in 2025. The decrease in FDIC insurance expense in 2026 is due to the lower FDIC assessment based on our financial ratios including higher net income to total assets. FDIC insurance increased \$0.1 million or 2.4% from 2024 to 2025.

Goodwill impairment. In 2024, HEI determined that it was more-likely-than-not that the fair value of the Bank was less than its carrying value resulting in a goodwill impairment charge of \$82.2 million to be recorded.

Pension plan settlement charge. The American Savings Bank Retirement Plan (Pension Plan) and noncontributory, nonqualified plans (Supplemental Plans) were terminated effective September 30, 2025 and incurred a settlement charge of \$21.3 million during the year ended December 31, 2025. During the six months ended June 30, 2026, we received an annuity insurance credit adjustment of \$0.7 million.

Other expenses. Other expenses consist of insurance expense, communications expense, OCC assessments, employee expense, other operating expenses, and one-time expenses relating to this prospectus. Other expense was \$11.6 million, an increase of \$3.1 million or 37.1% for the six months ended June 30, 2026, compared to the same period in 2025 primarily due to \$2.2 million one-time professional services expense relating to this prospectus. Other expenses increased \$1.7 million or 10.7% from 2024 to 2025 primarily due to higher insurance expense.

Income Taxes

The provision for income taxes varies due to the amount of taxable income, tax-exempt income, tax credits, and the tax rates charged by federal and state authorities in which we do business. The income tax of \$15.4 million for the first six months ended June 30, 2026 represents an effective tax rate of 21.6%, compared to an income tax benefit of \$27.2 million and effective tax rate of 30.7%, for the first six months ended June 30, 2025. The increase in income tax expense and decrease in effective tax rate were primarily due to the pre-tax loss in 2025.

The income tax benefit of \$20.7 million for the year ended December 31, 2025 represents an effective tax rate of 40.6%, compared with an income tax expense of \$1.0 million and effective tax rate of 7.8%, for the year ended December 31, 2024. The decrease in income tax expense and increase in effective tax rate were primarily due to the pre-tax loss in 2025.

Discussion and Analysis of Financial Condition

Loan Portfolio

The following table presents the major categories of our loan portfolio as of June 30, 2026 and December 31, 2025 and 2024:

	June 30,		December 31,			
	2026	%	2025	%	2024	%
(dollars in thousands)						
Residential mortgage	\$ 2,745,794	44.0	\$ 2,739,266	45.0	\$ 2,622,857	42.7
Commercial real estate	1,586,748	25.4	1,484,535	24.4	1,454,726	23.7
Home equity line of credit	915,405	14.7	933,990	15.3	950,406	15.5
Residential land	14,579	0.2	14,609	0.2	17,618	0.3
Commercial construction	183,325	2.9	195,600	3.2	184,918	3.0
Residential construction	17,981	0.3	17,312	0.3	18,902	0.3
Total real estate	5,463,832	87.5	5,385,312	88.4	5,249,427	85.5
Commercial & Industrial	661,964	10.6	591,316	9.7	657,891	10.7
Consumer	121,811	1.9	115,742	1.9	234,441	3.8
Total loans	6,247,607	100.0	6,092,370	100.0	6,141,759	100.0
Deferred fees and discounts	(9,134)		(9,123)		(27,038)	
Total loans, net	\$ 6,238,473		\$ 6,083,247		\$ 6,114,721	

Total loans, net increased \$155.2 million, or 2.6%, to \$6.2 billion as of June 30, 2026 compared to December 31, 2025 primarily due to commercial real estate and commercial & industrial lending efforts in 2026.

Total loans, net decreased \$31.5 million, or 0.5%, to \$6.08 billion as of December 31, 2025, from \$6.11 billion as of December 31, 2024. The decrease was primarily due to the sale of consumer mainland solar and home improvement loan portfolio of \$104.4 million and reduction in the commercial & industrial portfolio offset by increases in our residential mortgage and commercial real estate portfolios.

Residential mortgage. Our residential mortgage loan portfolio consists of fixed and adjustable-rate loans secured by single family residential property, including investor-owned properties, with maturities of up to 30 years. Our policy is to require private mortgage insurance when the loan-to-value ratio of the property exceeds 80% of the lower of the appraised value or purchase price at origination. Residential mortgage loans was \$2.7 billion and made up 44.0% of total loans as of June 30, 2026, increasing 0.2% or \$6.5 million from December 31, 2025.

Residential mortgage loans made up 45.0% of total loans as of December 31, 2025, increasing 4.4% or \$116.4 million from December 31, 2024. The increase in residential mortgage loans was primarily due to higher loan production from the completion of two condominium projects.

Commercial real estate. Our commercial real estate loan portfolio consists of permanent financing collateralized by multifamily residential properties (including apartment buildings) and commercial properties (including office buildings, shopping centers and warehouses) for our own portfolio as well as for participation with other lenders. Commercial real estate lending typically involves long lead times to originate and fund. As a result, production results can vary significantly from period to period. Commercial real estate loans was \$1.6 billion and made up 25.4% of total loans as of June 30, 2026, increasing \$102.2 million or 6.9% from December 31, 2025. Loan production during the six months ended June 30, 2026 included loans to borrowers with existing relationships with the Bank.

Commercial real estate loans made up 24.4% of total loans as of December 31, 2025, increasing 2.0% or \$29.8 million from December 31, 2024. The increase in commercial real estate loans was primarily achieved with the execution of our relationship banking strategy.

Home equity line of credit (HELOC). Our HELOC portfolio generally consists of interest-only revolving loans for a 10-year period, after which time the outstanding balance converts to a fully amortizing variable-rate loan with a 20-year amortization period. Borrowers also have a “Fixed Rate Loan Option” to convert a part of their available line of credit into a 5, 7 or 10-year fully amortizing fixed-rate loan with level principal and interest payments. As of June 30, 2026 and December 31, 2025, approximately 34% of the portfolio balances were amortizing loans under the Fixed Rate Loan Option. The HELOC portfolio was \$915.4 million and made up 14.7% of total loans as of June 30, 2026, decreasing 2.0% or \$18.6 million from December 31, 2025. HELOCs made up 15.3% of total loans as of December 31, 2025, decreasing 1.7% or \$16.4 million from December 31, 2024. The decrease in the HELOC portfolio was primarily due to higher interest rates which resulted in decreased demand for this product.

Residential land. Our residential land portfolio consists of loans secured by first mortgages on undeveloped residential real property. Residential land loans were \$14.6 million and made up less than 1% of total loans as of June 30, 2026 and December 31, 2025. Residential land loans as of December 31, 2025 decreased 17.1% or \$3.0 million from December 31, 2024.

Commercial and residential construction. Our commercial and residential construction portfolio consists of fixed rate loans for the construction of residential and commercial properties. Construction loan projects are typically short term in nature. Construction and development financing generally involves a higher degree of credit risk than long-term financing on improved, occupied real estate. Accordingly, construction and development loans are generally priced higher than loans collateralized by completed structures. Our underwriting, monitoring and disbursement practices with respect to construction and development financing works toward providing sufficient available funds to complete construction projects. Commercial construction loans was \$183.3 million and made up 2.9% of total loans as of June 30, 2026, decreasing 6.3% or \$12.3 million from December 31, 2025. Commercial construction loans made up 3.2% of total loans as of December 31, 2025, increasing 5.8% or \$10.7 million. Residential construction loans with an outstanding balance of \$18.0 million made up less than 1% of total loans as of June 30, 2026, decreasing 3.9% or \$0.7 million from December 31, 2025. Residential construction loans as of December 31, 2025, decreased 8.4% or \$1.6 million from December 31, 2024.

Commercial & industrial. Our commercial & industrial loan portfolio consists of secured and unsecured loans to business entities. These loans diversify our asset structure, shorten maturities, improve interest rate sensitivity of the loan portfolio and attract noninterest-bearing checking deposits. We offer commercial & industrial loans with terms generally up to ten years. Commercial & industrial loans were \$662.0 million and made up 10.6% of total loans as of June 30, 2026, increasing \$70.6 million or 11.9% from December 31, 2025 due to a focus by the Bank on portfolio growth, in addition to national lending efforts. Commercial & industrial loans made up 9.7% of total loans as of December 31, 2025, decreasing 10.1% or \$66.6 million from December 31, 2024. The decrease in commercial & industrial loans was primarily due to the higher interest rate environment that impacted demand for floating rate commercial & industrial loans.

Consumer. Our consumer loan portfolio consists of loans that are secured and unsecured personal installment loans and lines of credit. Loans collateralized by deposits are limited to 90% of the available account balance. We offer clean energy loans, secured and unsecured VISA cards (through a third-party issuer), checking account overdraft protection and other general purpose consumer loans. Consumer loans were \$121.8 million and made up 1.9% of total loans as of June 30, 2026, increasing 5.2% or \$6.1 million from December 31, 2025. Consumer loans made up 1.9% of total loans as of December 31, 2025, decreasing 50.6% or \$118.7 million from December 31, 2024. The decrease was primarily due to the sale of the mainland solar and home improvement loans of \$104.4 million less unearned discounts of \$17.3 million for a net book value of \$87.1 million in 2025.

The following tables summarizes loans held for investment based upon contractually scheduled principal payments allocated to the indicated maturity categories as of June 30, 2026, and December 31, 2025 and 2024:

Due	As of June 30, 2026				
	In 1 year or less	After 1 year through 5 years	After 5 years through 15 years	After 15 years	Total
	(dollars in millions)				
Residential mortgage - Fixed	\$ 78	\$ 320	\$ 872	\$ 1,006	\$ 2,276
Residential mortgage - Adjustable	9	38	121	302	470
Total residential mortgage	87	358	993	1,308	2,746
Commercial real estate - Fixed.....	63	372	430	-	865
Commercial real estate - Adjustable	177	381	158	6	722
Total commercial real estate	240	753	588	6	1,587
Home equity line of credit - Fixed	29	115	159	11	314
Home equity line of credit - Adjustable	6	20	67	508	601
Total home equity line of credit	35	135	226	519	915
Residential land - Fixed.....	5	10	-	-	15
Residential land - Adjustable	-	-	-	-	-
Total residential land	5	10	-	-	15
Commercial construction - Fixed.....	10	17	30	10	67
Commercial construction - Adjustable.....	68	15	28	5	116
Total commercial construction	78	32	58	15	183
Residential construction - Fixed.....	18	-	-	-	18
Residential construction - Adjustable	-	-	-	-	-
Total residential construction	18	-	-	-	18
Commercial & Industrial - Fixed	61	145	64	7	277
Commercial & Industrial - Adjustable	57	273	55	-	385
Total commercial & industrial.....	118	418	119	7	662
Consumer - Fixed	39	73	5	1	118
Consumer - Adjustable	2	2	-	-	4
Total consumer	41	75	5	1	122
Total loans - Fixed.....	303	1,052	1,560	1,035	3,950
Total loans - Adjustable	319	729	429	821	2,298
Total loans.....	\$ 622	\$ 1,781	\$ 1,989	\$ 1,856	\$ 6,248

As of December 31, 2025

Due	In 1 year or less	After 1 year through 5 years	After 5 years through 15 years	After 15 years	Total
(dollars in millions)					
Residential mortgage - Fixed	\$ 79	\$ 322	\$ 873	\$ 1,040	\$ 2,314
Residential mortgage - Adjustable	8	34	108	275	425
Total residential mortgage	87	356	981	1,315	2,739
Commercial real estate - Fixed	65	343	425	-	833
Commercial real estate - Adjustable	141	365	142	3	651
Total commercial real estate	206	708	567	3	1,484
Home equity line of credit - Fixed	27	108	180	12	327
Home equity line of credit - Adjustable	4	18	176	409	607
Total home equity line of credit	31	126	356	421	934
Residential land - Fixed	3	12	-	-	15
Residential land - Adjustable	-	-	-	-	-
Total residential land	3	12	-	-	15
Commercial construction - Fixed	23	9	27	12	71
Commercial construction - Adjustable	85	18	18	4	125
Total commercial construction	108	27	45	16	196
Residential construction - Fixed	17	-	-	-	17
Residential construction - Adjustable	-	-	-	-	-
Total residential construction	17	-	-	-	17
Commercial & Industrial - Fixed	72	138	40	-	250
Commercial & Industrial - Adjustable	99	215	27	-	341
Total commercial & industrial	171	353	67	-	591
Consumer - Fixed	40	66	5	-	111
Consumer - Adjustable	2	3	-	-	5
Total consumer	42	69	5	-	116
Total loans - Fixed	326	998	1,550	1,064	3,938
Total loans - Adjustable	339	653	471	691	2,154
Total loans	\$ 665	\$ 1,651	\$ 2,021	\$ 1,755	\$ 6,092

As of December 31, 2024

Due	In 1 year or less	After 1 year through 5 years	After 5 years through 15 years	After 15 years	Total
(dollars in millions)					
Residential mortgage - Fixed	\$79	\$321	\$857	\$1,045	\$2,302
Residential mortgage - Adjustable	22	88	196	15	321
Total residential mortgage	101	409	1,053	1,060	2,623
Commercial real estate - Fixed	93	204	530	-	827
Commercial real estate - Adjustable	165	283	180	-	628
Total commercial real estate	258	487	710	-	1,455
Home equity line of credit - Fixed	27	106	195	19	347
Home equity line of credit - Adjustable	3	16	70	514	603
Total home equity line of credit	30	122	265	533	950
Residential land - Fixed	8	10	-	-	18
Residential land - Adjustable	-	-	-	-	-
Total residential land	8	10	-	-	18

Due	As of December 31, 2024				
	In 1 year or less	After 1 year through 5 years	After 5 years through 15 years	After 15 years	Total
(dollars in millions)					
Commercial construction - Fixed	18	5	-	10	33
Commercial construction - Adjustable	47	45	10	50	152
Total commercial construction	65	50	10	60	185
Residential construction - Fixed	19	-	-	-	19
Residential construction - Adjustable	-	-	-	-	-
Total residential construction	19	-	-	-	19
Commercial & Industrial - Fixed	92	163	42	-	297
Commercial & Industrial - Adjustable	153	198	10	-	361
Total commercial & industrial	245	361	52	-	658
Consumer - Fixed	46	74	9	98	227
Consumer - Adjustable	2	5	-	-	7
Total consumer	48	79	9	98	234
Total loans - Fixed	382	883	1,633	1,172	4,070
Total loans - Adjustable	392	635	466	579	2,072
Total loans	\$774	\$1,518	\$2,099	\$1,751	\$6,142

The following table presents our historical principal pay offs and runoff yield for our loan portfolio by each major category for the three-month periods ended June 30, 2026, March 31, 2026, December 31, 2025, and September 30, 2025, respectively. During the three months ended June 30, 2026, we originated residential and home equity line of credit loans at a weighted average yield of 6.07%, and we originated commercial real estate and C&I loans, excluding syndicated national credits, at a weighted average yield of 5.43%.

	For the three months ended							
	June 30, 2026		March 31, 2026		December 31, 2025		September 30, 2025	
	Principal Pay Offs	Yield	Principal Pay Offs	Yield	Principal Pay Offs	Yield	Principal Pay Offs	Yield
(dollars in thousands)								
Residential ⁽¹⁾	\$ 59,366	5.10%	\$ 63,604	4.80%	\$ 68,943	5.10%	\$ 50,258	4.42%
Commercial real estate ⁽²⁾	35,562	6.70	24,377	6.60	81,144	5.81	60,403	5.89
Home equity line of credit	26,014	5.31	24,812	5.25	27,914	5.48	19,018	5.85
Commercial & industrial	27,241	6.69	28,749	5.19	72,426	4.63	70,439	5.68
Other ⁽³⁾	34,149	9.64	33,710	9.00	41,691	8.57	14,704	14.54
Total	\$ 182,332	6.53%	\$ 175,252	5.99%	\$ 292,118	5.71%	\$ 214,822	6.07%

(1) Includes principal pay offs from residential mortgage

(2) Includes principal pay offs from commercial real estate and commercial construction

(3) Includes principal pay offs from consumer loans, credit scored business loans, and syndicated national credits

Credit Quality

We perform an internal loan review and grading on an ongoing basis. The review provides management with periodic information as to the quality of the loan portfolio and effectiveness of its lending policies and procedures. The objectives of the loan review and grading procedures are to identify, in a timely manner, existing or emerging credit trends so that appropriate steps can be initiated to manage risk and avoid or minimize future losses. Loans subject to grading include commercial & industrial, commercial real estate and commercial construction loans. Reviews may also occur as a result of external events such as a decline in earnings or a bankruptcy filing.

Each commercial & industrial, commercial real estate and commercial construction loan is assigned an Asset Quality Rating (“AQR”) reflecting the likelihood of repayment or orderly liquidation of that loan transaction pursuant

to regulatory credit classifications: Pass, Special Mention, Substandard, Doubtful, and Loss. Pass exposures generally are well protected by the current net worth and paying capacity of the obligor or by the value of the asset or underlying collateral. Special Mention loans have potential weaknesses that, if left uncorrected, could jeopardize the liquidation of the debt. Substandard loans have well-defined weaknesses that jeopardize the liquidation of the debt and are characterized by the distinct possibility that we may sustain some loss. An asset classified Doubtful has the weaknesses of those classified Substandard, with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently existing facts, conditions, and values, highly questionable and improbable. An asset classified Loss is considered uncollectible and has such little value that its continuance as a bankable asset is not warranted. Criticized loans include loans with an AQR rating of Special Mention, Substandard, Doubtful or Loss.

Nonperforming Loans

Loans are generally placed on nonaccrual status when contractually past due 90 days or more, or earlier if we believe the probability of collection is insufficient to warrant further accrual. All interest that is accrued but not collected is reversed. A loan may be returned to accrual status if (i) principal and interest payments have been brought current and repayment of the remaining contractual principal and interest is expected to be made, (ii) the loan has otherwise become well-secured and in the process of collection, or (iii) the borrower has been making regularly scheduled payments in full for the prior six months and it is reasonably assured that the loan will be brought fully current within a reasonable period. Cash receipts on nonaccruing loans are generally applied to reduce the unpaid principal balance.

Loans considered to be uncollectible are charged-off against the allowance for credit losses. The amount and timing of charge-offs on loans includes consideration of the loan type, length of delinquency, insufficiency of collateral value, lien priority and the overall financial condition of the borrower. Recoveries on loans previously charged-off are credited back to the allowance for credit losses. Loans that have been charged-off against the allowance for credit losses are periodically monitored to evaluate whether further adjustments to the allowance are necessary.

Loans in the commercial & industrial and commercial real estate portfolio are generally charged-off when the loan is risk rated “Doubtful” or “Loss.” The loan or a portion thereof is determined to be uncollectible after considering the borrower’s overall financial condition and collateral deficiency. A commercial & industrial or commercial real estate loan is considered uncollectible when: (i) the borrower is delinquent in principal or interest 90 days or more; (ii) significant improvement in the borrower’s repayment capacity is doubtful; and/or (iii) collateral value is insufficient to cover outstanding indebtedness and no other viable assets or repayment sources exist.

Loans in the residential mortgage and home equity portfolios are charged-off when the loan or a portion thereof is determined to be uncollectible after considering the borrower’s overall financial condition and collateral deficiency. Such loan is generally considered uncollectible when: (i) the borrower is delinquent in principal or interest 180 days or more; (ii) it is probable that collateral value is insufficient to cover outstanding indebtedness and no other viable assets or repayment sources exist; (iii) notification of the borrower’s bankruptcy is received or the borrower’s debt is discharged in bankruptcy and the loan is not reaffirmed; or (iv) in cases where we are in a subordinate position to other debt, the senior lien holder has foreclosed and our junior lien is extinguished.

Other consumer loans are generally charged-off when the balance becomes 120 days delinquent.

The following table presents our nonperforming loans for June 30, 2026 and the years ended December 31, 2025 and 2024:

	As of June 30,	As of December 31,	
	2026	2025	2024
	(dollars in thousands)		
Nonaccrual loans.....	\$ 8,411	\$ 26,250	\$ 24,813
Loans past due 90 days or more and still accruing	3,506	2,481	-
Total nonperforming loans.....	\$ 11,917	\$ 28,731	\$ 24,813
Total criticized loans.....	\$ 149,697	\$ 76,375	\$ 82,447
Allowance for credit losses to end of period loans	0.99%	0.95%	1.05%
Allowance for credit losses to period end nonperforming loans.....	516.36%	200.33%	258.86%
Nonperforming loans to end of period loans.....	0.19%	0.47%	0.41%
Nonaccrual loans to end of period loans	0.13%	0.43%	0.41%

	As of June 30,	As of December 31,	
	2026	2025	2024
	(dollars in thousands)		
Allowance for credit losses to period end nonaccrual loans	731.60%	219.26%	258.86%
Criticized loans to end of period loans	2.40%	1.26%	1.35%

Nonaccrual loans totaled \$8.4 million as of June 30, 2026, a decrease of \$17.8 million compared to \$26.3 million as of December 31, 2025. The \$17.8 million decrease in nonaccrual loans included a \$15.0 million payoff of a nonaccrual commercial real estate construction loan and \$3.2 million reduction in nonaccrual residential loans. Nonaccrual loans totaled \$26.3 million as of December 31, 2025, an increase of \$1.5 million compared to \$24.8 million as of December 31, 2024. We did not recognize interest on nonaccrual loans in 2025 and 2024.

The following tables provide an aging analysis of our loans based on payment activity as of June 30, 2026, December 31, 2025 and 2024:

At June 30, 2026							
	30-59 days past due	60-89 days past due	90 days or more past due	Total past due	Current	Total loans	Recorded investment > 90 days and accruing
	(dollars in thousands)						
Real estate							
Residential mortgage.....	\$ 4,503	\$ 493	\$ 4,958	\$ 9,954	\$ 2,735,840	\$ 2,745,794	\$ 3,506
Commercial real estate.....	-	-	-	-	1,586,748	1,586,748	-
Home equity line of credit	1,695	913	2,411	5,019	910,386	915,405	-
Residential land	-	-	-	-	14,579	14,579	-
Commercial construction ..	-	25,000	-	25,000	158,325	183,325	-
Residential construction....	-	-	-	-	17,981	17,981	-
Commercial & Industrial.....	257	48	48	353	661,611	661,964	-
Consumer	802	528	426	1,756	120,055	121,811	-
Total loans	\$ 7,257	\$ 26,982	\$ 7,843	\$ 42,082	\$ 6,205,525	\$ 6,247,607	\$ 3,506

At December 31, 2025							
	30-59 days past due	60-89 days past due	90 days or more past due	Total past due	Current	Total loans	Recorded investment > 90 days and accruing
	(dollars in thousands)						
Real estate							
Residential mortgage.....	\$ 9,999	\$ 691	\$ 3,933	\$ 14,623	\$ 2,724,643	\$ 2,739,266	\$ 2,481
Commercial real estate.....	110	-	-	110	1,484,425	1,484,535	-
Home equity line of credit	1,535	1,350	2,679	5,564	928,426	933,990	-
Residential land	-	-	-	-	14,609	14,609	-
Commercial construction ..	-	-	-	-	195,600	195,600	-
Residential construction....	-	-	-	-	17,312	17,312	-
Commercial & Industrial.....	59	10	25	94	591,222	591,316	-
Consumer	1,035	634	674	2,343	113,399	115,742	-
Total loans	\$ 12,738	\$ 2,685	\$ 7,311	\$ 22,734	\$ 6,069,636	\$ 6,092,370	\$ 2,481

At December 31, 2024							
	30-59 days past due	60-89 days past due	90 days or more past due	Total past due	Current	Total loans	Recorded investment > 90 days and accruing
	(dollars in thousands)						
Real estate							
Residential mortgage.....	\$ 2,206	\$ 1,228	\$ 4,561	\$ 7,995	\$ 2,614,862	\$ 2,622,857	\$ -
Commercial real estate.....	-	-	10,487	10,487	1,444,239	1,454,726	-
Home equity line of credit	1,543	1,124	1,658	4,325	946,081	950,406	-
Residential land	101	-	-	101	17,517	17,618	-
Commercial construction ..	-	-	-	-	184,918	184,918	-
Residential construction....	-	-	-	-	18,902	18,902	-
Commercial & Industrial.....	97	35	132	264	657,627	657,891	-
Consumer	2,800	1,426	1,308	5,534	228,907	234,441	-

At December 31, 2024						
	30-59 days past due	60-89 days past due	90 days or more past due	Total past due	Current	Recorded investment > 90 days and accruing
(dollars in thousands)						
Total loans	\$ 6,747	\$ 3,813	\$ 18,146	\$ 28,706	\$ 6,113,053	\$ 6,141,759
						\$ -

In addition to the past due and nonaccrual criteria, we evaluate commercial & industrial, commercial real estate and commercial construction loans according to its AQR as described previously in the Credit Quality section.

The following tables provide information about the credit quality of the loan portfolio by vintage date based on payment activity or AQR as June 30, 2026, December 31, 2025 and 2024:

	Term Loans by Origination Year						Revolving loans		
	2026	2025	2024	2023	2022	Prior	Revolving loans	Converte d to term loans	Total
	(dollars in thousands)								
June 30, 2026									
Residential mortgage						\$		\$	
Current.....	\$ 124,858	\$ 305,017	\$ 152,642	\$ 211,992	\$ 357,130	1,584,201	\$ -	\$ -	2,735,840
30-59 days past due	-	-	-	699	-	3,804	-	-	4,503
60-89 days past due	-	-	-	358	-	135	-	-	493
Greater than 89 days past due	-	734	-	-	691	3,533	-	-	4,958
	124,858	305,751	152,642	213,049	357,821	1,591,673	-	-	2,745,794
Home equity line of credit									
Current.....	-	-	-	-	-	-	829,445	80,941	910,386
30-59 days past due	-	-	-	-	-	-	1,215	480	1,695
60-89 days past due	-	-	-	-	-	-	892	21	913
Greater than 89 days past due	-	-	-	-	-	-	1,284	1,127	2,411
	-	-	-	-	-	-	832,836	82,569	915,405
Residential land									
Current.....	1,580	6,030	5,022	1,947	-	-	-	-	14,579
30-59 days past due	-	-	-	-	-	-	-	-	-
60-89 days past due	-	-	-	-	-	-	-	-	-
Greater than 89 days past due	-	-	-	-	-	-	-	-	-
	1,580	6,030	5,022	1,947	-	-	-	-	14,579
Residential construction									
Current.....	2,641	11,866	2,887	-	587	-	-	-	17,981
30-59 days past due	-	-	-	-	-	-	-	-	-
60-89 days past due	-	-	-	-	-	-	-	-	-
Greater than 89 days past due	-	-	-	-	-	-	-	-	-
	2,641	11,866	2,887	-	587	-	-	-	17,981
Consumer									
Current.....	38,203	42,780	17,966	9,645	3,049	1,049	4,883	2,480	120,055
30-59 days past due	259	182	148	94	41	-	15	63	802
60-89 days past due	89	225	44	99	44	-	14	13	528
Greater than 89 days past due	4	149	129	26	35	-	49	34	426
	38,555	43,336	18,287	9,864	3,169	1,049	4,961	2,590	121,811
Commercial real estate									
Pass	144,838	148,036	105,073	98,793	327,032	653,389	24,303	-	1,501,464
Special Mention	-	-	-	23,918	2,594	4,612	-	-	31,124
Substandard	-	-	-	-	17,500	36,660	-	-	54,160
Doubtful	-	-	-	-	-	-	-	-	-
	144,838	148,036	105,073	122,711	347,126	694,661	24,303	-	1,586,748
Commercial construction									
Pass	6,029	42,018	19,367	7,460	15,637	-	43,636	2,970	137,117
Special Mention	-	-	-	-	14,937	-	-	-	14,937
Substandard	-	-	6,271	19,700	-	-	5,300	-	31,271

	Term Loans by Origination Year						Revolving loans		
	2026	2025	2024	2023	2022	Prior	Revolving loans	Converte d to term loans	Total
	(dollars in thousands)								
Doubtful	-	-	-	-	-	-	-	-	-
	6,029	42,018	25,638	27,160	30,574	-	48,936	2,970	183,325
Commercial & Industrial									
Pass	112,737	99,626	103,515	39,338	95,864	111,566	89,318	8,466	660,430
Special Mention	-	-	-	117	-	-	-	-	117
Substandard	-	-	-	-	-	1,289	-	128	1,417
Doubtful	-	-	-	-	-	-	-	-	-
	112,737	99,626	103,515	39,455	95,864	112,855	89,318	8,594	661,964
						\$	\$		\$
Total loans	\$ 431,238	\$ 656,663	\$ 413,064	\$ 414,186	\$ 835,141	2,400,238	1,000,354	\$ 96,723	6,247,607

	Term Loans by Origination Year						Revolving loans		
	2025	2024	2023	2022	2021	Prior	Revolving loans	Converte d to term loans	Total
	(dollars in thousands)								
December 31, 2025									
Residential mortgage									
Current.....	\$ 319,548	\$ 165,551	\$ 224,614	\$ 364,875	\$ 656,720	\$ 993,335	\$ -	\$ -	\$2,724,643
30-59 days past due	284	-	728	1,711	4,183	3,093	-	-	9,999
60-89 days past due	-	-	-	691	-	-	-	-	691
Greater than 89 days past due	734	-	-	-	1,723	1,476	-	-	3,933
	<u>320,566</u>	<u>165,551</u>	<u>225,342</u>	<u>367,277</u>	<u>662,626</u>	<u>997,904</u>	<u>-</u>	<u>-</u>	<u>2,739,266</u>
Home equity line of credit									
Current	-	-	-	-	-	-	853,621	74,805	928,426
30-59 days past due	-	-	-	-	-	-	1,252	283	1,535
60-89 days past due	-	-	-	-	-	-	1,211	139	1,350
Greater than 89 days past due	-	-	-	-	-	-	2,025	654	2,679
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>858,109</u>	<u>75,881</u>	<u>933,990</u>
Residential land									
Current.....	6,054	5,332	2,772	263	188	-	-	-	14,609
30-59 days past due	-	-	-	-	-	-	-	-	-
60-89 days past due	-	-	-	-	-	-	-	-	-
Greater than 89 days past due	-	-	-	-	-	-	-	-	-
	<u>6,054</u>	<u>5,332</u>	<u>2,772</u>	<u>263</u>	<u>188</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,609</u>
Residential construction									
Current.....	9,187	6,595	937	593	-	-	-	-	17,312
30-59 days past due	-	-	-	-	-	-	-	-	-
60-89 days past due	-	-	-	-	-	-	-	-	-
Greater than 89 days past due	-	-	-	-	-	-	-	-	-
	<u>9,187</u>	<u>6,595</u>	<u>937</u>	<u>593</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,312</u>
Consumer									
Current.....	55,689	25,227	15,055	7,102	971	418	6,400	2,537	113,399
30-59 days past due	396	205	199	145	1	-	51	38	1,035
60-89 days past due	160	206	142	79	-	-	7	40	634
Greater than 89 days past due	140	217	85	147	-	-	59	26	674
	<u>56,385</u>	<u>25,855</u>	<u>15,481</u>	<u>7,473</u>	<u>972</u>	<u>418</u>	<u>6,517</u>	<u>2,641</u>	<u>115,742</u>
Commercial real estate									
Pass.....	161,132	107,025	120,937	334,835	167,665	526,367	24,303	-	1,442,264
Special Mention	-	-	923	2,614	-	-	-	-	3,537
Substandard	-	-	-	17,500	20,640	594	-	-	38,734
Doubtful	-	-	-	-	-	-	-	-	-
	<u>161,132</u>	<u>107,025</u>	<u>121,860</u>	<u>354,949</u>	<u>188,305</u>	<u>526,961</u>	<u>24,303</u>	<u>-</u>	<u>1,484,535</u>
Commercial construction									
Pass.....	31,581	19,408	26,834	40,613	-	-	59,217	2,985	180,638
Special Mention	-	-	-	-	-	-	-	-	-
Substandard	-	-	10,383	-	-	-	-	-	10,383
Doubtful	-	-	4,579	-	-	-	-	-	4,579
	<u>31,581</u>	<u>19,408</u>	<u>41,796</u>	<u>40,613</u>	<u>-</u>	<u>-</u>	<u>59,217</u>	<u>2,985</u>	<u>195,600</u>

	Term Loans by Origination Year						Revolving loans		
	2025	2024	2023	2022	2021	Prior	Revolving loans	Converted to term loans	Total
	(dollars in thousands)								
Commercial & Industrial									
Pass.....	125,115	101,538	62,883	109,449	38,854	80,882	64,252	6,807	589,780
Special Mention	-	-	127	-	-	-	-	-	127
Substandard.....	-	-	-	-	-	1,289	-	120	1,409
Doubtful	-	-	-	-	-	-	-	-	-
	<u>125,115</u>	<u>101,538</u>	<u>63,010</u>	<u>109,449</u>	<u>38,854</u>	<u>82,171</u>	<u>64,252</u>	<u>6,927</u>	<u>591,316</u>
						\$	\$		
Total loans	<u>\$ 710,020</u>	<u>\$ 431,304</u>	<u>\$ 471,198</u>	<u>\$ 880,617</u>	<u>\$ 890,945</u>	<u>1,607,454</u>	<u>1,012,398</u>	<u>\$ 88,434</u>	<u>\$6,092,370</u>
	Term Loans by Origination Year						Revolving Loans		
	2024	2023	2022	2021	2020	Prior	Revolving loans	Converted to term loans	Total
	(dollars in thousands)								
December 31, 2024									
Residential mortgage									\$
Current.....	\$ 195,450	\$ 248,577	\$ 391,419	\$ 693,730	\$ 377,515	\$ 708,171	\$ -	\$ -	2,614,862
30-59 days past due	-	-	-	-	266	1,940	-	-	2,206
60-89 days past due	-	-	-	-	264	964	-	-	1,228
Greater than 89 days past due	-	-	-	1,296	-	3,265	-	-	4,561
	<u>195,450</u>	<u>248,577</u>	<u>391,419</u>	<u>695,026</u>	<u>378,045</u>	<u>714,340</u>	<u>-</u>	<u>-</u>	<u>2,622,857</u>
Home equity line of credit									
Current.....	-	-	-	-	-	-	877,529	68,552	946,081
30-59 days past due	-	-	-	-	-	-	1,007	536	1,543
60-89 days past due	-	-	-	-	-	-	1,032	92	1,124
Greater than 89 days past due	-	-	-	-	-	-	1,183	475	1,658
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>880,751</u>	<u>69,655</u>	<u>950,406</u>
Residential land									
Current.....	6,958	3,028	3,598	2,365	1,065	503	-	-	17,517
30-59 days past due	-	-	-	-	-	101	-	-	101
60-89 days past due	-	-	-	-	-	-	-	-	-
Greater than 89 days past due	-	-	-	-	-	-	-	-	-
	<u>6,958</u>	<u>3,028</u>	<u>3,598</u>	<u>2,365</u>	<u>1,065</u>	<u>604</u>	<u>-</u>	<u>-</u>	<u>17,618</u>
Residential construction									
Current.....	3,304	9,658	5,940	-	-	-	-	-	18,902
30-59 days past due	-	-	-	-	-	-	-	-	-
60-89 days past due	-	-	-	-	-	-	-	-	-
Greater than 89 days past due	-	-	-	-	-	-	-	-	-
	<u>3,304</u>	<u>9,658</u>	<u>5,940</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,902</u>
Consumer									
Current.....	44,932	57,509	110,933	3,801	524	253	9,287	1,668	228,907
30-59 days past due	460	929	1,287	16	-	-	66	42	2,800
60-89 days past due	200	324	774	43	-	-	36	49	1,426

	Term Loans by Origination Year						Revolving Loans		
	2024	2023	2022	2021	2020	Prior	Revolving loans	Converte d to term loans	Total
	(dollars in thousands)								
Greater than 89 days past due	17	340	647	59	-	-	120	125	1,308
	45,609	59,102	113,641	3,919	524	253	9,509	1,884	234,441
Commercial real estate									
Pass	117,543	122,584	373,629	169,222	254,163	361,193	15,603	-	1,413,937
Special Mention	-	-	1,208	21,016	-	478	-	-	22,702
Substandard	-	-	-	1,493	-	14,537	-	-	16,030
Doubtful	-	-	-	-	-	2,057	-	-	2,057
	117,543	122,584	374,837	191,731	254,163	378,265	15,603	-	1,454,726
Commercial construction									
Pass	3,636	56,183	43,647	13,017	-	-	68,435	-	184,918
Special Mention	-	-	-	-	-	-	-	-	-
Substandard	-	-	-	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-	-	-	-
	3,636	56,183	43,647	13,017	-	-	68,435	-	184,918
Commercial & Industrial									
Pass	103,178	75,358	154,427	75,489	40,269	72,677	106,549	7,119	635,066
Special Mention	-	852	16,519	-	-	-	1,050	-	18,421
Substandard	959	-	1,112	73	-	1,318	861	21	4,344
Doubtful	-	-	-	-	60	-	-	-	60
	104,137	76,210	172,058	75,562	40,329	73,995	108,460	7,140	657,891
			\$			\$	\$		\$
Total loans	\$ 476,637	\$ 575,342	1,105,140	\$ 981,620	\$ 674,126	1,167,457	1,082,758	\$ 78,679	6,141,759

Modifications Made to Borrowers Experiencing Financial Difficulty

The allowance for credit losses incorporates an estimate of lifetime expected credit losses and is recorded on each asset upon origination. The starting point for the estimate of the allowance for credit losses is historical loan information, which includes losses from modifications of receivables to borrowers experiencing financial difficulty. We use a probability of default/loss given default model to determine the allowance for credit losses. An assessment of whether a borrower is experiencing financial difficulty is made at the time of the modification.

Because the effect of most modifications made to borrowers experiencing financial difficulty is already included in the allowance for credit losses, a change to the allowance for credit losses is generally not recorded upon modification.

Modifications may include interest rate reductions, interest only payments for an extended period of time, protracted terms such as amortization and maturity beyond the customary length of time found in the normal marketplace, and other actions intended to minimize economic loss and to provide alternatives to foreclosure or repossession of collateral.

The following tables present the loan modifications made to borrowers experiencing financial difficulty during the six months ended June 30, 2026 and 2025 and during 2025 and 2024:

	Term extension	Interest rate reduction	Payment delay	Combination term extension & rate reduction	Combination payment delay & term extension	Total	% of Total class of loans
(dollars in thousands)							
June 30, 2026							
Real estate loans							
Residential mortgage	\$ 846	\$ -	\$ 4,606	\$ -	\$ -	\$ 5,452	0.20%
Commercial real estate	-	-	-	-	-	-	-
Home equity line of credit	115	-	-	-	-	115	0.01
Residential land	-	-	-	-	-	-	-
Commercial construction	-	-	-	-	-	-	-

	Term extension	Interest rate reduction	Payment delay	Combination term extension & rate reduction	Combination payment delay & term extension	Total	% of Total class of loans
	(dollars in thousands)						
Residential construction	-	-	-	-	-	-	-
Commercial & Industrial	-	-	-	-	-	-	-
Consumer	-	-	-	-	-	-	-
Total ⁽¹⁾	\$ 961	\$ -	\$ 4,606	\$ -	\$ -	\$ 5,567	0.09%

	Term extension	Interest rate reduction	Payment delay	Combination term extension & rate reduction	Combination payment delay & term extension	Total	% of Total class of loans
	(dollars in thousands)						

June 30, 2025

Real estate loans							
Residential mortgage	\$ 794	\$ -	\$ 1,268	\$ -	\$ -	\$ 2,062	0.08%
Commercial real estate	-	-	-	-	-	-	-
Home equity line of credit	146	-	-	-	-	146	0.02
Residential land	-	-	-	-	-	-	-
Commercial construction	-	-	-	-	-	-	-
Residential construction	-	-	-	-	-	-	-
Commercial & Industrial	-	-	-	-	-	-	-
Consumer	-	-	-	-	-	-	-
Total ⁽¹⁾	\$ 940	\$ -	\$ 1,268	\$ -	\$ -	\$ 2,208	0.04%

(1) The period end balances reflect all paydowns and charge-offs since the modification. Loans fully paid off, charged-off, or foreclosed upon by period end are not included.

	Term extension	Interest rate reduction	Payment delay	Combination term extension & rate reduction	Combination payment delay & term extension	Total	% of Total class of loans
	(dollars in thousands)						

December 31, 2025

Real estate loans							
Residential mortgage	\$ 2,900	\$ -	\$ 2,508	\$ -	\$ -	\$ 5,408	0.20%
Commercial real estate	17,500	-	-	-	-	17,500	1.18
Home equity line of credit	374	-	-	-	-	374	0.04
Residential land	-	-	-	-	-	-	-
Commercial construction	14,962	-	-	-	-	14,962	7.65
Residential construction	-	-	-	-	-	-	-
Commercial & Industrial	-	-	1,289	-	-	1,289	0.22
Consumer	-	-	-	-	-	-	-
Total ⁽¹⁾	\$ 35,736	\$ -	\$ 3,797	\$ -	\$ -	\$ 39,533	0.65%

	Term extension	Interest rate reduction	Payment delay	Combination term extension & rate reduction	Combination payment delay & term extension	Total	% of Total class of loans
	(dollars in thousands)						

December 31, 2024

Real estate loans							
Residential mortgage	\$ 715	\$ -	\$ 6,722	\$ 299	\$ -	\$ 7,736	0.29%
Commercial real estate	-	-	-	-	1,208	1,208	0.08
Home equity line of credit	-	152	446	-	-	598	0.06
Residential land	-	-	674	-	-	674	3.83
Commercial construction	-	-	-	-	-	-	-
Residential construction	-	-	-	-	-	-	-
Commercial & Industrial	-	-	-	-	-	-	-
Consumer	-	-	-	-	-	-	-
Total ⁽¹⁾	\$ 715	\$ 152	\$ 7,842	\$ 299	\$ 1,208	\$ 10,216	0.17%

- (1) The period end balances reflect all paydowns and charge-offs since the modification. Loans fully paid off, charged-off, or foreclosed upon by period end are not included.

The allowance for credit losses (“ACL”) represents our estimate of expected credit losses over the expected contractual life of the related loans as of the balance sheet date. We regularly evaluate the allowance based on ongoing assessments and evaluations of the collectability of loans considering historical credit loss experience and current and forecasted market and economic conditions. See “—Critical Accounting Policies and Estimates.”

The following tables present an analysis of our allowance for credit losses for the six months ended June 30, 2026 and 2025 and the years ended December 31, 2025 and 2024:

	Residential mortgage	Commercial real estate	HELOC	Residential land	Commercial construction	Residential construction	Commercial & Industrial	Consumer	Total
(dollars in thousands)									
June 30, 2026									
Allowance for credit losses									
Beginning balance December 31, 2025.....	\$ 9,769	\$ 15,130	\$ 8,132	\$ 444	\$ 7,107	\$ 33	\$ 6,969	\$ 9,973	\$ 57,557
Charge-offs	-	-	-	-	-	-	(94)	(2,782)	(2,876)
Recoveries	22	-	127	30	-	-	614	1,714	2,507
Provision (benefit)	720	3,852	(1,027)	(43)	(2,612)	1	2,793	663	4,347
Ending balance.....	<u>\$ 10,511</u>	<u>\$ 18,982</u>	<u>\$ 7,232</u>	<u>\$ 431</u>	<u>\$ 4,495</u>	<u>\$ 34</u>	<u>\$ 10,282</u>	<u>\$ 9,568</u>	<u>\$ 61,535</u>

	Residential mortgage	Commercial real estate	HELOC	Residential land	Commercial construction	Residential construction	Commercial & Industrial	Consumer	Total
(dollars in thousands)									
June 30, 2025									
Allowance for credit losses									
Beginning balance December 31, 2024.....	\$ 5,666	\$ 17,743	\$ 6,961	\$ 529	\$ 3,088	\$ 40	\$ 8,307	\$ 21,897	\$ 64,231
Charge-offs	-	-	-	-	-	-	(533)	(5,270)	(5,803)
Recoveries	6	-	93	120	-	-	765	1,437	2,421
Provision (benefit) ..	799	(3,391)	(668)	(176)	184	(10)	3,023	4,918	4,679
Ending balance.....	<u>\$ 6,471</u>	<u>\$ 14,352</u>	<u>\$ 6,386</u>	<u>\$ 473</u>	<u>\$ 3,272</u>	<u>\$ 30</u>	<u>\$ 11,562</u>	<u>\$ 22,982</u>	<u>\$ 65,528</u>

	Residential mortgage	Commercial real estate	HELOC	Residential land	Commercial construction	Residential construction	Commercial & Industrial	Consumer	Total
(dollars in thousands)									
December 31, 2025									
Allowance for credit losses									
Beginning balance December 31, 2024.....	\$ 5,666	\$ 17,743	\$ 6,961	\$ 529	\$ 3,088	\$ 40	\$ 8,307	\$ 21,897	\$ 64,231
Charge-offs	-	-	(15)	-	-	-	(771)	(9,009)	(9,795)
Recoveries.....	14	-	122	120	-	-	1,518	3,181	4,955
Provision (benefit)	4,089	(2,613)	1,064	(205)	4,019	(7)	(2,085)	(6,096)	(1,834)
Ending balance	<u>\$ 9,769</u>	<u>\$ 15,130</u>	<u>\$ 8,132</u>	<u>\$ 444</u>	<u>\$ 7,107</u>	<u>\$ 33</u>	<u>\$ 6,969</u>	<u>\$ 9,973</u>	<u>\$ 57,557</u>

	Residential mortgage	Commercial real estate	HELOC	Residential land	Commercial construction	Residential construction	Commercial & Industrial	Consumer	Total
(dollars in thousands)									
December 31, 2024									
Allowance for credit losses									
Beginning balance December 31, 2023.....	\$ 7,435	\$ 22,185	\$ 7,778	\$ 621	\$ 3,603	\$ 43	\$ 9,122	\$ 23,585	\$ 74,372
Charge-offs	(850)	-	-	-	-	-	(435)	(12,017)	(13,302)

	Residential mortgage	Commercial real estate	HELOC	Residential land	Commercial construction	Residential construction	Commercial & Industrial	Consumer	Total
Recoveries.....	205	-	306	-	-	-	491	3,222	4,224
Provision (benefit)	(1,124)	(4,442)	(1,123)	(92)	(515)	(3)	(871)	7,107	(1,063)
Ending balance	<u>\$ 5,666</u>	<u>\$ 17,743</u>	<u>\$ 6,961</u>	<u>\$ 529</u>	<u>\$ 3,088</u>	<u>\$ 40</u>	<u>\$ 8,307</u>	<u>\$ 21,897</u>	<u>\$ 64,231</u>

In the six months ended June 30, 2026, we recorded net charge-offs of \$0.4 million, compared to net charge-offs of \$3.4 million for the same period in 2025, a decrease of \$3.0 million, or 89.1%. The sale of our consumer mainland solar and home improvement loan portfolio in the third quarter of 2025, improved the overall credit quality of the loan portfolio and lowered consumer net charge-offs from \$3.8 million for the six months ended June 30, 2025 to \$1.1 million for the same period in 2026. Annualized net charge-offs as a percentage of average total loans for the six months ended June 30, 2026 was 0.01% compared to 0.11% for the six months ended June 30, 2025. In 2025, we recorded net charge-offs of \$4.8 million, compared to net charge-offs of \$9.1 million in 2024, a decrease of \$4.3 million, or 46.7%. Net charge-offs as a percentage of average total loans were 0.08% in 2025 compared to 0.15% in 2024.

As of June 30, 2026, the allowance for credit losses was \$61.5 million, or 0.99% of our total loan portfolio compared to the allowance for credit losses of \$65.5 million or 1.08% of our total loan portfolio as of June 30, 2025. The reduction in the allowance for credit losses from \$65.5 million at June 30, 2025 to \$61.5 million at June 30, 2026 was primarily due to the sale of the consumer solar and home improvement loan portfolio during the third quarter of 2025, partially offset by higher reserves on substandard and special mention loans in the commercial real estate portfolio. As of December 31, 2025, the allowance for credit losses was \$57.6 million, or 0.95% of our total loan portfolio, compared with \$64.2 million, or 1.05% of loans as of December 31, 2024. The decrease in allowance for credit losses of \$6.6 million was primarily due to the sale of the consumer solar and home improvement loans portfolio resulting in a \$11.5 million release of allowance for credit losses.

The following table presents the allocation of our allowance for credit losses and the percentage of loans in each category to total loans as of June 30, 2026 and December 31, 2025 and 2024:

	As of June 30, 2026		
	Amount	Loan balance as % of total loans	Allowance as % of loan category
	(dollars in thousands)		
Residential mortgage	\$ 2,737,283	43.96	0.38
Commercial real estate	1,584,580	25.40	1.20
Home equity line of credit	919,117	14.65	0.79
Residential land.....	14,564	0.23	2.96
Commercial construction.....	182,074	2.93	2.47
Residential construction.....	18,111	0.29	0.19
Commercial & Industrial	660,933	10.59	1.56
Consumer	121,811	1.95	7.85
Total loans, net.....	<u>\$ 6,238,473</u>	<u>100.00</u>	<u>0.99</u>

	As of December 31,					
	2025			2024		
	Amount	Loan balance as % of total loans	Allowance as % of loan category	Amount	Loan balance as % of total loans	Allowance as % of loan category
	(dollars in thousands)					
	Amount	Loan balance as % of total loans	Allowance as % of loan category	Amount	Loan balance as % of total loans	Allowance as % of loan category
Residential mortgage	\$ 2,730,837	44.96	0.36	\$ 2,614,732	42.70	0.22
Commercial real estate	1,482,312	24.37	1.02	1,451,824	23.69	1.22
Home equity line of credit	937,895	15.33	0.87	954,679	15.47	0.73
Residential land.....	14,609	0.24	3.04	17,597	0.29	3.01
Commercial construction.....	194,315	3.21	3.66	184,112	3.01	1.68
Residential construction.....	17,428	0.28	0.19	18,896	0.31	0.21
Commercial & Industrial	590,109	9.71	1.18	656,973	10.71	1.26
Consumer	115,742	1.90	8.62	215,908	3.82	10.14
Total loans, net.....	<u>\$ 6,083,247</u>	<u>100.00</u>	<u>0.95</u>	<u>\$ 6,114,721</u>	<u>100.00</u>	<u>1.05</u>

We will continue to evaluate the loan portfolio and assess economic conditions in order to determine future allowance levels and the amount of credit loss provision. We review the appropriateness of our allowance for credit losses on a quarterly basis. While we use the best information available to make evaluations, future adjustments to the allowance may become necessary if conditions change substantially from the conditions that we used in previous evaluations.

Investment Securities

As of June 30, 2026, the amortized cost of our available-for-sale and held-to-maturity investment portfolios totaled \$2.0 billion, an increase of \$89.4 million or 4.7% as compared to December 31, 2025. As of June 30, 2026, the fair value of our available-for-sale and held-to-maturity investment portfolios totaled \$1.9 billion, an increase of \$74.6 million or 4.2% as compared to December 31, 2025. As of June 30, 2026, Accumulated Other Comprehensive Income (“AOCI”) attributable to the available-for-sale investment portfolio was negative \$32.4 million, and AOCI attributable to the held-to-maturity portfolio was negative \$101.7 million.

As of December 31, 2025, the amortized cost of our available-for-sale and held-to-maturity investment portfolios totaled \$1.9 billion, a decrease of \$485.0 million or 20.4% as compared to December 31, 2024. As of December 31, 2025, the fair value of our available-for-sale and held-to-maturity investment portfolios totaled \$1.8 billion, a decrease of \$250.8 million or 12.3% as compared to December 31, 2024. As of December 31, 2025, AOCI attributable to the available-for-sale investment portfolio was negative \$28.5 million, and AOCI attributable to the held-to-maturity portfolio was negative \$107.5 million.

In March and April 2025, we restructured our balance sheet by selling a total of \$735.3 million of available-for-sale investment securities with below-market yields for \$585.4 million resulting in a pre-tax loss of \$149.9 million. The proceeds were used to pay off higher costing FHLB advances and brokered deposits and invest in higher yielding securities.

The average tax-equivalent yield at June 30, 2026 was 2.37%, an increase of 13 basis points as compared to December 31, 2025. The increase in the tax-equivalent yield is due in part to \$273 million investment securities purchased primarily in the first six months of 2026 at higher yields than the existing portfolio. Gross unrealized losses in our investment securities portfolio were \$125.8 million and \$114.3 million as of June 30, 2026 and December 31, 2025, respectively.

The average tax-equivalent yield as of December 31, 2025 was 2.24%, an increase of 50 basis points as compared to December 31, 2024. Gross unrealized gains on our investment securities portfolio were \$4.4 million and almost nil as of December 31, 2025 and December 31, 2024, respectively. Gross unrealized losses in our investment securities portfolio were \$114.3 million and \$344.3 million as of December 31, 2025 and December 31, 2024, respectively.

As of June 30, 2026, approximately 98.0% of our investment portfolio consisted of securities guaranteed by the U.S. government, its agencies, or sponsored enterprises with the remaining 2.0% invested in corporate and mortgage revenue bonds.

As of December 31, 2025, approximately 97.4% of our investment portfolio consisted of securities guaranteed by the U.S. government, its agencies, or sponsored enterprises with the remaining 2.6% invested in corporate and mortgage revenue bonds.

As of June 30, 2026, our estimate of the duration of the total investment portfolio was 4.0 with a weighted average life of 5.9 years. We estimate the effective duration contracts to 3.8 assuming an immediate 200 basis point upward rate shock and extends to 4.2 assuming an immediate 200 basis point downward rate shock.

As of December 31, 2025, our estimate of the duration of the total investment portfolio was 4.2 with a weighted average life of 5.4 years.

The following tables present the amortized cost, gross unrealized gains and losses and estimated fair value for our available-for-sale and held-to-maturity securities by security type as of June 30, 2026, December 31, 2025 and 2024:

	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
	(in thousands)			
June 30, 2026				
Available-for-sale				
U.S. Treasury and federal agency obligations*	\$ 121,297	\$ 15	\$ (321)	\$ 120,991
Residential mortgage-backed securities*	600,425	289	(39,034)	561,680
Commercial mortgage-backed securities*	149,040	68	(5,170)	143,938
Corporate bonds	26,412	34	(202)	26,244
Mortgage revenue bond	12,901	-	-	12,901
	<u>\$ 910,075</u>	<u>\$ 406</u>	<u>\$ (44,727)</u>	<u>\$ 865,754</u>
Held-to-maturity				
U.S. Treasury and federal agency obligations*.	\$ 59,977	\$ -	\$ (4,560)	\$ 55,417
Residential mortgage-backed securities*	524,545	702	(15,652)	509,595
Commercial mortgage-backed securities*	491,485	-	(60,882)	430,603
	<u>\$ 1,076,007</u>	<u>\$ 702</u>	<u>\$ (81,094)</u>	<u>\$ 995,615</u>
December 31, 2025				
Available-for-sale				
U.S. Treasury and federal agency obligations*.	\$ 153,679	\$ 199	\$ (105)	\$ 153,773
Residential mortgage-backed securities*	501,863	1,339	(35,365)	467,837
Commercial mortgage-backed securities*	91,147	59	(4,758)	86,448
Corporate bonds	34,965	-	(345)	34,620
Mortgage revenue bond	13,206	-	-	13,206
	<u>\$ 794,860</u>	<u>\$ 1,597</u>	<u>\$ (40,573)</u>	<u>\$ 755,884</u>
Held-to-maturity				
U.S. Treasury and federal agency obligations*.	\$ 59,965	\$ -	\$ (4,274)	\$ 55,691
Residential mortgage-backed securities*	543,814	2,572	(9,544)	536,842
Commercial mortgage-backed securities*	498,074	191	(59,908)	438,357
	<u>\$ 1,101,853</u>	<u>\$ 2,763</u>	<u>\$ (73,726)</u>	<u>\$ 1,030,890</u>
December 31, 2024				
Available-for-sale				
U.S. Treasury and federal agency obligations*.	\$ 7,106	\$ -	\$ (176)	\$ 6,930
Residential mortgage-backed securities*	1,087,192	12	(202,314)	884,890
Commercial mortgage-backed securities*	90,841	-	(16,864)	73,977
Corporate bonds	35,102	-	(1,443)	33,659
Mortgage revenue bond	13,794	-	-	13,794
	<u>\$ 1,234,035</u>	<u>\$ 12</u>	<u>\$ (220,797)</u>	<u>\$ 1,013,250</u>
Held-to-maturity				
U.S. Treasury and federal agency obligations*.	\$ 59,941	\$ -	\$ (7,180)	\$ 52,761
Residential mortgage-backed securities*	582,465	54	(32,726)	549,793
Commercial mortgage-backed securities*	505,301	-	(83,572)	421,729
	<u>\$ 1,147,707</u>	<u>\$ 54</u>	<u>\$ (123,478)</u>	<u>\$ 1,024,283</u>

* Issued or guaranteed by U.S. Government agencies or sponsored enterprises.

Accrued interest receivable totaled \$5.5 million, \$5.1 million and \$4.1 million as of June 30, 2026, December 31, 2025 and December 31, 2024, respectively, and is included in accrued interest receivable on the balance sheets.

We do not believe that the investment securities that were in an unrealized loss position as of June 30, 2026, and December 31, 2025 and 2024, represent a credit loss. Total gross unrealized losses were primarily attributable to changes in market conditions. On a quarterly basis the investment securities are evaluated for changes in financial condition of the issuer. Based upon our evaluation, all securities held within the investment portfolio continue to be rated investment grade by one or more agencies. The contractual cash flows of the U.S. Treasury, federal agency obligations and agency mortgage-backed securities are backed by the full faith and credit guaranty of the United States government, an agency of the government or a government-sponsored entity. We do not intend to sell the securities before the recovery of its amortized cost basis and there have been no adverse changes in the timing of the contractual cash flows for the securities. Our investment securities portfolio did not require an allowance for credit losses as of June 30, 2026, December 31, 2025 and 2024.

The following tables present the contractual maturity distribution at amortized cost and associated weighted average yield of our available-for-sale and held-to-maturity investment securities as June 30, 2026, December 31, 2025 and 2024.

The weighted average yield is calculated using the amortized cost and yield on each security. Each security's amortized cost is multiplied by its yield and then divided by the respective category total. The resulting values are summed to arrive at the weighted average yield.

June 30, 2026							
	In 1 Year or Less	After 1 year through 5 years	After 5 years through 10 years	After 10 years	Mortgage- backed securities	Total book value	Total fair value
(dollars in thousands)							
Available-for-sale							
U.S. Treasury and federal agency obligations	\$ 25,032	\$ -	\$ 96,265	\$ -	\$ -	\$ 121,297	\$ 120,991
Residential mortgage- backed securities	-	-	-	-	600,425	600,425	561,680
Commercial mortgage- backed securities	-	-	-	-	149,040	149,040	143,938
Corporate bonds	-	26,412	-	-	-	26,412	26,244
Mortgage revenue bond	-	-	12,901	-	-	12,901	12,901
Sub total	\$ 25,032	\$ 26,412	\$ 109,166	\$ -	\$ 749,465	\$ 910,075	\$ 865,754
Weighted average yield*	3.91%	2.24%	4.23%	0.00%	3.40%	3.48%	
Held-to-maturity							
U.S. Treasury and federal agency obligations	\$ -	\$ 59,977	\$ -	\$ -	\$ -	\$ 59,977	\$ 55,417
Residential mortgage- backed securities	-	-	-	-	524,545	524,545	509,595
Commercial mortgage- backed securities	-	-	-	-	491,485	491,485	430,603
Corporate bonds	-	-	-	-	-	-	-
Mortgage revenue bond	-	-	-	-	-	-	-
• Sub total	\$ -	\$ 59,977	\$ -	\$ -	\$ 1,016,030	\$ 1,076,007	\$ 995,615
Weighted average yield*	0.00%	1.42%	0.00%	0.00%	1.44%	1.44%	

* Weighted average yield on tax-exempt securities are computed on a tax equivalent basis using a federal statutory tax rate of 21.00%.

December 31, 2025								
	In 1 Year or Less	After 1 year through 5 years	After 5 years through 10 years	After 10 years	Mortgage- backed securities	Total book value	Total fair value	
(dollars in thousands)								
Available-for-sale								
U.S. Treasury and federal agency obligations	\$ 97,428	\$ 1,435	\$ 44,847	\$ 9,969	\$ -	\$ 153,679	\$ 153,773	
Residential mortgage-backed securities	-	-	-	-	501,863	501,863	467,837	
Commercial mortgage-backed securities	-	-	-	-	91,147	91,147	86,448	
Corporate bonds	8,512	26,453	-	-	-	34,965	34,620	
Mortgage revenue bond	-	-	13,206	-	-	13,206	13,206	
Sub total	\$ 105,940	\$ 27,888	\$ 58,053	\$ 9,969	\$ 593,010	\$ 794,860	\$ 755,884	
Weighted average yield*	3.97%	2.23%	4.90%	4.63%	3.10%	3.34%		
Held-to-maturity								
U.S. Treasury and federal agency obligations	\$ -	\$ 39,902	\$ 20,063	\$ -	\$ -	\$ 59,965	\$ 55,691	
Residential mortgage-backed securities	-	-	-	-	543,814	543,814	536,842	
Commercial mortgage-backed securities	-	-	-	-	498,074	498,074	438,357	
Corporate bonds	-	-	-	-	-	-	-	
Mortgage revenue bond	-	-	-	-	-	-	-	
Sub total	\$ -	\$ 39,902	\$ 20,063	\$ -	\$ 1,041,888	\$ 1,101,853	\$ 1,030,890	
Weighted average yield*	0.00%	1.34%	1.56%	0.00%	1.44%	1.44%		

* Weighted average yield on tax-exempt securities are computed on a tax equivalent basis using a federal statutory tax rate of 21.00%.

December 31, 2024								
	In 1 Year or Less	After 1 year through 5 years	After 5 years through 10 years	After 10 years	Mortgage- backed securities	Total book value	Total fair value	
(dollars in thousands)								
Available-for-sale								
U.S. Treasury and federal agency obligations	\$ 370	\$ 6,736	\$ -	\$ -	\$ -	\$ 7,106	\$ 6,930	
Residential mortgage-backed securities	-	-	-	-	1,087,192	1,087,192	884,890	
Commercial mortgage-backed securities	-	-	-	-	90,841	90,841	73,977	
Corporate bonds	-	35,102	-	-	-	35,102	33,659	
Mortgage revenue bond	-	-	13,794	-	-	13,794	13,794	
Sub total	\$ 370	\$ 41,838	\$ 13,794	\$ -	\$ 1,178,033	\$ 1,234,035	\$ 1,013,250	
Weighted average yield*	0.44%	2.31%	6.36%	0.00%	1.95%	2.01%		
Held-to-maturity								
U.S. Treasury and federal agency obligations	\$ -	\$ 39,867	\$ 20,074	\$ -	\$ -	\$ 59,941	\$ 52,761	
Residential mortgage-backed securities	-	-	-	-	582,465	582,465	549,793	
Commercial mortgage-backed securities	-	-	-	-	505,301	505,301	421,729	
Corporate bonds	-	-	-	-	-	-	-	
Mortgage revenue bond	-	-	-	-	-	-	-	
Sub total	\$ -	\$ 39,867	\$ 20,074	\$ -	\$ 1,087,766	\$ 1,147,707	\$ 1,024,283	
Weighted average yield*	0.00%	1.34%	1.56%	0.00%	1.44%	1.44%		

* Weighted average yield on tax-exempt securities are computed on a tax equivalent basis using a federal statutory tax rate of 21.00%.

U.S. Treasury, federal agency obligations, corporate bonds, and mortgage revenue bonds have contractual terms to maturity. Mortgage-backed securities have contractual terms to maturity, but require periodic payments to reduce

principal. In addition, expected maturities will differ from contractual maturities because borrowers have the right to prepay the underlying mortgages.

As of June 30, 2026, we estimate that the principal cash flows and associated runoff yields for our fixed-rate securities for 2026 and 2027 will be approximately \$130 million at 3.25% and \$225 million at 3.1%, respectively.

Investment securities with a market value of approximately \$0.8 billion and \$1.3 billion as of December 31, 2025 and 2024, respectively, were pledged as collateral for public funds and other deposits, mortgage pipeline hedge margin, automated clearinghouse transactions, the Federal Reserve Bank of San Francisco discount window and bankruptcy account, and the Federal Home Loan Bank of Des Moines advance line and to secure other borrowing capacity.

The following table presents our historical cash flows and runoff yield for our available-for-sale and held-to-maturity securities by security type for the three-month periods ended June 30, 2026, March 31, 2026, December 31, 2025, and September 30, 2025. During the three months ended June 30, 2026, we invested in securities at a 4.94% weighted average yield.

	For the three months ended							
	June 30, 2026		March 31, 2026		December 31, 2025		September 30, 2025	
	Principal Pay Offs	Yield	Principal Pay Offs	Yield	Principal Pay Offs	Yield	Principal Pay Offs	Yield
(dollars in thousands)								
Available-for-sale ⁽¹⁾ ...	\$ 85,018	4.00%	\$ 71,978	4.19%	\$ 34,013	4.04%	\$ 70,239	4.19%
Held-to-maturity.....	16,852	1.40 ⁽²⁾	15,645	1.39 ⁽²⁾	15,098	1.41	16,089	1.39
Total.....	<u>\$ 101,870</u>	<u>3.57%</u>	<u>\$ 87,623</u>	<u>3.69%</u>	<u>\$ 49,111</u>	<u>3.23%</u>	<u>\$ 86,328</u>	<u>3.67%</u>

(1) Excludes activity for mortgage revenue bond

(2) Yield for the three months ended March 31, 2026 and June 30, 2026 normalizes for \$268,000 and \$151,000 of premium amortization, respectively, related to a single CBS agency security. Including the premium amortization, runoff yield for these periods would be (0.42%) and 1.25%, respectively

Federal Home Loan Bank and Federal Reserve Bank Stock

FHLB stock. FHLB stock totaled \$5.4 million, \$5.6 million and \$29.2 million as of June 30, 2026, December 31, 2025 and 2024, respectively. FHLB stock is carried at cost because it can only be redeemed at par and it is a required investment based on our measurements of capital, assets and borrowing levels. Quarterly and as conditions warrant, we review our investment in FHLB stock for impairment. We evaluated our investment in FHLB stock for credit losses as of June 30, 2026, December 31, 2025 and 2024, consistent with our accounting policy and no credit losses were recognized based on our evaluation.

FRB stock. FRB stock totaled \$10.8 million as of June 30, 2026 and December 31, 2025. Effective January 1, 2026, we converted from a federal savings bank to a national banking association. As part of the conversion, we are required to subscribe to Federal Reserve Bank stock in an amount equivalent to 6% of our capital and surplus. By regulation, we paid for one-half of this subscription on the date that the Federal Reserve Bank approved our application for capital stock, while the remaining half of the subscription shall be subject to call by the Federal Reserve Bank.

Deposits

Deposits are gathered primarily from our branch locations, as well as online, mobile and ATM deposits. We offer a variety of deposit products including noninterest-bearing demand deposits, interest-bearing demand deposits, savings accounts, and time certificates. We also use the IntraFi network, which allows our participating depositors to receive FDIC insurance on amounts greater than \$250,000. Deposits from participating customers that are larger than this threshold are broken into smaller amounts and placed in the network of other IntraFi institutions to maximize FDIC insurance coverage.

The following table presents the distribution of deposit balances as of June 30, 2026, December 31, 2025 and 2024:

	As of June 30,		As of December 31,			
	2026		2025		2024	
	Ending balance	% of Total	Ending balance	% of Total	Ending balance	% of Total
(dollars in thousands)						
Noninterest-bearing checking.....	\$ 2,524,356	30.8	\$ 2,498,000	30.7	\$ 2,470,694	30.8
Interest-bearing checking.....	1,682,538	20.6	1,664,668	20.5	1,495,564	18.6
Savings.....	2,817,266	34.4	2,775,842	34.1	2,651,575	33.0
Money market.....	550,532	6.7	523,870	6.4	448,170	5.6
Total core deposits.....	7,574,692	92.5	7,462,380	91.7	7,066,003	88.0
Time certificates.....	616,796	7.5	674,642	8.3	966,404	12.0
Total deposits.....	\$ 8,191,488	100.0	\$ 8,137,022	100.0	\$ 8,032,407	100.0

Total deposits as of June 30, 2026 were \$8.2 billion, an increase of \$54.5 million, or 0.7%, compared to \$8.1 billion as of December 31, 2025. The increase in deposits included growth in savings, money market and noninterest- and interest-bearing checking, partially offset by a reduction in term certificates.

Total deposits as of December 31, 2025 were \$8.1 billion, an increase of \$104.6 million, or 1.3%, compared to \$8.0 billion as of December 31, 2024. The increase was primarily due to growth in interest and noninterest-bearing checking, money market, and savings deposits, partially offset by a decrease in time certificates.

	Six months ended June 30,					
	2026			2025		
	Average balance	Interest expense	% Cost	Average balance	Interest expense	% Cost
(dollars in thousands)						
Noninterest-bearing checking.....	\$ 2,494,725	\$ -	-	\$ 2,473,769	\$ -	-
Interest-bearing checking.....	1,634,149	6,307	0.78	1,476,162	5,509	0.75
Savings.....	2,800,746	7,503	0.54	2,703,087	6,006	0.45
Money market.....	555,077	6,681	2.43	506,702	7,892	3.14
Time certificates.....	648,672	7,364	2.29	874,114	13,753	3.17
Total.....	\$ 8,133,369	\$ 27,855	0.69	\$ 8,033,834	\$ 33,160	0.83

	Years ended December 31,					
	2025			2024		
	Average balance	Interest expense	% Cost	Average balance	Interest expense	% Cost
(dollars in thousands)						
Noninterest-bearing checking.....	\$ 2,471,432	\$ -	-	\$ 2,486,967	\$ -	-
Interest-bearing checking.....	1,500,495	11,421	0.76	1,399,206	11,866	0.85
Savings.....	2,733,139	13,251	0.48	2,672,184	6,709	0.25
Money market.....	519,172	15,691	3.02	391,659	14,372	3.67
Time certificates.....	791,904	22,851	2.89	1,032,737	39,780	3.85
Total.....	\$ 8,016,142	\$ 63,214	0.79	\$ 7,982,753	\$ 72,727	0.91

The following table sets forth the scheduled maturities of time certificates of \$250,000 or more as of June 30, 2026, December 31, 2025 and December 31, 2024.

	As of		As of December 31,	
	June 30,		2025	
	2026		2024	
(dollars in thousands)				
Remaining maturity				
Three months or less.....	\$ 94,509	\$ 96,483	\$ 119,047	
Over three through six months.....	59,403	58,267	86,887	
Over six through twelve months.....	14,231	26,904	16,214	
Over twelve months.....	3,704	5,665	5,603	
	\$ 171,847	\$ 187,319	\$ 227,751	

Average total deposits for the six months ended June 30, 2026 were \$8.1 billion, an increase of \$99.5 million, compared to average total deposits for the six months ended June 30, 2025. The average increase in core deposits of

\$325.0 million was across all core deposit categories, partially offset by a \$225.4 million average decrease in time certificates for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. The six months ended June 30, 2026 had a weighted average cost of deposits at 0.69% compared to 0.83% for the same period in 2025. The decrease was primarily driven by a reduction in rates as a result of FOMC rate cuts that began in the second half of 2024, partially offset by a shift in mix of average balances from higher costing time certificates to lower cost interest- and noninterest-bearing deposits.

Average total deposits for the year ended December 31, 2025 were \$8.0 billion, an increase of \$33.4 million, compared to the year ended December 31, 2024. The increase was primarily driven by an increase in savings and interest-bearing demand deposits. The year ended December 31, 2025 had a weighted average cost of deposits at 0.79% compared to 0.91% in 2024. The decrease was primarily driven by a reduction in rates as a result of FOMC rate cuts that began in the second half of 2024, partially offset by a shift in mix of average balances.

FDIC deposit insurance covers \$250,000 per depositor, per FDIC-insured bank, for each account ownership category. Our total estimated uninsured deposits were \$1.9 billion and \$1.7 billion as of June 30, 2026 and 2025, respectively. Our total estimated uninsured deposits were \$1.9 billion and \$1.7 billion as of December 31, 2025 and 2024, respectively. As of June 30, 2026 and December 31, 2025, 77% of deposits are FDIC insured.

Off-Balance Sheet Arrangements

In the normal course of business, in order to meet the needs of our customers, we are subject to off-balance sheet risk which could potentially impact our financial position. These off-balance sheet arrangements include commitments to fund loans and standby letters of credit.

We have outstanding commitments to provide loans to, and letters of credit on behalf of, our customers. Loan commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since certain commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. We minimize our exposure to loss under these commitments by requiring that customers meet certain conditions prior to disbursing funds. The amount of collateral, if any, is based on a credit evaluation of the borrower and may include residential real estate, accounts receivable, inventory and property, plant and equipment.

Letters of credit are conditional commitments issued by us to guarantee the performance of a customer to a third party. The credit risk involved in issuing letters of credit is essentially the same as is involved in extending loan facilities to customers. We hold collateral supporting those commitments for which collateral is deemed necessary.

Such commitments and conditional obligations were as follows as of June 30, 2026, December 31, 2025 and 2024.

	As of June 30,		As of December 31,	
	2026		2025	2024
	(dollars in thousands)			
Home equity line of credit	\$	1,001,207	\$	1,027,777
Commercial & Industrial and commercial real estate		654,439		686,016
Consumer		43,579		46,933
Residential mortgage		25,669		21,236
Commercial and financial standby letters of credit.....		9,828		14,030
Total commitments	\$	1,734,722	\$	1,795,992
			\$	1,792,602

Contractual Obligations

The following tables summarize the maturity of our contractual obligations to make future payments at June 30, 2026, December 31, 2025 and 2024:

	June 30, 2026									
	1 Year or less		2-3 Years		4-5 Years		After 5 years		Total	
	(dollars in thousands)									
Time certificates	\$	577,701	\$	23,182	\$	14,330	\$	1,583	\$	616,796
Low-income housing investments		7,537		16,830		185		2,300		26,852

June 30, 2026					
	1 Year or less	2-3 Years	4-5 Years	After 5 years	Total
(dollars in thousands)					
Operating leases	4,636	7,096	2,941	2,836	17,509
Total	\$ 589,874	\$ 47,108	\$ 17,456	\$ 6,719	\$ 661,157

December 31, 2025					
	1 Year or less	2-3 Years	4-5 Years	After 5 years	Total
(dollars in thousands)					
Time certificates	\$ 630,834	\$ 25,558	\$ 16,537	\$ 1,713	\$ 674,642
Low-income housing investments	11,654	16,830	185	2,300	30,969
Operating leases	4,358	7,579	3,976	3,191	19,104
Total	\$ 646,846	\$ 49,967	\$ 20,698	\$ 7,204	\$ 724,715

Liquidity Risk Management

Bank Liquidity Management

The objective of our liquidity management strategy is to enhance the availability of cash sufficient to fund our operations and meet present and future financial obligations at a reasonable cost. We consider the effective and prudent management of liquidity to be fundamental to our health and strength.

Our ALCO has been authorized by our Board to oversee our liquidity risk to confirm that our activities comply with our policies and plans related to funds management, which specifies overall objectives, metrics, limits, guidelines, reporting requirements and our contingency funding, which includes requirements for liquidity stress testing. Our ALCO receives regular comprehensive reporting that includes information describing current levels vs. guidelines and limits for a broad set of liquidity metrics, loan and deposit trends, readily available liquidity measures, explanatory commentary relating to changes in our liquidity position and emerging risk trends and, as appropriate, recommended remedial strategies.

Our objective is to maintain prudent levels of current and contingent liquidity from stable sources that can be accessed in a timely manner at a reasonable cost, without significant adverse consequences. We seek to accomplish this mission by funding loans primarily with stable deposits, controlling dependence on wholesale funding, and by maintaining ample readily available liquidity. While our primary source of long-term, stable, and lower-cost funding is deposits, additional sources of funding include, but are not limited to, customer repurchase agreements, federal funds purchased from correspondent banks, unencumbered investment securities, and wholesale funding sources such as FHLB and FRB borrowings, dealer repurchase agreements, and wholesale/brokered deposits.

As of June 30, 2026 and December 31, 2025, we had approximately \$3.9 billion in readily available liquidity. As of December 31, 2024, we had approximately \$3.1 billion in readily available liquidity.

	Change				
	As of June 30,	As of December 31,		June 30, 2026 vs. December 2025	December 31, 2025 vs. 2024
	2026	2025	2024		
(dollars in thousands)					
Cash reserves at Federal Reserve	\$ 82,888	\$ 286,705	\$ 242,462	\$ (203,817)	\$ 44,243
Federal Reserve advance capacity (security collateral)	92,192	127,100	508,900	(34,908)	(381,800)
FHLB advance capacity	2,624,558	2,467,340	1,495,063	157,218	972,277
Unencumbered securities	1,092,407	978,685	822,781	113,722	155,904
Total readily available liquidity	\$ 3,892,045	\$ 3,859,830	\$ 3,069,206	\$ 32,215	\$ 790,624

Capital Management

Our capital management strategy is designed to enhance our capital sufficiency to support balance sheet growth while also maintaining sufficient reserves to absorb unexpected losses or write-downs that are risks inherent to the business of banking. We aim to strike a balance between maintaining higher capital levels to address unforeseen risks and achieving a reasonable return on the capital invested by our stockholders.

We are required to meet regulatory capital standards set by federal banking authorities. If we fail to meet the minimum capital requirements, we could trigger mandatory actions, and possibly additional discretionary measures, by the state and federal regulators, which may have a significant impact on our financial position. We must comply with specific capital guidelines under the capital adequacy rules and the prompt corrective action framework, which involve quantitative measures based on our assets, liabilities, and certain off balance- sheet items as calculated under regulatory accounting rules. Additionally, the components of capital, and other items.

The prompt corrective action (“PCA”) framework is a regulatory tool used to monitor and manage the capital levels of banks. It is designed to maintain the stability and soundness of financial institutions, particularly banks, by requiring regulatory intervention when a bank’s capital falls below certain thresholds. The primary goal of PCA is to address financial distress early, before it results in more severe consequences. These regulations, enforced by federal banking agencies, classify banks based on their capital adequacy and impose escalating supervisory actions as a bank’s capital position deteriorates.

Banks are categorized into five groups based on their capital ratios:

Well-Capitalized: Banks that meet or exceed all capital adequacy standards. These banks face minimal regulatory restrictions and are generally free to operate as usual.

Adequately Capitalized: Banks that meet minimum capital requirements. Banks in this category can still operate normally but may face restrictions on activities like accepting brokered deposits.

Undercapitalized: Banks that fail to meet the minimum capital requirements. Banks must submit a plan to restore capital and are subject to more severe restrictions, such as limits on asset growth and capital distributions (e.g., dividends or share buybacks).

Significantly Undercapitalized: Banks with very low capital, well below regulatory thresholds. These banks face the most stringent interventions, including the possibility of forced mergers, asset sales, or closure. They must also submit a detailed plan for capital restoration, which may require regulatory approval.

Critically Undercapitalized: Banks with the lowest capital levels, requiring immediate action.

PCA regulations mandate that federal regulators take action when a bank’s capital falls below the required thresholds. This can involve measures such as restrictions on paying dividends or bonuses, restrictions on asset growth or expansion, enhanced monitoring and reporting requirements, required capital restoration plans, possible forced mergers or liquidation in extreme cases.

As of June 30, 2026, December 31, 2025, and December 31, 2024, our capital ratios exceeded the regulatory requirements and the threshold for “well capitalized” status. We maintain excess capital, in part, to provide ourselves with flexibility when considering potential growth opportunities. Actual and required capital ratios were:

	Actual		Minimum Capital Adequacy Requirement		Well- Capitalized Requirement	
	Amount	Ratio%	Amount	Ratio%	Amount	Ratio%
(dollars in thousands)						
June 30, 2026						
Tier 1 leverage	\$ 822,546	9.10	\$ 361,385	4.00	\$ 451,732	5.00
Common equity tier 1	822,541	13.49	274,311	4.50	396,227	6.50
Tier 1 capital	822,546	13.49	365,748	6.00	487,664	8.00
Total capital	889,281	14.59	487,664	8.00	609,579	10.00
	Actual		Minimum Capital Adequacy Requirement		Well-Capitalized Requirement	
	Amount	Ratio%	Amount	Ratio%	Amount	Ratio%
(dollars in thousands)						
December 31, 2025						
Tier 1 leverage	\$ 801,828	9.00	\$ 356,543	4.00	\$ 445,678	5.00
Common equity tier 1	801,823	13.46	268,026	4.50	387,148	6.50
Tier 1 capital	801,828	13.46	357,368	6.00	476,490	8.00
Total capital	864,585	14.52	476,490	8.00	595,613	10.00

	Actual		Minimum Capital Adequacy Requirement		Well-Capitalized Requirement	
	Amount	Ratio%	Amount	Ratio%	Amount	Ratio%
(dollars in thousands)						
December 31, 2024						
Tier 1 leverage	\$ 835,670	8.86	\$ 377,375	4.00	\$ 471,719	5.00
Common equity tier 1	835,670	13.68	274,913	4.50	397,097	6.50
Tier 1 capital	835,670	13.68	366,551	6.00	488,735	8.00
Total capital	898,855	14.71	488,735	8.00	610,919	10.00

As of June 30, 2026 and December 31, 2025, we were not aware of any known trends, events or uncertainties that had or were reasonably likely to have a material impact on our liquidity. As of June 30, 2026 and December 31, 2025, we had no material commitments for capital expenditures.

On July 29, 2026, we announced a grant of a cash dividend for the period between April 1, 2026 and June 30, 2026 in the amount of \$1,945.00 per share to our stockholders of record as of July 29, 2026, totaling \$17,505,000. Such dividend was paid on August 7, 2026, to our stockholders of record as of July 29, 2026. On April 28, 2026, we declared a common stock cash dividend of \$1,945 per share, totaling \$17.505 million,. The dividend was paid on May 21, 2026 to our stockholders of record as of April 28, 2026. On January 28, 2026, we declared a common stock cash dividend of \$1,945 per share, totaling \$17.505 million. The dividend was paid on February 27, 2026 to stockholders of record as of January 28, 2026. During the years ended December 31, 2025 and 2024, we did not pay dividends and had no repurchases of common stock.

Risk Governance and Quantitative and Qualitative Disclosures About Market Risk

Managing risk is a critical aspect of operating our business successfully. Management considers the primary risk exposures to be interest rate risk, credit risk, liquidity risk, capital adequacy risk and operational risk. For more details on liquidity risk management and capital management, see “—Liquidity Risk Management” and “—Capital Management.” For more details about our risk governance structure, see “Management—Board Role in Risk Oversight.”

Interest Rate Risk

Interest rate risk is one of the most significant risks faced by us as one of our primary sources of earnings is net interest income, the difference between interest income earned on interest-earning assets such as loans and securities and interest expense paid on interest-bearing liabilities such as deposits and borrowings.

Interest rate risk is the risk that changes in market interest rates will negatively affect our net interest income and therefore earnings. While interest rate risk can arise from various sources, there are four key types of interest rate risk to our balance sheets:

- **Repricing Risk** arises when a bank’s assets and liabilities reprice at different times or at different rates. When market interest rates change, we may not be able to adjust its assets and liabilities simultaneously, leading to mismatched durations and impacts on net interest income.
- **Yield Curve Risk** arises from changes in the shape of the yield curve, which represents interest rates of bonds with different maturities. We may face this risk when the yield curve flattens, steepens, or becomes inverted.
- **Basis Risk** is the risk that changes in underlying index rates used to price assets and liabilities do not change in a correlated manner, causing margins to narrow. For example, loans priced to the national prime rate might not change in the same manner as certificates of deposit priced off FHLB advance rates.
- **Option Risk (Prepayment/Extension Risk)** is related to the embedded options in certain financial products, such as the ability for a borrower to prepay a loan or a depositor to withdraw funds at will. For example, when interest rates fall, customers may refinance loans (prepayment risk), and when rates rise, depositors may withdraw funds to invest at higher rates. Our exposure to this risk depends on the volume and nature of the embedded options and how those products behave in response to rate changes.

Our ALCO has been authorized by our Board to measure, monitor and manage our interest rate risk. Our strategic objective is to manage our balance sheet in a manner designed to mitigate risks of changes in interest rates resulting in unacceptable levels of earnings volatility or threaten the adequacy of our capital and liquidity.

We utilize an asset/liability model to perform interest rate risk simulations on a wide range of potential interest rate scenarios to develop an interest rate risk profile that reveals the potential financial impact to both net interest income (shorter-term risk) and economic value of equity (longer-term risk) from changes in interest rates relative to a flat interest rate scenario. The economic value of equity (“EVE”) is defined as the estimated present value of our assets minus the estimated present value of our liabilities at a point in time. A decrease in EVE due to a specified rate change indicates a decline in the long-term earnings capacity of the balance sheet assuming that the rate change remains in effect over the life of the current balance sheet. An increase in EVE indicates the opposite.

We monitor, test, and stress modeling assumptions to assess the magnitude of their impact on simulation results and evaluate changes in our interest rate risk profile to understand the key drivers of those changes.

The following table presents our estimate of the changes in net interest income that would result from ramps (gradual changes) and shocks (immediate changes) in market interest rates, moving in a parallel fashion over the entire yield curve, relative to the measured base case scenario. Ramp scenarios assume interest rates move gradually in parallel across the yield curve relative to the base case scenario. Shock scenarios assume an immediate and sustained parallel shift in interest rates across the entire yield curve, relative to the base case scenario. The base case scenario assumes that the balance sheet and interest rates are generally unchanged. We evaluate sensitivity by using a static forecast, where the balance sheets as of June 30, 2026 and December 31, 2025 are held constant.

Change in interest rates (basis points)	Change in NII (gradual change in interest rates)			Change in EVE (instantaneous change in interest rates)		
	June 30, 2026	December 31, 2025	December 31, 2024	June 30, 2026	December 31, 2025	December 31, 2024
+300	2.7%	3.1%	0.5%	9.3%	9.3%	6.3%
+200	1.9%	2.1%	0.3%	6.8%	6.9%	4.6%
+100	1.0%	1.1%	0.2%	3.9%	3.9%	2.5%
-100	(1.0)%	(1.2)%	(0.2)%	(5.3)%	(5.4)%	(3.3)%
-200	(2.2)%	(2.5)%	(0.5)%	(12.2)%	(12.2)%	(7.5)%
-300	(3.5)%	(3.9)%	(0.8)%	(20.8)%	(20.8)%	(12.8)%

Our net interest income (“NII”) risk profile and EVE sensitivity were both relatively unchanged as of June 30, 2026 compared to December 31, 2025, as the balance sheet composition remained consistent. Loan balances and mix showed modest variability while excess cash from core deposit growth was deployed into floating and modest duration investment securities.

Our NII risk profile was more asset sensitive as of December 31, 2025, compared to December 31, 2024, due to proceeds from the sale of longer duration investment securities and consumer loans paying off short-duration borrowings and purchasing short-duration investment securities. This was partially offset by the growth and change in mix to more rate-sensitive core deposits.

EVE sensitivity was higher as of December 31, 2025, compared to December 31, 2024, due to the maturity of short-duration borrowings and higher cash reserves from the sale of longer duration investment securities and consumer loans. This was partially offset by the growth and change in mix to more rate-sensitive core deposits.

The computation of the prospective effects of hypothetical interest rate changes on the NII sensitivity and the percentage change in EVE is based on numerous assumptions, including relative levels of market interest rates, loan prepayments, balance changes and pricing strategies, and should not be relied upon as indications of actual results. To the extent market conditions and other factors vary from the assumptions used in the simulation analysis, actual results may differ materially from the simulation results. NII sensitivity analysis measures the change in our twelve-month, pretax NII in alternate interest rate scenarios, and is intended to help management identify potential exposures in our current balance sheet and formulate appropriate strategies for managing interest rate risk. The simulation does not contemplate any actions that our management might undertake in response to changes in interest rates. Further, the changes in NII vary in the twelve-month simulation period and are not necessarily evenly distributed over the period. These analyses are for analytical purposes only and do not represent management’s views of future market movements, the level of future earnings or the timing of any changes in earnings within the twelve-month analysis horizon. The

actual impact of changes in interest rates on NII will depend on the magnitude and speed with which rates change, actual changes in our balance sheet and management's responses to the changes in interest rates.

The values in the tables above do not reflect any actions that we may undertake in response to changes in interest rates, such as changes in rates paid on certain deposit accounts or changes in earning assets mix, which could reduce the actual impact to net interest income and EVE, if any.

The outcomes of our simulation analyses are hypothetical, and various factors could lead to actual results differing significantly from what is shown. For instance, if the timing and extent of interest rate changes deviate from what was projected, our net interest income could differ substantially. Non-parallel shifts in the yield curve, such as a flattening or steepening, or changes in interest rate spreads, could also cause our net interest income to vary from the forecasted amount.

In an environment of rising interest rates, projected net interest income might decrease if deposits and other short-term liabilities reprice more quickly than anticipated, or if our assets reprice at a slower rate. Actual results may differ from projections if we experience asset and liability growth rates that are faster or slower than expected, if there is a net outflow of deposits, or if the composition of our assets and liabilities changes in other ways. For example, even though we maintain relatively high levels of readily accessible liquidity, a quicker-than-expected withdrawal of deposits could force us to seek higher-cost funding sources.

Actual results may also differ from projections if we experience prepayment speeds in our loan portfolio that significantly differ from the assumptions used in the simulation analyses. These simulation results do not account for all potential actions we might take in response to actual or anticipated changes in interest rates, such as adjustments to our loan, investment, deposit, funding, or hedging strategies.

We assume no growth or changes in the composition of our balance sheet over the modeling horizon and no additional changes in market interest rates or spreads after the initial immediate rate shocks. As a result, the information in the table above should be considered indicative of our sensitivity to changes in interest rates rather than indicative of our expected actual results.

Credit Risk

Credit risk is the risk that borrowers or counterparties will be unable or unwilling to repay their obligations in accordance with the underlying contractual terms. We seek to mitigate credit risk in our loan portfolio by following clearly defined underwriting criteria and account management standards set by management. Our loan policy outlines underwriting requirements, approval levels, exposure limits, and other necessary guidelines. We actively manage portfolio diversification at the borrower, industry, and product levels to reduce concentration risk. Additionally, our credit risk management process includes an independent loan review to adhere to loan policies, compliance with documentation standards, accurate risk ratings, and the overall credit quality of the portfolio.

Operational Risk

Operational risk refers to the risk arising from inadequate or failed internal processes or systems, the misconduct or errors of people or adverse external events. We seek to mitigate operational risks by expanding and maintaining an experienced operations team to meet customer and company demands; providing employees with relevant job specific training; working with our vendors to use antifraud protections; establishing security procedures for our customers; employing business continuity planning and testing designed to facilitate the continued operation of core functions in the event of a business disruption; and engaging in periodic independent audits of our operations and operating controls. We also seek to mitigate operational risks related to misconduct by employees or contractors by implementing internal controls, including dual authorization for monetary transactions, conducting background and credit checks for new hires, screening contractors and third parties providing critical services using a vendor management process, and offering whistleblower protections to our employees to encourage the reporting of misconduct.

Critical Accounting Policies and Estimates

Our financial statements were prepared in accordance with GAAP and follow general practices within the industry in which we operate. Application of GAAP requires management to make certain estimates and judgments which affect the amounts reported in the financial statements. Critical accounting policies are those we believe are most

important to the portrayal of our financial statements and require management to make estimates and judgments which are inherently complex, difficult, uncertain and can be subject to significant change over time. In the event that different assumptions or conditions were to prevail, and depending on the severity of such changes, adjustments to accounting estimates may be required.

We have identified the following accounting policies and estimates which, due to their subjectivity and complexity, are critical to the understanding of the financial statements. Discussion below should be read in conjunction with Note 2 “Summary of Significant Accounting Policies” to our audited financial statements contained elsewhere in this prospectus.

Allowance for Credit Losses

The ACL represents management’s estimate of expected credit losses over the expected contractual life of the related loans as of the balance sheet date. We perform periodic and systematic detailed reviews of our loan portfolio to assess overall collectability. The level of the allowance for credit losses is based on a continuing assessment of existing risks in the loan portfolio, historical loss experience, changing collateral values, and reasonable and supportable forecasts of future economic conditions.

Management’s evaluation of the adequacy of the allowance is often the most critical of accounting estimates for our Bank. Our determination of the amount of the allowance is a critical accounting estimate as it requires significant reliance on the accuracy of regulatory asset quality classification on individual credits, the use of estimates and significant judgment as to the amount and timing of expected future cash flows, significant reliance on estimated loss rates on homogenous portfolios and consideration of our quantitative and qualitative evaluation of economic factors and trends. The allowance related to our commercial real estate portfolio and Commercial and Industrial portfolio is generally most sensitive to the accuracy of asset quality rating assigned to each credit reflecting the likelihood of repayment. Commercial asset quality ratings are evaluated based on each situation by experienced credit officers and are subject to periodic review by an independent team. The allowance related to our residential real estate portfolio is most sensitive to the accuracy of delinquency data. Further refinement of the allowance related to the residential real estate portfolio requires management to evaluate the borrower’s financial condition and collateral values, among other factors. The allowance related to our consumer portfolio is generally most sensitive to economic assumptions and delinquency trends. Furthermore, the estimate of the allowance may change due to modifications in the mix and level of loan balances outstanding and general economic conditions as evidenced by changes in interest rates, unemployment rates, bankruptcy filings and real estate values. While no one factor is dominant, each has the ability to result in actual losses which differ from originally estimated amounts. See Note 5 “Allowance for Credit Losses” contained in our audited financial statements included elsewhere in this prospectus for more information on the Allowance for Credit Losses.

Accounting Pronouncements Pending Adoption

Income Taxes

In December 2023, the FASB issued ASU No. 2023-09 (“ASU 2023-09”), Income Taxes (Topic 740): Improvement to Income Tax Disclosures.” The ASU is intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments in this update require additional disclosures primarily related to the rate reconciliation and income taxes paid information. The amendments are effective for fiscal years beginning after December 15, 2025 for non-public entities. We do not expect ASU 2023-09 to have a material impact on the financial statements.

Income Statement Expense Reporting

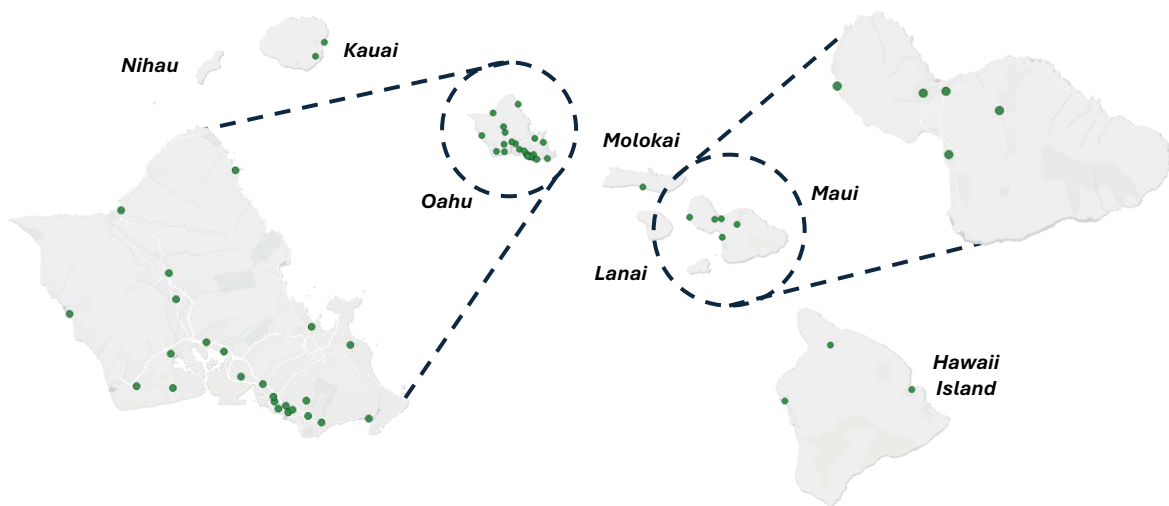
In November 2024, The FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. The amendments in this update apply to all public entities and require new disclosures providing further detail of a bank’s income statement expense items. This update is effective for annual periods beginning after December 15, 2026, and interim periods beginning December 15, 2027. Early adoption is permitted. The amendments in this update should be applied on a prospective basis. We are currently assessing the impact ASU 2024-03 will have on our expense disclosures.

BUSINESS

We are a Hawaii-based, relationship-driven bank with an unwavering focus on meeting the financial services needs of our customers and communities while delivering long-term stockholder value.

Headquartered in Honolulu, Hawaii, since 1925 we have served Hawaii's communities for over 100 years. We provide a full suite of financial products and services, including deposits, loans, insurance, cash management, merchant services and investment services to our personal, small business and commercial customers. We operate a statewide network of 35 branches and over 120 automated teller machines ("ATMs") throughout Hawaii, complemented by a robust digital banking platform. Serving nearly 400,000 customers as of June 30, 2026, we have the privilege and opportunity to contribute to Hawaii's short-term and long-term future by improving the financial health of our customers, local businesses and economy.

Our Branch Footprint



We are a national bank regulated by the Office of the Comptroller of the Currency (the "OCC"), and we operate as a bank without a holding company, which means the Board of Governors of the Federal Reserve System (the "Federal Reserve") is not one of our primary regulators. As of June 30, 2026, we had total assets of \$9.0 billion, total loans of \$6.2 billion, total deposits of \$8.2 billion and total stockholders' equity of \$692.5 million.

As of June 30, 2026, the entirety of our branch network and all of our deposits are located on five of the islands of Hawaii, with approximately 95% of our loans either collateralized by real estate in Hawaii or made to borrowers located in Hawaii at origination.

The following table sets forth the number of our bank branches on each of the five islands of Hawaii we serve with physical offices:

Number of Branches

June 30, 2026	Owned	Leased	Total
Branches			
Oahu	8	16	24
Maui	1	4	5
Hawaii	2	1	3
Kauai	1	1	2
Molokai	0	1	1
	12	23	35

How Do We Help Make Our Customers' Dreams Possible?

While banking is our business, we believe uplifting our communities and creating a stronger, more resilient Hawaii are our responsibilities. Our philosophy is straightforward – we aim to be a great bank that makes people's dreams possible. We strive to:

- deliver on our promise to ***make banking easy for customers*** as a key point of differentiation in order to expand our share of current and new customers' business;
- build strong relationships and earn customers' trust by delivering ***high performance***;
- ***create a great place to work*** that attracts and retains the teammates we need to achieve our goals; and
- ***bring real impact to our communities*** through our banking activities and community involvement.

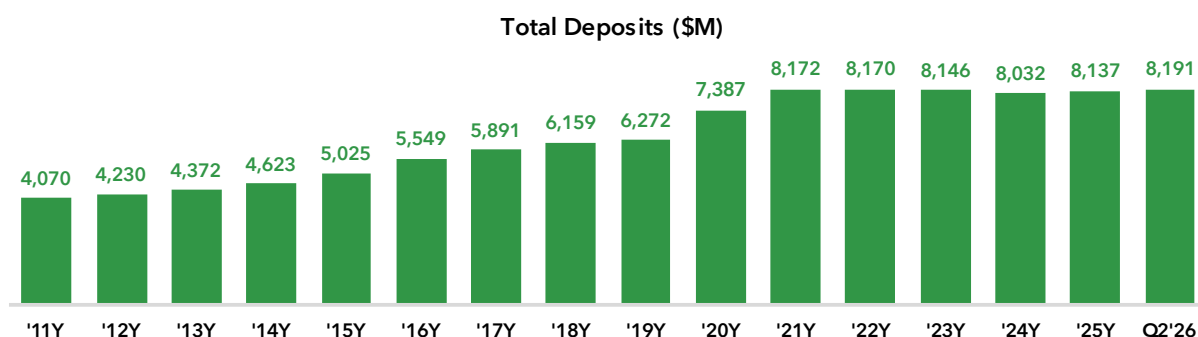
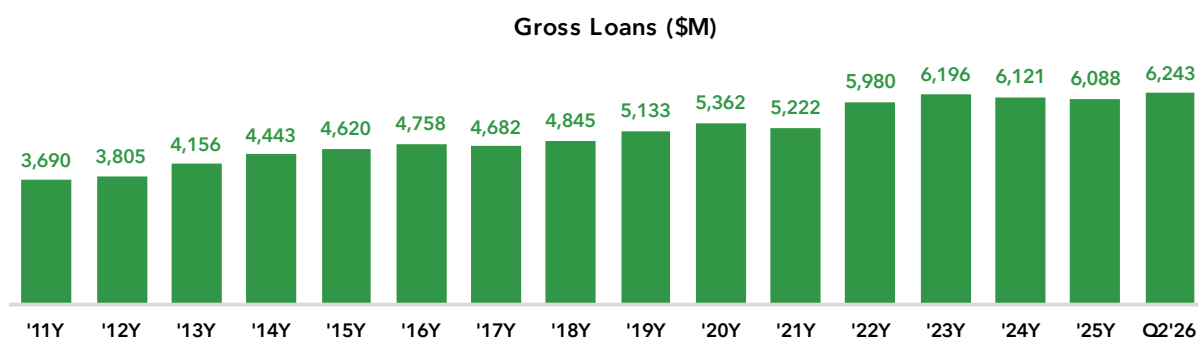
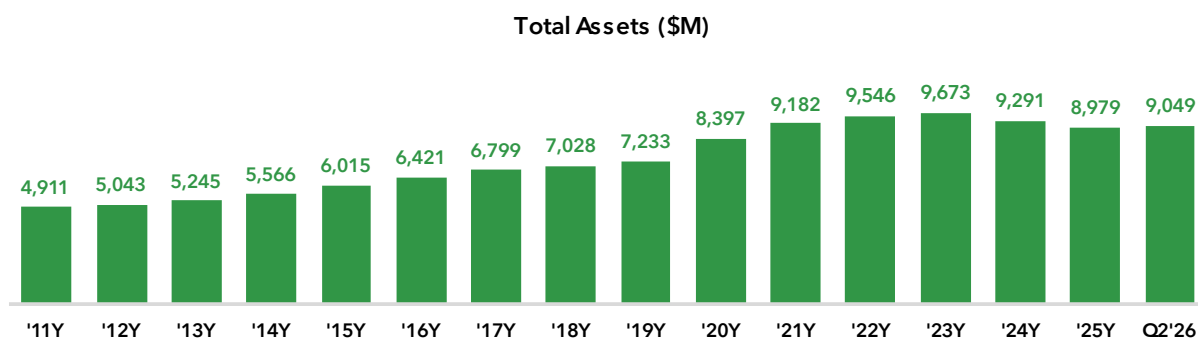
By delivering on these objectives, we believe we can achieve superior financial performance which will generate attractive returns and drive consistent value for our stockholders.

What Are Some of the Key Attributes of Our Bank?

We believe our attractive financial performance is directly related to our unwavering focus on serving our customers and communities. While we have grown our loan portfolio, our deposits, our equity capital, and our net income over our one hundred years in operation, we are most proud of the development of long-standing relationships with our customers and the brand recognition we have earned through our service to our communities in Hawaii.

Our financial success and our value proposition for stockholders are linked to important attributes such as:

- Our long-tenured customer base;
- Our attractive deposit base, including both the cost and structure of our deposits;
- Our unique operating market of Hawaii;
- Our deep and seasoned management team;
- Our conservative approach to credit risk management;
- Our commitment to maintain our strong retail banking franchise;
- Our opportunistic approach to grow our commercial market presence; and
- Our strong capital levels that support both our balance sheet growth and returns of capital to our stockholders.



Within our customer base, our banking business targets personal and small business customers and commercial organizations.

Our Personal and Small Business Customers

Our personal and small business customers conduct business with us through specialized loans, deposit products and other financial solutions designed to meet their needs.

We provide our personal customers a broad range of deposit products (including checking, savings, money market and certificates of deposit), lending products (including residential mortgages, home equity lines of credit (“HELOC”) and consumer loans), interchange products (debit and credit card), and investment advisory and insurance. We provide our small business customers with business deposit products (including merchant services, cash management, financial advisory and deposit accounts) and lending products (including lines of credit and secured and unsecured loans) to support their businesses.

Our residential mortgage lending team provides a comprehensive range of financing options for home purchase and refinancing, primarily related to single family properties in Hawaii. We were one of the top Hawaii-based mortgage originators in fiscal year 2025, according to the Hawaii Bureau of Conveyance (“HBC”), and we either

retain or sell on the secondary market mortgage loans we originate. As of June 30, 2026, our residential mortgage portfolio was \$2.7 billion and our HELOC portfolio was \$0.9 billion, collectively representing 59% of our loan portfolio.

We additionally offer other consumer loan products including personal unsecured loans, clean energy loans, credit-secured loans, credit cards and overdraft protection for personal checking accounts.

Our customers are offered a full suite of deposit products delivered through our branch network and digital online banking applications, including online and mobile banking, bill payments, Zelle, ACH, domestic and international wires, and remote deposit capture. In addition to these products, we also provide our small business customers with treasury management services to support their cash management requirements, Zero Balance Accounts and sweeps. We offer small business customers access to business and commercial credit cards, foreign exchange services, merchant services, lockbox and trade finance, inclusive of standby and commercial letters of credit. As of June 30, 2026, deposits associated with our personal and small business customers totaled \$6.8 billion.

In addition, we provide financial advisory and insurance services for our customers. The financial advisory offerings include investment planning, retirement planning and other education planning services. Insurance offerings include life and long-term care, accidental death and dismemberment (“AD&D”) and hospital accident protection (“HAP”) products. Our investment services and insurance products are provided through third parties.

Our Commercial Customers

Our commercial customers conduct business with us through commercial real estate, commercial & industrial and construction loans and deposit products and other financial solutions designed to meet their needs.

Our commercial real estate portfolio includes term financing for commercial, multi-family and mixed-use properties. Our team of local lenders provides financing for commercial real estate purchases and refinances, leveraging deep market expertise to structure loans that align with borrower needs and their investment objectives. Our commercial real estate loans are typically secured by retail, multi-family, industrial, hotel, office or other commercial properties. The majority of our commercial real estate loans are fixed rate with amortization terms of up to 25 years. As of June 30, 2026, our commercial real estate loans totaled \$1.6 billion representing approximately 25% of our loan portfolio.

Our teammates dedicated to our commercial & industrial lending products specialize in delivering customized lending solutions to a range of businesses in various markets. These borrowers are businesses across a wide range of industries and are seeking loans primarily used for funding operations, expansions or acquisitions. Our primary source of repayment is cash flow generated by the business, which is typically bolstered by personal guarantees. The loans have average sizes of approximately \$3.1 million as of June 30, 2026, excluding the credit scored loan portfolio. Our customer relationships include the borrower’s banking business in addition to the business of its owner(s) and often one or more affiliated entities. As of June 30, 2026, our commercial & industrial loans totaled \$662 million representing approximately 11% of our loan portfolio.

Our teammates dedicated to our construction lending products specialize in financing the construction of commercial buildings and housing developments of four or more units for experienced local developers in Hawaii. With deep roots in the community and long-standing relationships with local developers, our team brings extensive skill and knowledge of Hawaii’s development landscape. These construction loans are designed to support both individual and commercial development projects, with commitments averaging \$10.7 million as of June 30, 2026. As of June 30, 2026, our commercial construction loans totaled \$183 million representing approximately 2.9% of our loan portfolio.

Deposits associated with our commercial customers totaled \$1.4 billion, as of June 30, 2026. We offer these customers a competitive suite of treasury management services to support their cash management requirements, including online and mobile banking, bill payments, ACH, domestic and international wires, remote deposit capture, positive pay, Zero Balance Accounts and sweeps. In addition, we offer these customers access to business and commercial credit cards, foreign exchange services, merchant services, and lockbox and trade finance products, inclusive of standby and commercial letters of credit.

How Have Our 2025 Balance Sheet Initiatives Positioned Us for the Future?

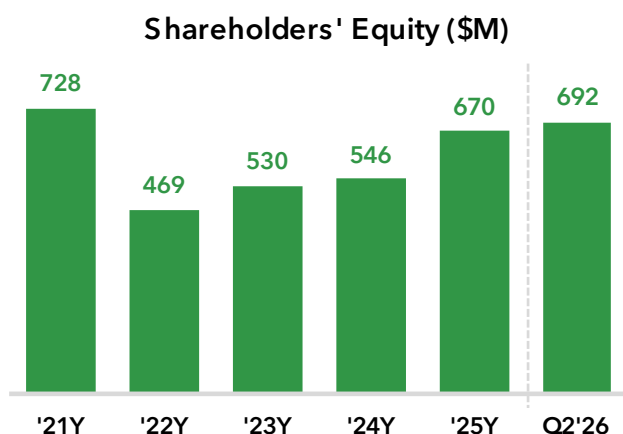
In 2025, we executed certain balance sheet initiatives to drive improved operating leverage, enhance earnings growth, improve our credit profile, and deliver higher return on equity and assets.

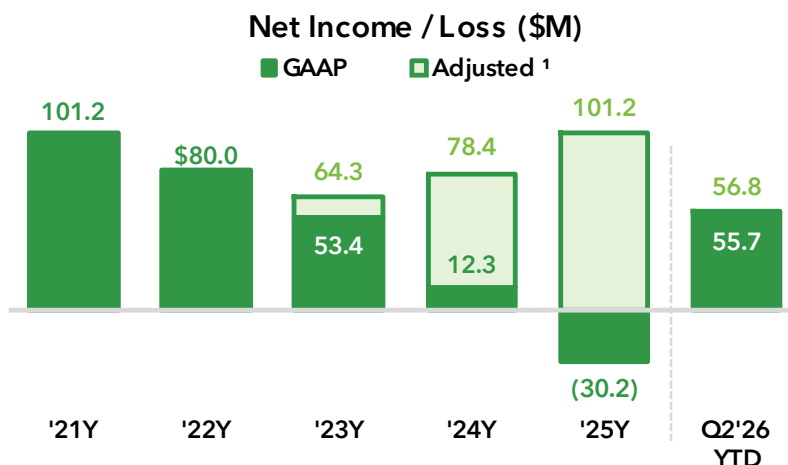
These balance sheet initiatives produced reductions to net income, investments, loans, total assets and total liabilities from the year ended December 31, 2024. The decreases were driven by losses on the sales of investment securities, losses on the sale of the mainland solar and home improvement loan portfolio, and losses related to the termination of our frozen, legacy pension plans.

For the year ended December 31, 2025, our net income was negative \$30.2 million, a decrease of \$42.5 million, or 345.1%, compared to \$12.3 million for the year ended December 31, 2024, and our adjusted net income was \$101.2 million, an increase of \$22.8 million, or 29.1%, compared to \$78.4 million for the year ended December 31, 2024. For the six months ended June 30, 2026, our net income was \$55.7 million, an increase of \$117.2 million, or 190.6%, compared to \$(61.5) million for the six months ended June 30, 2025. Our adjusted net income for the six months ended June 30, 2026 was \$56.8 million. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures Reconciliations” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Financial Performance Highlights.”

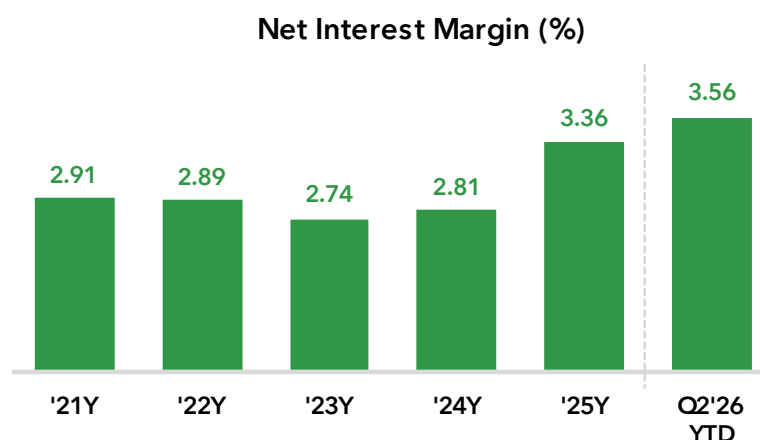
Our results in the first half of 2026 as compared to the same period in 2025 further illustrate the benefits of these balance sheet initiatives undertaken in 2025.

- **Investment securities sale and wholesale funding repayment.** In the first half of 2025, we sold \$735 million of investment securities yielding 1.91% for \$585 million of net proceeds, realizing a pre-tax loss on the sale of securities of \$150 million. The net proceeds were used to pay down maturing FHLB advances (\$520 million at a cost of 4.82%) and brokered deposits (\$64 million at a cost of 5.56%). These transactions contributed to our net interest margin expansion in 2025 as illustrated in the chart below.
- **Sale of mainland solar and home improvement loan portfolio.** In the third quarter of 2025, we sold a portfolio of solar and home improvement loans for approximately \$67.2 million in proceeds, realizing a pre-tax loss of approximately \$19.9 million. These single-product non-relationship loans were collateralized primarily by assets on the U.S. mainland and did not fit our Hawaii-focused strategy. The total solar and home improvement loan portfolio had a higher level of net charge-offs compared to our other lending assets. As a result of the sale, we were able to improve the credit profile of our loan portfolio, releasing \$11.5 million of the allowance for credit losses, while reinvesting the net sales proceeds in other earnings assets.
- **Termination of frozen, legacy pension plan.** In the fourth quarter of 2025, we terminated multiple defined benefit pension plans that were frozen between 2007 and 2008, realizing a pre-tax loss of approximately \$21.3 million. During the six months ended June 30, 2026, we received an annuity insurance credit adjustment of \$0.7 million. By terminating the pension plans, we have transferred the pension obligation and operational and administrative tasks to an outside party, mitigating our operating, compliance and regulatory risks.





(1) Adjusted net income is a non-GAAP financial measure we believe is helpful in interpreting our financial results. For more information on non-GAAP financial measures and for a reconciliation to the most directly comparable GAAP financial measure, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures Reconciliations.”



How Do We Deliver Value?

At our core, we are a reliable bank employing a straightforward business model to deliver robust financial services and products to our customers, support our communities, and drive value for our stockholders.

Our geographic focus is straightforward. Our customers are almost exclusively individuals with roots in, or businesses and organizations headquartered in, our home market of Hawaii.

Our growth story is straightforward. Our strategic goals focus on servicing Hawaii’s residents and businesses, and maintaining our low-cost core deposit franchise. While we continue to provide products and services that meet the needs of our retail customers, we continue to expand our commercial banking activities, producing measured loan and deposit growth with steady changes in the composition of our balance sheet. Due to our loan-to-deposit ratio of 76% as of June 30, 2026, and cash flows we receive from principal payments and maturities in our single-family mortgage portfolio, we believe we have ample room to opportunistically increase our commercial banking presence while maintaining modest growth rates for our balance sheet. We believe our focus on growing relationship-based core deposits, receipt of principal payments from our single-family residential mortgage portfolio and investment portfolio will provide ample liquidity to achieve this goal. In the past, we have used selective acquisitions to achieve

balance sheet growth, but our current business plan does not include any near-term expectations to pursue acquisitive expansion.

Our pathway to maintain attractive financial performance in the future is also straightforward. We expect to grow our low-cost core deposit base while generating higher yielding assets in our commercial, personal and small business banking products in order to produce strong net income results. Our core deposits, which consist of noninterest-bearing and interest-bearing checking accounts, savings and money market accounts, represent 92% of total deposits as of June 30, 2026.

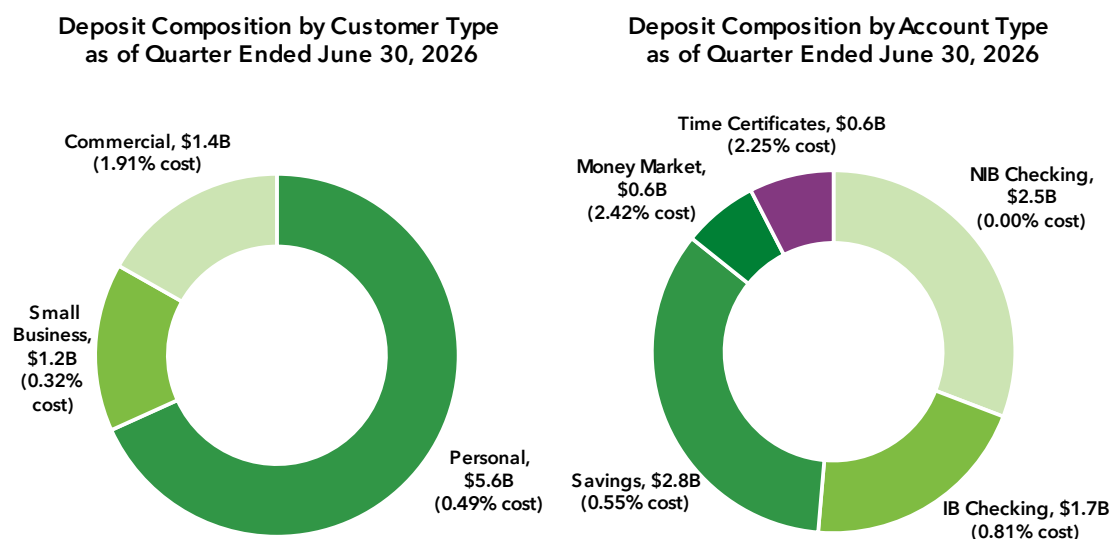
We believe our business model will drive stability in our financial performance and will allow us to deliver sustained, long-term stockholder value. We paid a cash dividend of \$17.5 million in the first and second quarters of 2026, and our Board declared another \$17.5 million dividend in July 2026, which we expect to pay in the third quarter, or \$70 million on an annualized basis if held at the same quarterly level for the remainder of the year. By performing well, we will be positioned to return meaningful capital to our stockholders, a core tenet of our value proposition, including by way of continued dividends and future share repurchases.

What Are Our Greatest Strengths?

Our Granular Low-Cost Deposit Base

We achieve differentiated success by serving Hawaii through the products and services we provide to our customers and, in doing so, have generated a granular, low-cost deposit base. Approximately 83% of our deposit base is tied to personal and small business customers, with 68% of our deposits tied to personal accounts and 15% of our deposits tied to small business accounts. As of June 30, 2026, we have over 440,000 accounts and an average balance of approximately \$19,000, an average tenure of 14 years, with 77% of our deposits being FDIC insured. Our average cost of deposits in the second quarter of 2026 was 0.69%, representing the lowest cost of deposits among the four largest banks headquartered in Hawaii in the second quarter of 2026 and falls in the 99th percentile of all Nasdaq- and NYSE-traded U.S. banks, excluding announced merger targets.

Our Deposit Composition

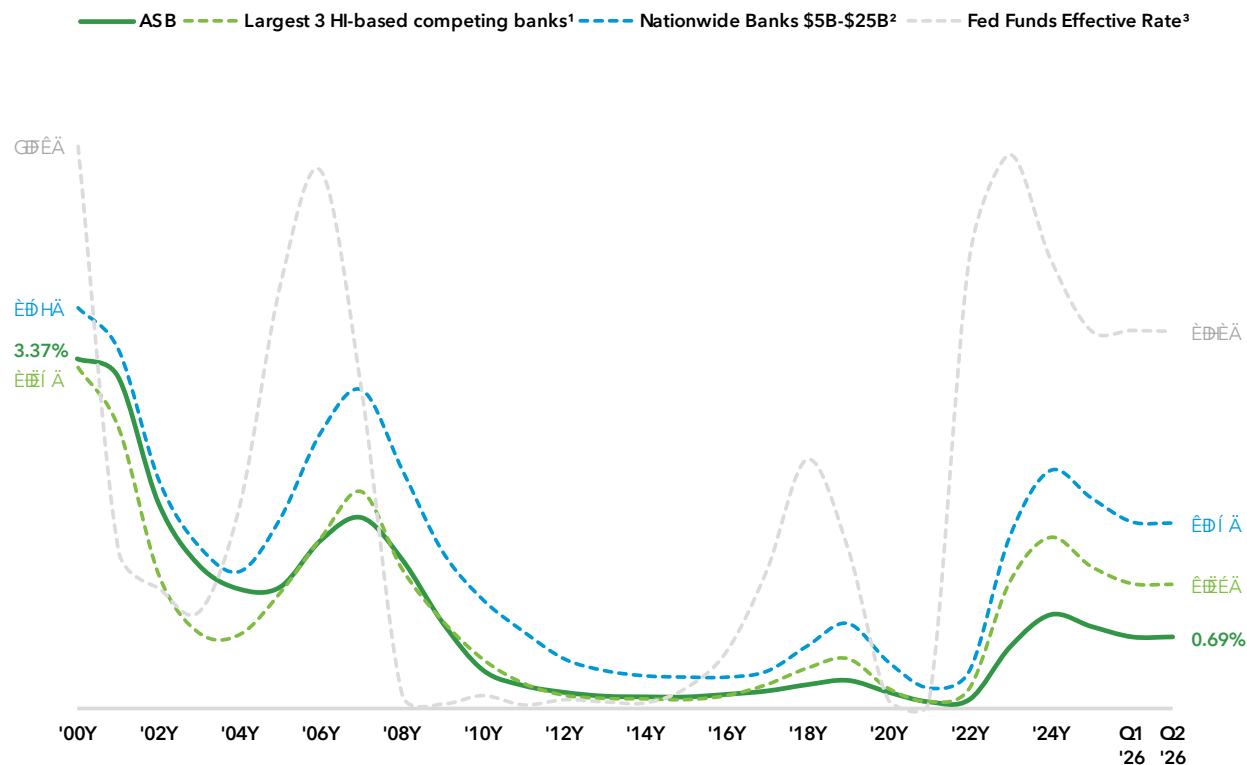


Numbers may not foot due to rounding.

We believe the unique competitive landscape among banks in Hawaii is a primary reason why Hawaii-headquartered banks have historically enjoyed lower deposit costs compared to mainland banks throughout changes in the interest rate environment, and our cost of deposits is one of the lowest in the state. This is a direct outcome of our long-standing, relationship-driven customers. For the quarter ending June 30, 2026, the median cost of deposits for the three largest banks headquartered in Hawaii, excluding ASB, was 1.20% compared to a median cost of deposits

of 1.78% for nationwide exchange-traded (Nasdaq and NYSE) banks with between \$5 billion and \$25 billion in assets as of June 30, 2026, excluding announced merger targets, mutual holding companies, and companies we view as operating non-traditional banking models including Pathward Financial, Inc., Happen, Inc., First Internet Bancorp, Live Oak Bancshares, Inc., The Bancorp, Inc., and Triumph Financial, Inc.

Costs of Deposits Comparison



(1) Includes BOH, CPF, and FHB

(2) Includes nationwide exchange-traded (Nasdaq or NYSE) banks with total assets as of June 30, 2026 between \$5B - \$25B; excludes merger targets and CASH, HAPN, INBK, LOB, TBBK and TFIN due to non-traditional business models

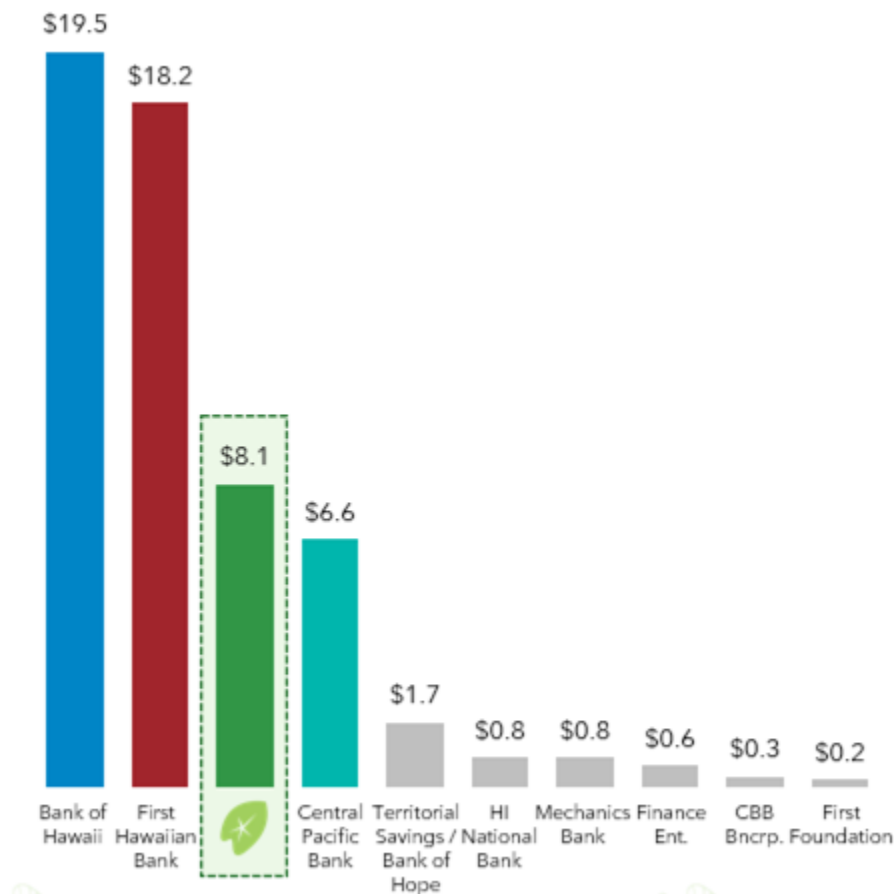
(3) Fed funds effective rate shown as of the last trading day of each period

Source: S&P Capital IQ Pro, Federal Reserve Bank of New York

Our Unique Market

As the third largest bank headquartered in Hawaii based on total assets as of June 30, 2026, we held approximately 14.2% of the state's bank deposit market share as of June 30, 2025. We believe that our market's geographic isolation creates a natural barrier to entry and a protective moat for the benefit of the locally based financial institutions. None of the five largest U.S. commercial banks, as ranked by total assets as of June 30, 2026, have physical branches in Hawaii, and the four largest local Hawaii banks collectively held 92% of the total bank deposit market share in Hawaii as of June 30, 2025.

Top 10 Banks in Hawaii by Total Deposits



\$ shown in billions. Data as of June 30, 2025 per FDIC Summary of Deposits

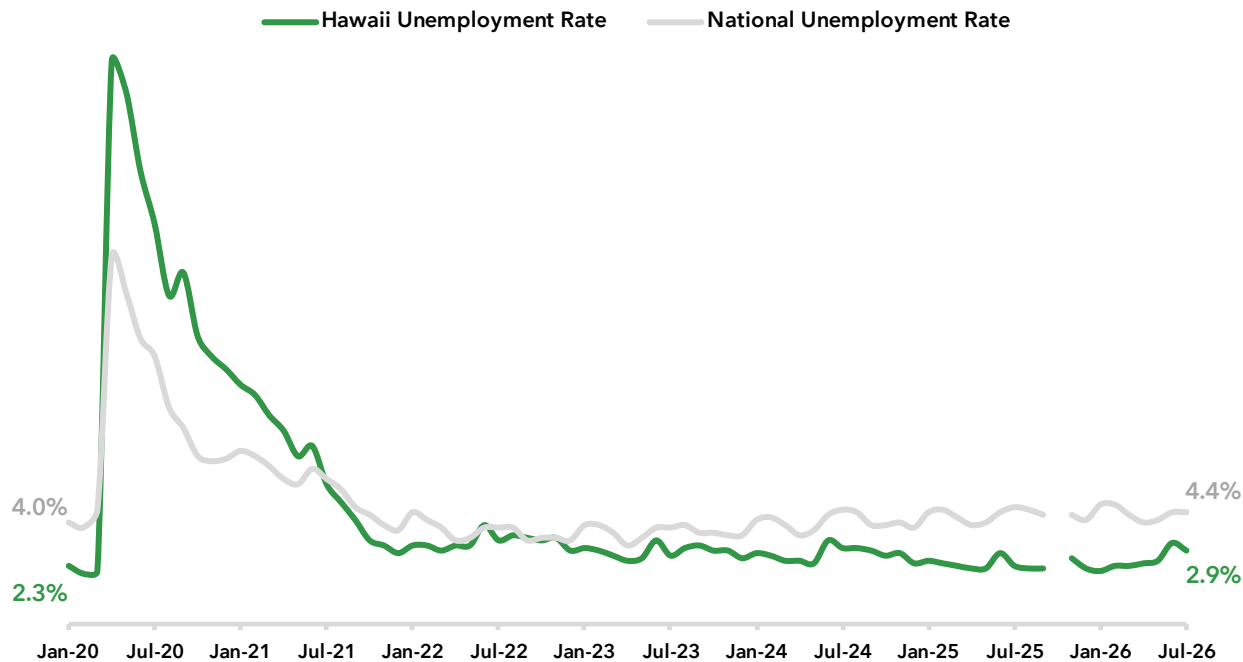
The economy of Hawaii is unique and resilient due, in part, to the strength of three key industries contributing to commerce in the state:

- Healthy Tourism and Hospitality.** Tourism is a primary contributor to the state's economy with over 9.6 million visitors arriving in Hawaii in 2025. Total visitor spending in 2025 was \$21.8 billion, a 5.7% increase over visitor spending in 2024. In 2024, visitor spend was \$20.7 billion and 17.6% of Hawaii's GDP. Although total visitor volume declined slightly in 2025 compared to 2024, visitor spending in 2025 increased due to an increase in visitor spending on an average daily basis. This trend continued into the first half of 2026, with visitor spending totaling \$11.6 billion through June 30, 2026, up 6.3% as compared to the same period in 2025.
- Stable Federal Government Spending.** The presence of the United States military provides critical stability to the local economy. The headquarters of the U.S. Indo-Pacific Command is in Hawaii and supported by its five component commands (Army, Navy, Air Force, Marines and Space Force). In 2024, military spending in Hawaii reached \$11.9 billion, accounting for approximately 10.3% of the state's GDP.
- Robust Real Estate Market.** The real estate industry is an economic force in Hawaii, consistently one of the top components of the state's GDP. In particular, the construction sector remains active with infrastructure projects, military housing upgrades and high-end residential development. Among the higher profile projects underway or planned are the shipyard modernization project at Joint Base Pearl Harbor-Hickam, further expansion of the Skyline rail system and the development of the New Aloha Stadium Entertainment District.

We believe the demographic characteristics of Hawaii are distinctively attractive. Home to approximately 1.45 million residents, the projected median household income in Hawaii for 2026 is approximately \$105,200, 21.1%

higher than the nationwide median household income of approximately \$86,900. In addition, the labor force remains durable with a non-seasonally adjusted unemployment rate for Hawaii in July 2026 of 2.9%, compared to 4.4% nationally.

Unemployment Rate

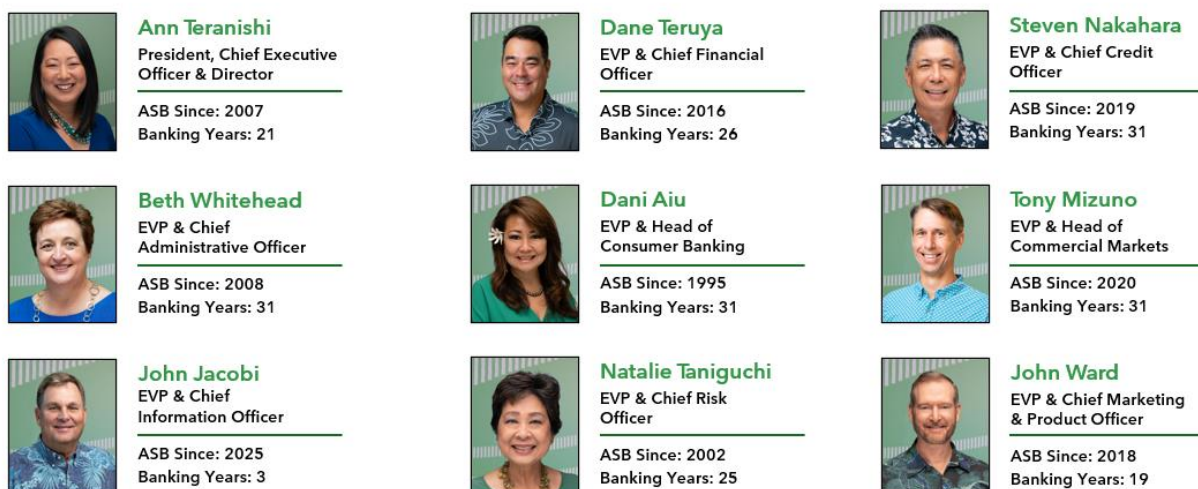


Data as of September 4, 2026; national unemployment rate for the month of August 2026 (4.3%) not shown due to unavailability of Hawaii unemployment data for the same period; preliminary unemployment rate shown for Hawaii for the month of July 2026; data for October 2025 not available due to federal government shutdown during that period
Source: Bureau of Labor Statistics; Hawaii Department of Business, Economic Development & Tourism

Our Executive Leadership Team

Our executive leadership team brings extensive banking industry expertise and has established deep roots within the community of Hawaii. With an average tenure of nearly 15 years at the Bank and almost 25 years in banking, we believe our executive leadership team provides insight and strategic vision that helps set us apart from other regional banks of similar size. In addition, our group of executives collectively serve on the boards of more than 20 local

community organizations which we believe provides the connectivity with the local communities and businesses required to maintain our strong market presence and pursue additional customer relationships.



Our Teammates and Culture

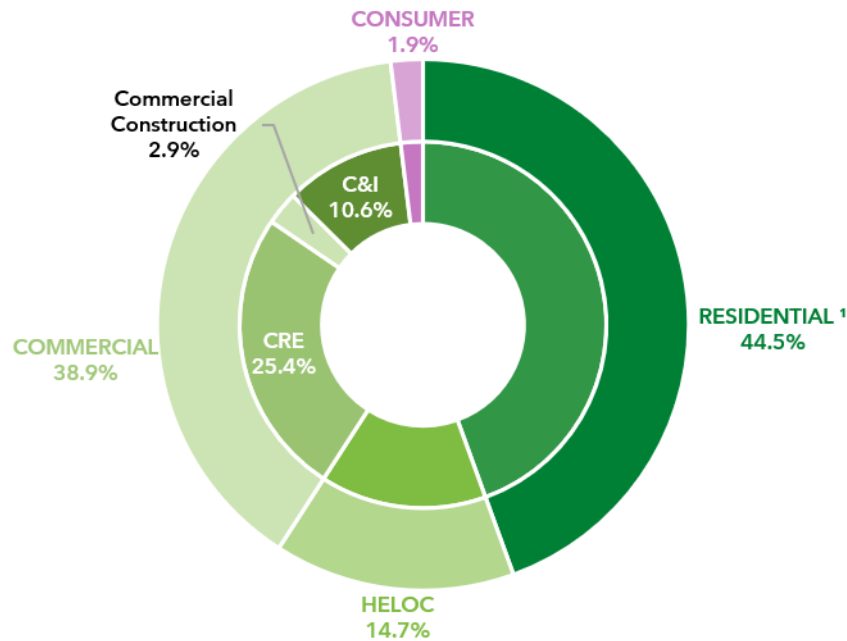
As a relationship-based bank, the strength of our franchise is the result of long-standing relationships that our teammates have developed and maintained with our customers over the years. We strive to hire passionate, driven and committed teammates, and we invest in their continued growth and development. The average tenure of our teammates is approximately ten years. We match our exceptional customer experience with a teammate experience that has garnered local and national awards, including one of the “Best Places to Work” Hawaii Business Magazine for 16 years (2010-2023 & 2025-2026) and a “Best Banks to Work For” by American Banker Magazine from 2013-2016, 2018, 2020-2022 & 2025).

Our Well-Managed Loan Portfolio and an Ability to Grow Our Commercial Presence

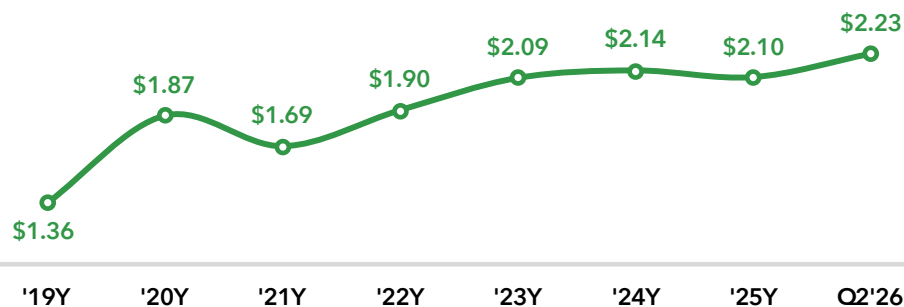
The principal focus of our lending activity is to provide loans that support the businesses, people and economy of Hawaii. As a result, approximately 95% of our total loans are either collateralized by real estate in Hawaii or tied to local customers in Hawaii at origination as of June 30, 2026. Our historical strength in consumer banking has led to our residential mortgage loans and our HELOCs representing 44% and 15%, respectively, of our total loans as of June 30, 2026. 0.5% of our loans are at floors, including hybrid adjustable-rate mortgages where the floor is margin.

While we continue to provide products and services that meet the needs of our retail customers, we continue to expand our commercial banking activities. Over the last seven years, we made strategic hires of executives with local bank experience managing and originating commercial loan portfolios. With the oversight of those executives, our commercial loan portfolio (made up of commercial real estate, commercial construction and commercial & industrial loans, excluding mainland syndicated national credits) grew total balances from \$1.4 billion in 2019 to \$2.2 billion as of the quarter ended June 30, 2026. We believe that opportunistically growing our commercial loan portfolio positively impacts our profitability by increasing net interest income, while at the same time creating an attractive diversification of risk within the total loan portfolio. We believe that we have the products, services and qualified team to continue to grow our commercial loan portfolio.

Our Loan Composition by Type (as of June 30, 2026)



Commercial Loan Portfolio (\$B)² (Excl. Mainland SNCs)



(1) Includes Residential Mortgage loans (\$2.7B), Residential Land loans (\$15M) and Residential Construction loans (\$18M)

(2) Includes CRE, Commercial Construction, and C&I (excluding U.S. Mainland syndicated national credits) loans

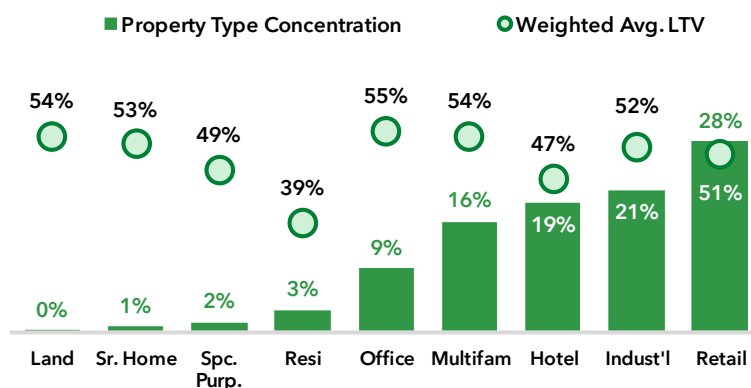
Our Disciplined Underwriting and Credit Culture

We believe our ability to maintain exceptional credit quality is a key differentiator. Our team has a proven track record of maintaining solid asset quality through various economic cycles. We adhere to a collaborative and proactive approach designed to selectively originate loans that are best suited for our customers' needs and aim to minimize future loss exposure.

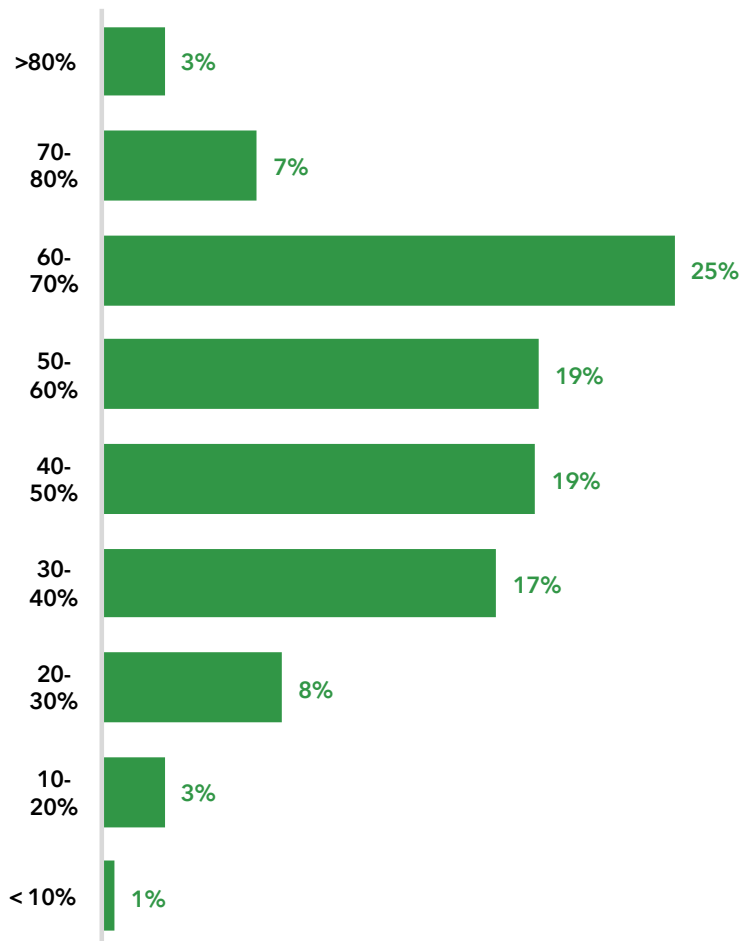
We maintain a disciplined underwriting approach with approval processes tied primarily to loan size. Credit approvals follow a structured hierarchy with smaller credits approved by individual credit officers and larger credits approved by our Chief Credit Officer. We believe this structured approval process enables efficient execution for our customers, striving for timely credit decisions while maintaining strong risk controls and proactively offering financing solutions tailored to customer needs.

With 87% of our loan portfolio secured by some form of real estate as of June 30, 2026, our credit underwriting team leverages its local expertise to properly understand the value of the underlying collateral and places an emphasis on originating loans with attractively low loan-to-value ratios. As of June 30, 2026, the weighted average loan-to-value of our loans secured by real estate was 50.5 %, or 51.9% for residential mortgage, 51.4% for commercial real estate, 44.9% for home equity line of credit, and 48.7% for commercial construction.

Commercial Real Estate and Commercial Construction Portfolios Property Concentration ¹



Commercial Real Estate and Commercial Construction Portfolios LTV Distribution ¹



(1) Calculated using Commercial Real Estate and Commercial Construction outstanding balances

Composition of Residential Mortgage Portfolio by LTV and FICO Score ¹

		FICO Score			Total
		≥ 700	620 - 700	< 620	
Loan to Value	≤ 60%	59.6%	2.7%	0.9%	63.2%
	60% - 70%	13.0%	0.6%	0.3%	13.9%
	70% - 80%	12.1%	0.8%	0.1%	13.0%
	80% - 90%	4.9%	0.2%	0.1%	5.2%
	> 90%	4.5%	0.2%	0.1%	4.8%
	Total	94.0%	4.5%	1.4%	100%

Composition of HELOC Portfolio by LTV and FICO Score ²

		FICO Score			
		≥ 700	620 - 700	< 620	Total
Loan to Value	≤ 60%	74.9%	2.6%	1.0%	78.5%
	60% - 70%	10.0%	0.6%	0.3%	10.8%
	70% - 80%	6.8%	0.5%	0.1%	7.5%
	80% - 90%	2.1%	0.2%	0.1%	2.3%
	> 90%	0.8%	0.0%	0.0%	0.8%
	Total	94.6%	3.9%	1.5%	100%

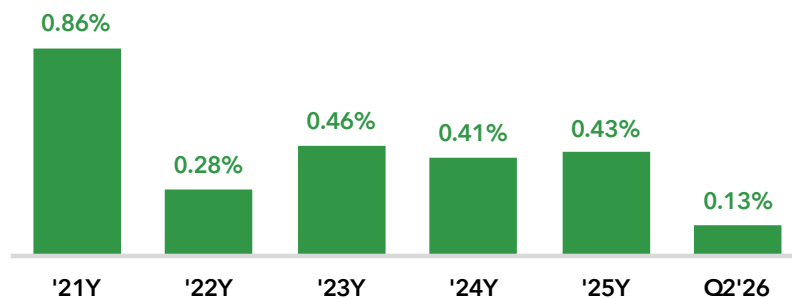
(1) Percentile calculated using balance outstanding

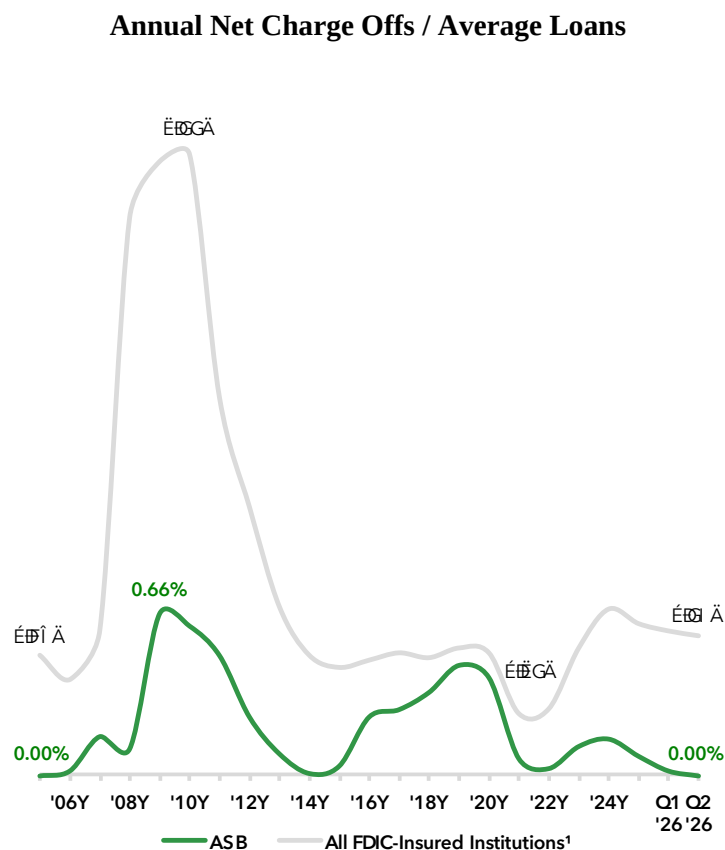
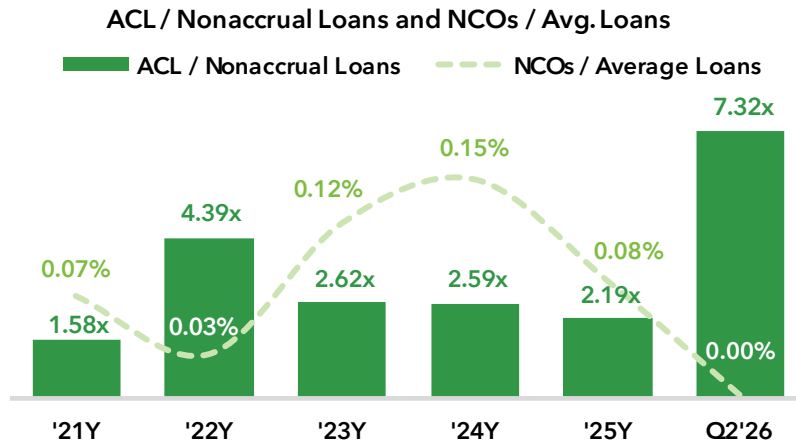
(2) Percentile calculated using total commitments

Through our credit administration structure, we maintain a proactive loan monitoring process that regularly evaluates loan grading and monitoring systems. We conduct periodic internal reviews on problem loans and implement appropriate risk-mitigation strategies. We co-source the evaluation of our commercial loan portfolio annually. The co-source firm reviews at least 40% of the total committed dollar amount of our commercial loan portfolio annually.

As a result of our disciplined approach of portfolio management, nonaccrual loans accounted for only 0.13% of total loans as of June 30, 2026, and net charge-offs to average loan balances for the three months ended June 30, 2026 were near zero. The ratio of our allowance for credit losses to nonaccrual loans was 732% as of June 30, 2026.

Nonaccrual Loans / Total Loans





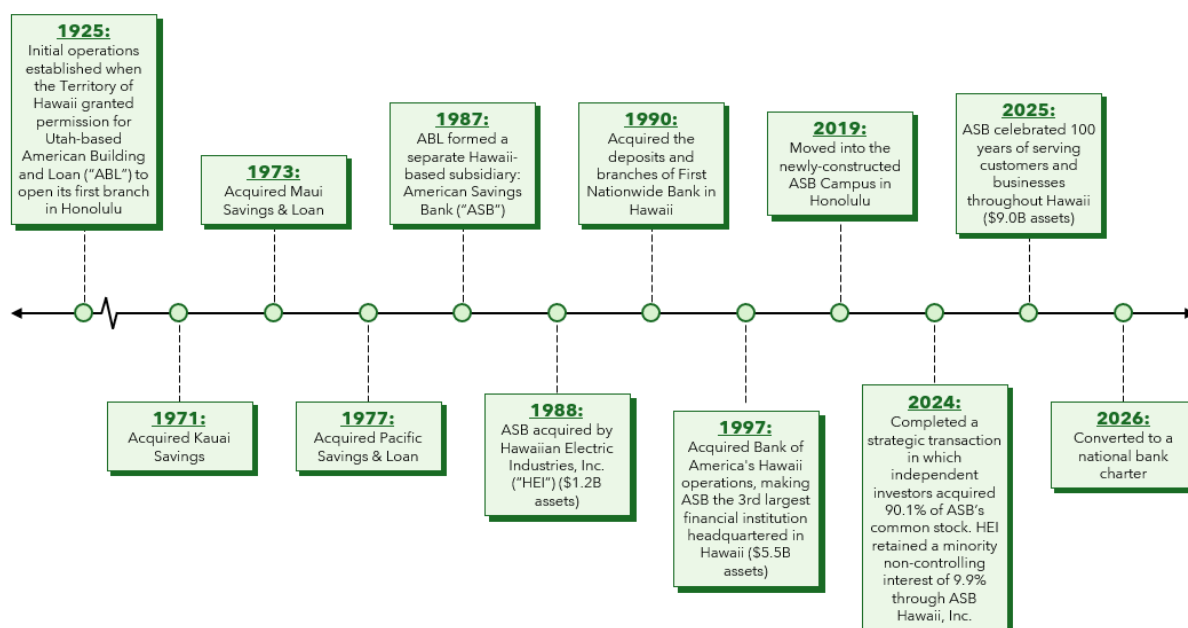
(1) Represents aggregate annual net charge offs / average loans for all FDIC insured institutions operating in a given period
 Note: Data sourced from S&P Capital IQ Pro and FDIC

What Are the Major Milestones in Our Bank’s History?

Our initial operations were established in 1925 when Utah-based American Building and Loan (“ABL”) opened its first branch in Honolulu. ABL complemented organic growth in Hawaii with the acquisitions of Kauai Savings (acquired in 1971), Maui Savings & Loan (1973) and Pacific Savings & Loan (1977). In 1987, we became a separate Hawaii-based subsidiary of ABL named American Savings Bank.

In 1988, we were acquired by Hawaiian Electric Industries, Inc. (“HEI”), the parent company of several of Hawaii’s electric utilities, as part of HEI’s strategy to diversify its revenue streams beyond the regulated utility sector. At the time, we had \$1.2 billion in assets and operated 34 branches.

Our Selected Milestones



While banking is our business, uplifting our communities and creating a stronger, more resilient Hawaii is our mission which we believe helps drive our performance. This commitment is reflected in everything we do – from investing in our community to supporting the local workforce by empowering our teammates to reach their highest potential. Residing in Hawaii can be challenging, and that is why we focus on providing affordable housing opportunities, promoting financial literacy in early education, and strengthening local businesses. We deliver on our commitment by investing in our community through the following programs:

- **This is HOME.** First time home buyer program created as an affordable financing solution to help a wider range of buyers who earn between 80% - 140% Area Median Income. Features of this program include lower down payment, lower mortgage insurance requirements, reduced closing costs and a competitive rate, saving homeowners hundreds of dollars each month.
- **Buy Local Hawaii.** Since 2021, our Buy Local Hawaii program has teamed up with select local eateries, retailers, and service providers in Hawaii to provide customers with special offers and discounts when using their ASB personal or business Visa debit card. This program supports businesses while providing savings through debit card utilization to enhance interchange fee income.
- **Hui Kapili.** Business accelerator program designed to bridge the gap between the Hawaii labor shortage and construction industry demand. Hui Kapili aims to empower small-to-mid-sized construction related companies with the business acumen and support needed to succeed in Hawaii’s competitive market.
- **Kahiau Giving Campaign.** Our teammate giving campaign has raised over \$4 million for Hawaii non-profits since its inception in 2011. In 2025, 94% of our teammates participated in the program, raising \$175,000 for non-profit organizations. Combined with ASB’s matching amount, we contributed \$277,000 to strengthen our non-profit partners and community.

How Do We Compare to Our Peers?

As a management tool to understand our financial performance in comparison to other participants in the banking markets, we review our position within the competitive landscape of banks with attributes we deem comparable to us

(our “Comparable Companies” analysis). We refresh our Comparable Companies analysis on a quarterly basis following public availability of peer data, both publicly traded company information available through Securities and Exchange Commission filings, and information available through FDIC and Federal Reserve filings.

We select the makeup of companies in our Comparable Companies analysis based on factors related to relative asset size, geography, business model, and certain performance measures. Below we review our two groups of focal Comparable Companies consisting of a group of low cost of deposits peers and a group of western region competitors.

Low Cost of Deposits Comparable Company Group. To compile our low cost of deposits Comparable Company group, we begin with the broad universe of all banks and bank holding companies traded on Nasdaq or NYSE exchanges and headquartered in the U.S. with total assets as of June 30, 2026 between \$5 billion and \$25 billion, excluding merger targets, of which there were 110 companies as of September 4, 2026. We then refine the list to exclude companies that operate dissimilar business models from us (as an example, companies that rely on banking-as-a-service relationships with financial technology companies as a meaningful part of their business), resulting in 104 companies. We further refine the list to exclude companies with materially higher cost of deposits (defined as having a cost of deposits above 1.35% for the three months ended June 30, 2026), leaving 19 companies as of September 4, 2026. We further refine the list to exclude banking organizations with weaker financial returns (defined as having a return on average tangible common stockholders’ equity below 12.0% for the three months ended June 30, 2026), resulting in 16 banking organizations remaining on the list as of September 4, 2026.

Low Cost of Deposits Comparable Company Group ⁽¹⁾

Ticker	Company Name	Total Assets (\$M)	Market Cap. (\$M)	Price/TBVPS (%)	Price/LTM EPS (x)	Price/2026E EPS (x)	Price/2027E EPS (x)
BOH	Bank of Hawaii Corporation	23,843	3,045	202	14.4	13.0	11.6
FHB	First Hawaiian, Inc.	23,646	3,172	173	11.3	11.1	10.3
WSFS	WSFS Financial Corporation	22,654	4,055	231	13.3	12.1	11.5
MCHB	Mechanics Bancorp	21,231	3,662	200	13.2	15.4	13.2
CBC	Central Banccompany, Inc.	20,295	7,817	222	17.7	17.1	16.1
FBP	First BanCorp.	19,241	4,324	225	12.0	11.9	11.2
CBU	Community Financial System, Inc.	17,764	3,360	303	14.8	13.9	12.3
BANR	Banner Corporation	16,594	2,418	149	11.7	11.5	10.5
NBTB	NBT Bancorp Inc.	16,215	2,716	189	12.8	12.5	11.5
FBNC	First Bancorp	13,042	2,691	220	20.2	13.8	12.9
PRK	Park National Corporation	12,677	3,518	247	17.4	15.0	14.7
CPF	Central Pacific Financial Corp.	7,501	983	165	12.2	11.7	10.7
OSBC	Old Second Bancorp, Inc.	6,870	1,309	174	14.8	11.7	10.8
CHCO	City Holding Company	6,774	2,045	314	15.9	15.7	15.2
HBT	HBT Financial, Inc.	6,728	1,331	208	15.7	12.0	10.6
WABC	Westamerica Bancorporation	5,805	1,373	187	13.1	12.8	12.7
Median		16,404	2,881	205	13.8	12.7	11.5

(1) Financial data as of June 30, 2026; market data as of September 4, 2026. Source: S&P Capital IQ Pro

Western Region Comparable Company Group. We begin with the same broad universe of all banks and bank holding companies as described above, excluding banks that operate dissimilar business models from us, as we compile our western region Comparable Company group. We then refine the list to exclude companies headquartered outside of the Western Region, leaving 16 companies as of September 4, 2026. We further refine the list to exclude companies with weaker financial returns (as defined as having a return on average tangible common stockholders’ equity below 12.0% for the three months ended June 30, 2026), leaving 10 companies as of September 4, 2026.

By placing a minimum threshold on return on average tangible common stockholders’ equity, we believe we focus our Comparable Company groups on some of the strongest performing banks of our size.

Western Region Comparable Company Group ⁽¹⁾

Ticker	Company Name	Total Assets (\$M)	Market Cap. (\$M)	Price/TBVPS (%)	Price/LTM EPS (x)	Price/2026E EPS (x)	Price/2027E EPS (x)
CATY	Cathay General Bancorp	24,653	4,182	157	12.2	11.3	10.6
BOH	Bank of Hawaii Corporation	23,843	3,045	202	14.4	13.0	11.6
FHB	First Hawaiian, Inc.	23,646	3,172	173	11.3	11.1	10.3
MCHB	Mechanics Bancorp	21,231	3,662	200	13.2	15.4	13.2
BANR	Banner Corporation	16,594	2,418	149	11.7	11.5	10.5
PFBC	Preferred Bank	7,731	1,227	155	9.5	9.6	9.4
CPF	Central Pacific Financial Corp.	7,501	983	165	12.2	11.7	10.7
RCBC	River City Bank	6,043	742	131	9.8	10.8	10.6
WABC	Westamerica Bancorporation	5,805	1,373	187	13.1	12.8	12.7
FSBC	Five Star Bancorp	5,377	1,152	212	13.9	13.4	12.5
Median		12,162	1,895	169	12.2	11.6	10.6

(1) Financial data as of June 30, 2026; market data as of September 4, 2026. Source: S&P Capital IQ Pro

We analyze our two Comparable Company peer groups based on various balance sheet and performance metrics, some of which measures are described in the tables below.

		Median of Low Cost of Deposit Comparable Company Group	Median of Western Region Comparable Company Group
Balance Sheet and Credit ⁽¹⁾	ASB		
Loans / deposits (%)	76	79	83
Noninterest-bearing deposits / deposits (%)	31	32	28
Tangible common stockholders' equity / tangible assets (%)	7.7	9.7	9.1
Tier 1 leverage ratio (%)	9.1	11.0	9.6
Total risk-based capital ratio (%)	14.6	15.5	14.8
Nonaccrual loans / loans (%)	0.13	0.44	0.29

(1) Financial data as of June 30, 2026

Related to the balance sheet and credit metrics illustrated in the table above, we believe that strong levels of noninterest-bearing deposits, in particular, contribute meaningfully to our ability to maintain our low cost of deposits. With a ratio of noninterest-bearing deposits to total deposits of 31%, our deposit composition is similar to that of the low cost of deposits Comparable Company group median and the western region Comparable Company group median. We are focused on continuing to grow all types of core deposits and, specifically, operating accounts for commercial and small business customers in order to further improve our cost of deposits and overall profitability.

We have the ability to improve our profitability without reliance on total asset growth due to an opportunity to change the composition of our asset mix. At 76%, our loan-to-deposit ratio is lower than the medians for both the low cost of deposits Comparable Company group and the western region Comparable Company group, at 79% and 83%, respectively. We believe that we have the capacity to re-allocate a portion of our balance sheet into higher-yielding earning loan assets and, in doing so, improve our already strong net interest margin as compared to our peers.

We believe our capital ratios are robust in relation to our business model which, as described above, calls for steady and modest overall growth without relying on acquisitions. Our business model attributes stand in contrast to many of our peers who choose to carry somewhat higher capital levels in part to support acquisitive growth strategies and without similar levels of loan-to-deposit ratios providing as much room to grow commercial loan balances. Further, our credit quality ratios fall in line with most of our peers.

Profitability ⁽¹⁾	ASB	Median of Low Cost of Deposit Comparable Company Group	Median of Western Region Comparable Company Group
Last quarter annualized return on average assets (%)	1.21	1.54	1.25
Last quarter annualized return on average tangible common stockholders' equity (%)	15.87	15.96	14.28
Last quarter annualized net interest margin (%)	3.57	3.81	3.58
Last quarter annualized cost of deposits (%)	0.69	1.20	1.29
Last quarter annualized efficiency ratio (%)	61.67	53.19	48.48

(1) Financial data as of June 30, 2026

We believe we have selected peers that have recently produced strong levels of financial performance, making the comparison of our performance metrics to their levels an instructive analysis. Our focus on producing attractive returns on our stockholders' capital is represented in our return on average tangible common stockholders' equity of 15.87%, which is similar to the median of the low cost of deposits Comparable Company group at 15.96% and shows our relative strength as compared to the median of the western region Comparable Company group at 14.28%. Our cost of deposits of 0.69% is superior compared to medians of 1.20% and 1.29% for the low cost of deposits Comparable Company group and the western region Comparable Company group, respectively. We believe one of the most challenging financial characteristics of banking is producing attractive funding costs, making our strong performance in this measure highly valuable to our stockholders. Our low cost of deposits is a key driver for our net interest margin which, at 3.57%, is in line with the western region Comparable Company group median of 3.58% and below the low cost of deposits Comparable Company group median of 3.81%. Our return on average assets was 1.21%, lower than the medians of 1.54% and 1.25% for the low cost of deposits Comparable Company group and the western region Comparable Company group, respectively. We achieved strong profitability metrics in our return on average tangible common stockholders' equity and return on average assets despite having an efficiency ratio of 61.67% which is higher compared to the medians of 53.19% and 48.48% for the low cost of deposits Comparable Company group and the western region Comparable Company group, respectively.

Teammates

As of June 30, 2026, we had 1,006 teammates, which includes our approximately 978 full-time teammates, 25 part-time teammates, including teammates on leave, 3 positions filled by temporary teammates, and 16 summer interns, none of whom are represented by collective bargaining agreements. We believe that our employee relations differentiate us in the market. In 2025, we were nationally recognized as a Best Bank to Work For by *American Banker Magazine*, America's Greatest Workplaces by *Newsweek* and America's Best-In-State Employer by *Forbes*. We have been consistently recognized locally as one of the Best Places to Work in Hawaii by *Hawaii Business Magazine*.

We focus on providing a great teammate experience as a key part of our vision because our teammates are our greatest asset. We attract and retain strong talent by providing a combination of competitive compensation and benefits that help to meet the needs of our teammates and with opportunities for growth and development, including support to attend conferences and to obtain degrees, licenses and certifications.

Competition

The banking industry in Hawaii is a highly concentrated market structure dominated by a small number of homegrown financial institutions. As of September 30, 2025, there were six financial institutions insured by the FDIC and 45 federally insured credit unions headquartered in Hawaii. While we are the third largest banking organization in Hawaii based on total assets as of June 30, 2026, we face vigorous competition for loans and deposits from other banking organizations based in Hawaii. Competition for loans and deposits comes primarily from other savings institutions, commercial banks, credit unions, securities brokerage firms, money market and mutual funds, fintechs, and other investment alternatives. Competition for origination of mortgage loans comes primarily from mortgage banking and brokerage firms, commercial banks, savings institutions, insurance companies and real estate investment trusts. Competition for origination of mortgage loans has increasingly come from out-of-state non-bank institutions. The three largest publicly traded Hawaii-headquartered banks have approximately \$11.4 billion of outstanding

commercial loans in Hawaii according to Form 10-Q filings for the three months ended June 30, 2026. As of June 30, 2026, ASB had \$2.2 billion of commercial loans (excluding non-Hawaii syndicated national credits), making ASB's market share in Hawaii roughly 16%. Commercial loans for the three largest publicly traded Hawaii-headquartered banks and ASB are defined as follows:

- 1) American Savings Bank, N.A.: all Commercial Real Estate, Commercial Construction, and C&I (excluding syndicated national credits) loans
- 2) Bank of Hawaii Corporation (BOH): Hawaii-defined Commercial Mortgage, Commercial & Industrial and Construction loans
- 3) Central Pacific Financial Corp. (CPF): Hawaii-defined Commercial Mortgage, Commercial & Industrial and Construction loans
- 4) First Hawaiian, Inc. (FHB): Hawaii-defined Commercial Real Estate, Commercial & Industrial and Construction loans

To remain competitive and continue building core franchise value, we have developed a repeatable process to introduce products and services quickly, allowing us to meet the needs of our customers. Our process is supported by investments in our people and technology necessary to adapt and remain competitive. We compete for deposits primarily based on the types of savings and checking accounts we offer at competitive rates, the quality of the services we provide, the convenience of our physical locations and business hours and through digital channels, including our highly-rated online banking platform rated 4.7 / 5.0 based on approximately 15,000 reviews in the Apple App Store and approximately 4,700 reviews in Google Play as of July 10, 2026. Continued investments in our online banking platform provide operating leverage to the Bank by providing digital self-service options to customers for activities that were historically performed in our branches including opening accounts, deposits, transfers and other activities. The primary factors in our competition for mortgage and other loans are the competitive interest rates and loan origination fees we charge, the wide variety of loan programs we offer and the quality and efficiency of the services we provide to borrowers and the business community.

Risk Management

Our Board is responsible for overseeing our risk management practices. Our Risk Committee assists our Board with oversight of the enterprise risk management program and sound practices for the management of key risks in support of the bank's strategic objectives.

Enterprise risk management is the responsibility of all bank employees. The Bank's President and Executive Vice Presidents (collectively, the "Management Committee") provide guidance and oversight for our management of significant risks across the organization and monitors the direction and trend of all significant risk types relative to business strategies and market conditions, including identification and evaluation of emerging risks, establishment of measurements and risk limits at the management level, and recommending to our Board, risk limits that are consistent with our Board approved risk appetite. The Enterprise Risk & Regulatory Relations Division establishes and maintains an Enterprise Risk Management program that provides a process so that risks are identified, assessed, reported, mitigated and monitored across divisions and departments.

The Bank has a moderate to low risk profile and seeks to produce quality and stable earnings, while operating with a generally straightforward business model that is consistent with a high performing national bank. To achieve this, we seek to diversify risk across the enterprise, with risk limits reflecting the bank's risk appetite. We have also invested in technology to help detect and prevent fraudulent transactions, which is designed to prevent losses to our customers and the Bank.

Properties

We operate 35 branches as of June 30, 2026, including from our principal office, across five islands in Hawaii. The following table sets forth the number of our bank branches on the five of the islands of Hawaii:

June 30, 2026	Number of Branches		
	Owned	Leased	Total
Branches			
Oahu	8	16	24
Maui	1	4	5
Hawaii	2	1	3
Kauai	1	1	2
Molokai	0	1	1
	12	23	35

Since June 30, 2019, the Bank has reduced the number of branches by nearly 30% from 50 branches to 35 branches as of June 30, 2026. The Bank intends to shrink the size of an average branch to between 2,000 sq. ft. and 3,000 sq. ft.

Investment Securities

The Bank takes a conservative approach to managing its investment portfolio. The Bank's investment strategy is primarily to maintain a conservative level of liquidity at all times. Accordingly, it concentrates any investments on a mix of short to mid-term U.S. government bonds and other securities that are readily marketable and that have a relatively stable market value. The Bank typically avoids speculative issues or long-term investments. Below is a composition of our available-for-sale and held-to-maturity portfolio compositions as of June 30, 2026.

Available-for-Sale Portfolio

\$ in thousands	Amortized Cost	Fair Value	Book Yield (%)
U.S. Treasury & Fed. Agency Obligations	\$ 121,297	\$ 120,991	4.01
Residential MBS	600,425	561,680	3.39
Commercial MBS	149,040	143,938	3.44
Corporate Bonds	26,412	26,244	2.24
Mortgage Revenue Bonds	12,901	12,901	5.70
Total	910,075	865,754	3.48

Held-to-Maturity Portfolio

\$ in thousands	Amortized Cost	Fair Value	Book Yield (%)
U.S. Treasury & Fed. Agency Obligations	\$ 59,977	\$ 55,417	1.42
Residential MBS	524,545	509,595	1.46
Commercial MBS	491,485	430,603	1.42
Total	1,076,007	995,615	1.44

Legal Proceedings

The Bank is subject in the normal course of business to pending and threatened legal proceedings. Management does not anticipate that the aggregate ultimate liability arising out of these pending or threatened legal proceedings will be material to its financial position. The Bank cannot rule out the possibility that such outcomes could have a material adverse effect on the results of operations or liquidity for a particular reporting period in the future. For further discussion, see Note 15 "Commitments and Contingencies."

Summary Historical Financial Information and Other Data

The following table sets forth summary historical financial information and other data for the Bank as of the dates and for the periods shown. The summary historical income statement data for the three months ended June 30, 2026,

March 31, 2026, December 31, 2025, September 30, 2025, and June 30, 2025 and the historical balance sheets as of June 30, 2026, March 31, 2026, September 30, 2025, and June 30, 2025, have been derived from our unaudited financial statements. The historical balance sheet as of December 31, 2025 has been derived from our audited financial statement included elsewhere in this prospectus. Our results of operations for any period are not necessarily indicative of the results to be expected in any future period.

The summary historical financial information and other data below should be read together with the information in “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements and related notes included elsewhere in this prospectus.

	As of				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30 2025
	(dollars in thousands)				
Assets					
Cash and cash equivalents	\$ 228,886	\$ 228,466	\$ 399,955	\$ 276,062	\$ 299,345
Investment securities					
Available-for-sale, at fair value	865,754	938,614	755,884	676,959	667,986
Held-to-maturity, at amortized cost	1,076,007	1,089,344	1,101,853	1,113,537	1,126,159
Total investments	1,941,761	2,027,958	1,857,737	1,790,496	1,794,145
Federal Home Loan Bank and Federal Reserve Bank stock, at cost	16,179	16,179	16,366	5,575	5,575
Loans held for sale, at lower of cost or fair value	4,485	-	4,723	1,776	4,231
Loans held for investment	6,238,473	6,147,761	6,083,247	6,090,536	6,092,423
Allowance for credit losses	(61,535)	(58,292)	(57,557)	(56,008)	(65,528)
Net loans held for investment	6,176,938	6,089,469	6,025,690	6,034,528	6,026,895
Premises and equipment, net	172,404	173,705	174,956	175,435	176,377
Accrued interest receivable	30,261	30,525	29,435	28,800	28,021
Mortgage servicing rights, net	6,183	6,361	6,579	6,802	7,051
Deferred tax asset	115,919	111,155	111,415	110,632	109,556
Other assets	356,144	358,891	352,630	364,886	362,660
Total assets	<u>\$ 9,049,160</u>	<u>\$ 9,042,709</u>	<u>\$ 8,979,486</u>	<u>\$ 8,794,992</u>	<u>\$ 8,813,856</u>
Liabilities and stockholders’ equity					
Deposits					
Noninterest-bearing	\$ 2,524,356	\$ 2,523,695	\$ 2,498,000	\$ 2,454,299	\$ 2,482,436
Interest-bearing	5,667,132	5,676,119	5,639,022	5,491,833	5,521,898
Total deposits	8,191,488	8,199,814	8,137,022	7,946,132	8,004,334
Other borrowings	-	-	-	-	-
Other liabilities	165,176	161,425	172,588	203,719	192,556
Total liabilities	8,356,664	8,361,239	8,309,610	8,149,851	8,196,890
Stockholders’ equity					
Preferred stock	5	5	5	-	-
Common stock	9	9	9	9	9
Additional paid-in capital	359,704	359,704	359,704	359,704	359,704
Accumulated other comprehensive loss, net of tax benefits	(134,118)	(135,474)	(136,020)	(149,397)	(157,611)
Retained earnings	466,896	457,226	446,178	434,825	414,864
Total stockholders’ equity	692,496	681,470	669,876	645,141	616,966
Total liabilities and stockholders’ equity	<u>9,049,160</u>	<u>9,042,709</u>	<u>8,979,486</u>	<u>8,794,992</u>	<u>8,813,856</u>

	Three Months Ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(dollars in thousands)				
Interest income	\$ 89,258	\$ 88,079	\$ 88,669	\$ 87,116	\$ 87,237
Interest expense	14,041	13,835	14,649	15,406	16,552
Net interest income	75,217	74,244	74,020	71,710	70,685
Provision (benefit) for credit losses	3,298	1,049	1,903	(7,816)	2,700
Net interest income after provision (benefit) for credit losses	71,919	73,195	72,117	79,526	67,985
Noninterest income					
Other service charges and fees	8,276	8,224	8,519	8,200	8,318
Service charges on deposit accounts	4,935	4,771	5,277	5,144	4,735
Income from investment services	3,997	3,684	3,906	3,682	3,692

	Three Months Ended				
	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
	(dollars in thousands)				
Mortgage banking income	187	206	194	147	204
Bank-owned life insurance	5,730	2,497	4,239	4,455	1,908
Loss on sale of investment securities, net	-	-	-	-	(424)
Loss on sale of consumer loans	-	-	-	(19,918)	-
Other income, net	702	721	701	732	756
Total noninterest income	23,827	20,103	22,836	2,442	19,189
Noninterest expense					
Salaries and employee benefits	35,881	33,291	34,650	33,198	30,226
Pension plan settlement charge	-	(717)	21,275	-	-
Other expense	25,202	24,305	25,115	24,851	23,867
Total noninterest expense	61,083	56,879	81,040	58,049	54,093
Income (loss) before income taxes	34,663	36,419	13,913	23,919	33,081
Income tax expense (benefit)	7,488	7,866	2,560	3,958	7,375
Net income (loss)	\$ 27,175	\$ 28,553	\$ 11,353	\$ 19,961	\$ 25,706
Adjusted net income ⁽¹⁾	\$ 28,008	\$ 28,787	\$ 26,926	\$ 26,123	\$ 26,016

- (1) These are non-GAAP financial measures we believe are helpful in interpreting our financial results. For more information on non-GAAP measures and for a reconciliation to the most directly comparable GAAP financial measures, see “Summary Historical Financial Information and Other Data—Non-GAAP Financial Measures Reconciliations.”

SUPERVISION AND REGULATION

General

The U.S. banking industry is highly regulated and supervised under federal and state law. Consequently, our growth and earnings performance will be affected not only by management decisions and economic conditions, but also by the statutes administered by, and the regulations and policies of, various governmental regulatory authorities, including the OCC and the FDIC. The current administration has implemented significantly different policies from the previous administration, including new proposed regulations and rescissions or withdrawals of previous guidance, and sharply reduced the workforce at the federal banking agencies. The cumulative effect of any changes to such statutes, regulations and policies, can be significant, and whether they might be reversed by a future administration cannot be predicted.

The primary goals of the bank regulatory framework are to maintain a safe and sound banking system and to facilitate the conduct of sound monetary policy. The system of supervision and regulation applicable to us is intended primarily for the protection of the FDIC's DIF, our depositors and the public, rather than our stockholders or creditors. The description below summarizes certain elements of the applicable bank regulatory framework. This description is not intended to describe all laws and regulations applicable to us, and the description is qualified in its entirety by reference to the full text of the statutes, regulations, policies, interpretive letters and other written guidance that are described herein.

There has also been a notable expansion in recent years of financial services providers that are not subject to the examination, oversight, and other rules and regulations to which we are subject. Those providers, because they are not so highly regulated, may have a competitive advantage over us and may continue to draw large amounts of funds away from traditional banking institutions, with a continuing adverse effect on the banking industry in general.

Bank Supervision and Enforcement

As a national banking association, our corporate affairs are governed by the National Bank Act, with related regulations administered by the OCC. We are supervised, regulated and regularly examined by the OCC, which monitors all areas of our operations, including reserves, loans, mortgages, issuances of securities, payment of dividends, establishment of branches, capital adequacy, and compliance with laws. As a national bank, we are not directly subject to the Securities Act and the Securities Exchange Act in connection with securities matters, but rather to OCC regulations governing securities offerings and reporting requirements which, for equity securities, are nearly identical to and incorporate the Securities Act and the Securities Exchange Act. Our common stock and certain other securities are being registered under the Exchange Act, which authorizes the OCC to administer and enforce certain sections of the Exchange Act applicable to national banks. We are not required to file reports under the Exchange Act with the SEC, but we will post the required information on our website and file with the OCC.

We are also a member of the Federal Reserve System, and our deposits are insured by the FDIC up to certain limits as determined by the FDIC. See “—FDIC Insurance Assessments.”

The OCC has adopted the Federal Financial Institutions Examination Council's ("FFIEC") rating system, which assigns each financial institution a confidential composite rating based on an evaluation and rating of six essential components of an institution's financial condition and operations including Capital Adequacy, Asset Quality, Management, Earnings, Liquidity and Sensitivity to market risk, as well as the quality of risk management practices. For banking organizations of our size and business model, the FFIEC has indicated that market risk primarily reflects exposures to changes in interest rates. When regulators evaluate this component, consideration is expected to be given to (i) management's ability to identify, measure, monitor, and control market risk, (ii) the institution's size, (iii) the nature and complexity of its activities and its risk profile, and (iv) the adequacy of its capital and earnings in relation to its level of market risk exposure. Market risk is rated based upon, but not limited to: an assessment of the sensitivity of the financial institution's earnings or the economic value of its capital to adverse changes in interest rates, foreign exchange rates, commodity prices, or equity

prices; management's ability to identify, measure, monitor, and control exposure to market risk; and the nature and complexity of interest rate risk exposure arising from non-trading positions. On May 19, 2026, the FFIEC proposed significant revisions to its rating system. Among other changes, the proposal, if finalized, would modify the composite rating and related definitions and assessment factors to tie ratings more closely to a bank's financial condition and material financial risks. In addition, it would narrow and refocus the "management" component on material financial risk and risk management weaknesses and reduce the influence of such rating on the composite rating. Comments on the proposal were due by August 17, 2026.

Banks and certain institution-affiliated parties are subject to a broad range of potential enforcement actions for unsafe and unsound practices in conducting their business or for violations of any law, rule, regulation, or any condition imposed in writing by a federal banking agency or any written agreement with such an agency. These enforcement powers include the appointment of a conservator or receiver, issuance of a cease-and-desist order, termination of deposit insurance, imposition of civil money penalties, issuance of directives to increase capital, issuance of formal and informal agreements, issuance of removal or prohibition orders against institution-affiliated parties and the enforcement of such actions through the courts. Institution-affiliated parties primarily include management, employees, and agents of a financial institution, as well as independent contractors and consultants such as attorneys and accountants and others who participate in the conduct of the financial institution's affairs.

Dividends

We are required by federal law to obtain prior approval of the OCC for payments of dividends if the total of all dividends declared by our Board in any year will exceed our net profits earned during the current year combined with our retained net profits of the immediately preceding two years, less any required transfers to surplus.

In addition, under FDICIA we may not pay any dividend if we are undercapitalized or the payment of the dividend would cause us to become undercapitalized. The OCC may further restrict the payment of dividends by requiring that we maintain a higher level of capital than we would otherwise be required to be adequately capitalized for regulatory purposes. Moreover, if, in the opinion of the OCC, we are engaged in an unsound practice (which could include the payment of dividends), it may require, generally after notice and hearing, that we cease such practice. The OCC has stated that paying dividends when such payments would deplete a depository institution's capital base to an inadequate level would be an unsafe banking practice. The OCC has also issued policy statements providing that insured depository institutions generally should pay dividends only out of current operating earnings.

Capital Adequacy Requirements

We are subject to regulatory capital requirements, including the risk-based capital requirements established by the OCC pursuant to the Basel III framework. The OCC considers our capital levels when taking action on various types of applications and when conducting supervisory activities related to the safety and soundness of the Bank and the banking system. The OCC's capital requirements include risk-based capital and leverage ratios, under which we are required to maintain minimum capital in accordance with the ratios below.

The capital rules also require a capital conservation buffer of at least 2.5% above each of the minimum risk-based capital ratio requirements (common equity Tier 1, Tier 1 capital, and total capital), which is designed to absorb losses during periods of economic stress. These buffer requirements must be met for a bank to be able to pay dividends, engage in share buybacks, or make discretionary bonus payments to executive management without restriction. OCC and FDIC regulations currently require national banks generally to maintain the following minimum capital standards (inclusive of the buffer requirements):

- Tier 1 leverage ratio of at least 4.0%.
- CET1 capital ratio of at least 7.0% (a minimum of 4.5% plus a capital conservation buffer of 2.5%),

- Tier 1 capital ratio of at least 8.5% (a minimum of 6.0% plus a capital conservation buffer of 2.5%), and
- Total capital ratio of at least 10.5% (a minimum of 8% plus a capital conservation buffer of 2.5%),

CET1 is primarily comprised of the sum of common stock instruments and related surplus net of treasury stock plus retained earnings less certain adjustments and deductions, including with respect to goodwill, intangible assets, mortgage servicing assets, and deferred tax assets subject to temporary timing differences. A Tier 1 capital ratio includes CET1 and additional Tier 1 capital. Additional Tier 1 capital is primarily comprised of noncumulative perpetual preferred stock. A total risk-based capital ratio includes Tier 1 and Tier 2 capital. Tier 2 capital consists of instruments disqualified from Tier 1 capital, including qualifying subordinated debt and a limited amount of loan loss reserves up to a maximum of 1.25% of risk-weighted assets, subject to certain eligibility criteria. The leverage ratio, which serves as a minimum capital standard, is the ratio of Tier 1 capital to quarterly average total assets net of goodwill, certain other intangible assets, and certain required deduction items. The required minimum leverage ratio for all banks and bank holding companies is 4%.

Higher capital levels may be required if warranted by the particular circumstances or risk profiles of individual institutions, or if required by the banking regulators due to the economic conditions impacting our market. For example, OCC regulations provide that higher capital may be required to take adequate account of, among other things, interest rate risk and the risks posed by concentrations of credit, nontraditional activities or securities trading activities. As of December 31, 2025, we had a common equity Tier 1 capital ratio of 13.46%, a Tier 1 leverage ratio of 9.00%, a Tier 1 capital ratio of 13.46% and a total capital ratio of 14.52%. See “—Basel III” for additional discussion of capital adequacy requirements of Basel III.

Banks with risk-based capital and leverage ratios below the required minimums may also be subject to certain administrative actions, including the termination of deposit insurance upon notice and hearing, or a temporary suspension of insurance without a hearing in the event the institution has no tangible capital.

The Economic Growth, Regulatory Relief, and Consumer Protection Act of 2018 required the U.S. Banking Agencies to adopt regulations to implement an exemption from the U.S. Basel III capital rules for smaller banking organizations that maintain a “community bank leverage ratio” of at least 8% to 10%. Under the OCC’s regulations, a qualifying community banking organization that has less than \$10 billion in total consolidated assets and meets the specified requirements can elect to apply a community bank leverage ratio of 9%, compliance with which would be deemed to have met the minimum capital requirements, the well capitalized capital category for depository institutions and any other capital or leverage requirements to which the qualifying community banking organization is subject. In April 2026, the U.S. Banking Agencies issued a final rule that decreased the community bank leverage ratio from 9% to 8%. On March 19, 2026, the federal banking agencies issued a package of proposed rulemakings that would significantly amend the regulatory capital requirements applicable to most U.S. banks and bank holding companies with greater than \$100 billion in assets. A qualifying bank may opt in and out of the community bank leverage ratio framework on its quarterly call report. We currently have not elected to apply the community bank leverage ratio framework, but continue to assess whether to elect to apply the framework in the future. A qualifying institution whose capital meets or exceeds the community bank leverage ratio and opts to use that framework will be considered “well capitalized” for purposes of the prompt corrective action framework. The proposed regulatory capital amendments could, if finalized, affect our capital requirements.

Prompt Corrective Action Framework

The federal banking regulators are required by FDICIA, among other things, to take “prompt corrective action” with respect to capital-deficient institutions that are FDIC-insured. Agency regulations define, for each capital category, the levels at which institutions are “well capitalized,” “adequately capitalized,” “undercapitalized,” “significantly undercapitalized” and “critically undercapitalized.” See “—Basel III” for a discussion of the capital categories that will apply to the prompt corrective action regulations under Basel III.

A “well capitalized” bank must have a CET1 capital ratio of at least 6.5%, Tier 1 capital ratio of at least 8.0%, a total capital ratio of at least 10.0%, and a leverage ratio of at least 5.0%, and must not be subject to any written agreement, order or capital directive, or prompt corrective action directive issued by its primary federal or state banking regulator to meet and maintain a specific capital level for any capital measure.

An “adequately capitalized” bank has a total capital ratio of 8.0% or higher, a Tier 1 capital ratio of 6.0% or higher, a CET1 capital ratio of 4.5% or higher, a leverage ratio of 4.0% or higher and does not meet the criteria for a well-capitalized bank.

A bank is “undercapitalized” if it fails to meet any one of the ratios required to be adequately capitalized. Additionally, a bank using advanced approaches will be deemed undercapitalized if it has a supplementary capital ratio of less than 3.0%.

A bank is deemed to be “significantly undercapitalized” if it has a total risk-based capital ratio of less than 6.0%, a Tier 1 risk-based capital ratio of less than 4.0%, a CET1 capital ratio of less than 3.0%, or a leverage ratio of less than 3.0%.

A bank is deemed to be “critically undercapitalized” if it has a ratio of tangible equity (as defined in the regulations) to total assets that is equal to or less than 2.0%.

Each successive lower capital classification imposes increasingly stringent restrictions and prohibitions, including limitations on asset growth, interest rates paid on deposits, acceptance of brokered deposits, and dividend payments. For example, for undercapitalized institutions, agency regulations require the submission of a capital restoration plan and contain broad restrictions on certain activities of undercapitalized institutions including asset growth, acquisitions, branch establishment and expansion into new lines of business. With certain exceptions, an insured depository institution is prohibited from making capital distributions, including dividends, and is prohibited from paying management fees to control persons if the institution would be undercapitalized after any such distribution or payment. A significantly undercapitalized institution is subject to mandated capital raising activities, restrictions on interest rates paid and transactions with affiliates, removal of management and other restrictions. The FDIC has only very limited discretion in dealing with a critically undercapitalized institution and is virtually required to appoint a receiver or conservator.

Beginning 60 days after becoming “critically undercapitalized,” critically undercapitalized institutions also may not make any payment of principal or interest on certain subordinated debt, extend credit for a highly leveraged transaction, or enter into any material transaction outside the ordinary course of business. In addition, subject to a narrow exception, the appointment of a receiver is required for a critically undercapitalized institution within 270 days after it obtains such status.

Basel III

We are subject to regulatory capital requirements, including the risk-based capital requirements established by the OCC pursuant to the Basel III framework. The Basel III rules include risk-based capital and leverage ratios, under which we are required to maintain minimum capital in accordance with the following ratios:

- A ratio of CET1 capital to total risk-weighted assets of not less than 4.5%;
- A Tier 1 risk-based capital ratio of at least 6.0%;
- A total risk-based capital ratio of at least 8.0% (unchanged from the prior requirements); and
- A Tier 1 leverage ratio of at least 4.0%.

In addition, the Basel III rules assign higher risk weights to certain assets, such as the 150% risk weighting assigned to exposures that are more than 90 days past due or are on non-accrual status, and to certain commercial real estate facilities that finance the acquisition, development, or construction of real property. Basel III also eliminate the inclusion of certain instruments, such as trust preferred securities, from Tier 1 capital. In addition,

Tier 2 capital is no longer limited to the amount of Tier 1 capital included in total capital. Mortgage servicing rights, certain deferred tax assets, and investments in unconsolidated subsidiaries over designated percentages of common stock are required, subject to limitation, to be deducted from capital. Also included in Tier 2 capital is the allowance for loan and lease losses limited to a maximum of 1.25% of risk-weighted assets and, for institutions that have exercised an opt-out election regarding the treatment of Accumulated Other Comprehensive Income, up to 45% of net unrealized gains on available-for-sale equity securities with readily determinable fair market values. We have exercised the AOCI opt-out option and therefore AOCI is not incorporated into common equity Tier 1 capital. Calculation of all types of regulatory capital is subject to deductions and adjustments specified in the regulations.

Basel III also established the capital conservation buffer that is 2.5% above the regulatory minimum capital requirements. Basel III also establishes a maximum percentage of eligible retained income that can be utilized for such capital distributions. See “—Capital Adequacy Requirements.”

Open Banking

In October 2024, the CFPB issued a final rule under Section 1033 of the Dodd-Frank Act. The rule imposes new data access requirements on various parties in the financial ecosystem, including financial institutions, data aggregators, and businesses authorized by consumers to access information on their behalf. Among other requirements, the rule requires certain entities, including us, to make available to consumers, upon request, information in their control or possession regarding the consumer financial products or services obtained from us.

The rule also requires data providers, such as the Bank, to establish a developer interface that meets specific security specifications. This interface will allow data providers to receive requests for and provide specific types of data covered by the rule in an electronic, usable form to authorized third parties, including data aggregators. The compliance deadline provided by the final rule for a bank our size is April 1, 2028. In August 2025, the CFPB issued an advanced notice of proposed rulemaking to reconsider its final rule under Section 1033 of the Dodd-Frank Act. In October 2025, a district court issued a preliminary injunction preventing the CFPB from enforcing the final rule until the CFPB has completed its reconsideration of the rule. As this rule is the subject of several lawsuits that may affect its implementation, we are currently monitoring developments.

FDIC Insurance Assessments

Our deposits are insured by the FDIC’s DIF up to the limits under applicable law, which currently are set at \$250,000 per depositor, per insured bank, for each account ownership category. Our Bank is subject to FDIC assessments for its deposit insurance. The FDIC calculates quarterly deposit insurance assessments based on an institution’s average total consolidated assets less its average tangible equity and applies one of four risk categories determined by reference to its capital levels, supervisory ratings, and certain other factors. The assessment rate schedule can change from time to time, at the discretion of the FDIC, subject to certain limits.

Insurance of deposits may be terminated by the FDIC upon a finding that the institution has engaged in unsafe and unsound practices, is in an unsafe or unsound condition to continue operations, or has violated any applicable law, regulation, rule, order or condition imposed by a bank’s federal regulatory agency. In addition, the Federal Deposit Insurance Act provides that, in the event of the liquidation or other resolution of an insured depository institution, the claims of depositors of the institution, including the claims of the FDIC as subrogee of insured depositors, and certain claims for administrative expenses of the FDIC as a receiver, will have priority over other general unsecured claims against the institution, including those of the parent bank holding company.

In November 2023, the FDIC approved a final rule to implement a special assessment to recover the loss to the DIF associated with several regional bank failures that occurred during early 2023. The special assessment is not applicable to banking organizations that reported \$5 billion or less in estimated uninsured deposits. During 2023, 2024 and 2025 we did not record any additional fees in deposit insurance and regulatory expense related

to the FDIC special assessment, because our estimated uninsured deposits reported as of December 31, 2022 were below \$5 billion.

Community Reinvestment

Under the Community Reinvestment Act (“CRA”), as implemented by OCC regulations, an institution has a continuing and affirmative obligation consistent with its safe and sound operation to help meet the credit needs of its entire community, including low- and moderate-income neighborhoods. The Community Reinvestment Act generally does not establish specific lending requirements or programs for financial institutions, nor does it limit an institution’s discretion to develop the types of products and services that it believes are best suited to its particular community, consistent with the CRA. Institutions are rated on their performance in meeting the needs of their communities. Performance is tested in three areas: (1) lending, to evaluate the institution’s record of making loans in its assessment areas; (2) investment, to evaluate the institution’s record of investing in community development projects, affordable housing, and programs benefiting low- or moderate-income individuals and businesses; and (3) service, to evaluate the institution’s delivery of services through its branches, ATMs and other offices. The CRA requires each federal banking agency, in connection with its examination of a financial institution, to assess and assign one of four ratings to the institution’s record of meeting the credit needs of the community and to take such record into account in its evaluation of certain applications by the institution, including applications for charters, branches and other deposit facilities, relocations, mergers, consolidations, acquisitions of assets or assumptions of liabilities, and bank holding company and savings and loan holding company acquisitions. The CRA also requires that all institutions make public disclosure of their CRA ratings.

In October 2023, the OCC, the FDIC and the Federal Reserve issued a final rule amending the agencies’ CRA regulations. In July 2025, the federal banking agencies issued a joint notice of proposed rulemaking to rescind the October 2023 final rule and restore the CRA framework that existed previously, which has remained in effect due to a preliminary injunction that stayed implementation of the October 2023 rule.

Change in Control

The Change in Bank Control Act and regulations issued by the OCC require that, in certain instances, notice must be furnished to the OCC, and not disapproved, prior to any person acquiring “control” of a national bank, subject to certain exemptions. Control is conclusively deemed to exist if a person (or persons acting in concert) acquires the power to vote, directly or indirectly, 25% or more of any class of voting securities of the bank. In addition, the term includes the power to direct the management and policies of the bank. Control is presumed to exist, subject to rebuttal, if a person acquires 10% or more of any class of voting securities and either the bank has registered securities under the Securities Exchange Act of 1934 or no other person will own a greater percentage of that class of voting securities immediately following the transactions.

Incentive Compensation

Consistent with the Interagency Guidance on Sound Incentive Compensation Policies, we have undertaken efforts to monitor our incentive compensation plans so they do not encourage inappropriate risks, consistent with three key principles — that incentive compensation arrangements should appropriately balance risk and financial rewards, be compatible with effective controls and risk management, and be supported by strong corporate governance.

The Dodd-Frank Act requires certain federal agencies to establish joint rules or guidelines for financial institutions with more than \$1 billion in assets, such as us, which prohibit incentive compensation arrangements that the agencies determine to encourage inappropriate risks by the institution. A rule has been proposed, but not yet been finalized. In addition, as required under the Dodd-Frank Act, the SEC and the national stock exchanges adopted final rules that, in the case of a restatement, requires the recovery or “clawback” of excess incentive-

based compensation paid to current or former executive officers and requires listed issuers to disclose any recovery analysis where recovery is triggered by a restatement.

Transactions with Insiders and Affiliates

Transactions with our affiliates are subject to Section 23A of the Federal Reserve Act. In general, Section 23A of the Federal Reserve Act imposes limits on the amount of such transactions, and also requires certain levels of collateral for loans to affiliated parties. It also limits the amount of advances to third parties which are collateralized by the securities or obligations of the Bank. Covered transactions with any single affiliate may not exceed 10% of the capital stock and surplus of the Bank, and covered transactions with all affiliates may not exceed, in the aggregate, 20% of the Bank's capital and surplus. For a bank, capital stock and surplus refers to the bank's Tier 1 and Tier 2 capital, as calculated under the risk-based capital guidelines, plus the balance of the allowance for credit losses excluded from Tier 2 capital. The Bank's transactions with all of its affiliates in the aggregate are limited to 20% of the foregoing capital. "Covered transactions" are defined by statute to include a loan or extension of credit to an affiliate, as well as a purchase of securities issued by an affiliate, a purchase of assets (unless otherwise exempted by the Federal Reserve) from the affiliate, the acceptance of securities issued by the affiliate as collateral for a loan, and the issuance of a guarantee, acceptance or letter of credit on behalf of an affiliate. In addition, in connection with covered transactions that are extensions of credit, the Bank may be required to hold collateral to provide added security to the Bank, and the types of permissible collateral may be limited. The Dodd-Frank Act generally enhances the restrictions on transactions with affiliates, including an expansion of what types of transactions are covered transactions to include credit exposures related to derivatives, repurchase agreement and securities lending arrangements and an increase in the amount of time for which collateral requirements regarding covered transactions must be satisfied.

Affiliate transactions are also subject to Section 23B of the Federal Reserve Act which generally requires that certain transactions between the Bank and its affiliates be on terms substantially the same, or at least as favorable to the Bank, as those prevailing at the time for comparable transactions with or involving other nonaffiliated persons. The Federal Reserve has also issued Regulation W which codifies prior regulations under Sections 23A and 23B of the Federal Reserve Act and interpretive guidance with respect to affiliate transactions.

The restrictions on loans to directors, executive officers, principal stockholders and their related interests (collectively "insiders") contained in the Federal Reserve Act and in Regulation O apply to all insured institutions and their subsidiaries. These restrictions include limits on loans to one borrower and conditions that must be met before such a loan can be made. There is also an aggregate limitation on all loans to insiders and their related interests. Generally, these loans cannot exceed the institution's total unimpaired capital and surplus, although a bank's regulators may determine that a lesser amount is appropriate. Loans to senior executive officers of a bank are even further restricted. Insiders are subject to enforcement actions for knowingly accepting loans in violation of applicable restrictions.

Concentrated Commercial Real Estate Lending Regulations

The federal banking regulatory agencies have issued guidance governing financial institutions with concentrations in commercial real estate lending. The guidance provides that a bank has a concentration in commercial real estate lending if (i) total reported loans for construction, land development, and other land represent 100% or more of total capital or (ii) total reported loans secured by multifamily and nonfarm residential properties and loans for construction, land development, and other land represent 300% or more of total capital and the bank's commercial real estate loan portfolio has increased 50% or more during the prior 36 months. Owner occupied loans are excluded from this second category. If a concentration is present, management must employ heightened risk management practices that address, among other things, Board and management oversight and strategic planning, portfolio management, development of underwriting standards, risk assessment and monitoring through market analysis and stress testing, and maintenance of increased capital levels as needed to support the level of commercial real estate lending.

Investment Activities

A national bank's investment activities are governed by federal law, primarily the National Bank Act and OCC regulations, which prescribe standards under which national banks may purchase, sell, deal in, underwrite, and hold securities. The types of investment activities that are permissible for national banks, and the calculation of limits for investments in such covered securities, are set forth in regulations promulgated by the OCC.

A national bank must adhere to safe and sound banking practices and the requirements of the OCC's regulations in conducting such investment activities. A bank must consider, as appropriate, the interest rate, credit, liquidity, price, foreign exchange, transaction, compliance, strategic, and reputation risks presented by a proposed activity, and the particular activities undertaken by the bank must be appropriate for that bank. If the OCC determines that a bank should calculate its investment limits more frequently than required by the OCC's regulations, the OCC may provide written notice to the bank directing the bank to calculate its investment limitations at a more frequent interval, and the bank must thereafter calculate its investment limits at that interval until further notice from the OCC.

The GLB Act and FDIC regulations also impose certain quantitative and qualitative restrictions on such activities.

Debit Interchange Fees

Pursuant to Federal Reserve regulations, interchange fees on debit card transactions are limited to a maximum of \$0.21 per transaction plus 5 basis points multiplied by the transaction value. A debit card issuer may recover an additional one cent per transaction for fraud prevention purposes if the issuer complies with certain fraud-related requirements prescribed by the Federal Reserve. The Federal Reserve has proposed, but not yet finalized, amendments these regulations that would lower the cap on debit interchange fees and institute a process for automatically recalculating the debit interchange fee cap every two years based upon a biennial survey of large debit card issuers. We qualify for the small issuer exemption from the interchange fee cap, which applies to any debit card issuer that, together with its affiliates, has total assets of less than \$10 billion as of the end of the previous calendar year. Our total assets for the year ended December 31, 2025 were \$8.98 billion. Because of our asset size, we are exempt from the debit card interchange fee standards but may lose the exemption if the statute is amended or if we surpass \$10 billion in assets.

The Federal Reserve also has rules governing routing and exclusivity that require issuers to offer two unaffiliated networks for routing transactions on each debit or prepaid product. Reliance on the small issuer exemption does not exempt us from federal regulations prohibiting network exclusivity arrangements or from routing restrictions.

Consumer Protection Laws and Regulations

We are subject to certain laws that are designed to protect consumers in transactions with banks and other financial institutions. These laws include, among others, the privacy provisions of the GLB Act, the Fair Credit Reporting Act, the Real Estate Settlement Procedures Act of 1974, the Fair Debt Collection Practices Act, the S.A.F.E. Mortgage Licensing Act of 2008, the Truth in Lending Act, the Truth in Savings Act, the Electronic Fund Transfer Act, the Expedited Fund Availability Act, the Equal Credit Opportunity Act, and the Fair Housing Act. Many states and local jurisdictions have consumer protection laws analogous, and in addition, to those enacted under federal law. These laws and their implementing regulations mandate certain disclosure requirements, prohibit discrimination on the basis of race, gender, national origin, etc., and generally regulate the manner in which financial institutions must deal with customers when taking deposits or making loans.

The federal consumer protection laws and regulations can be enforced by the various federal banking agencies pursuant to their general administrative enforcement powers. In addition, most of these statutes also provide for enforcement through private civil litigation brought by aggrieved consumers. In many cases, these

statutes provide for the recovery of statutory and punitive damages and litigation-related costs, as well as any actual damages suffered by the aggrieved consumer as a result of the alleged violation. The CFPB is the primary compliance and consumer protection regulatory authority for depository institutions with more than \$10 billion in assets and has broad authority to regulate the offering and provision of consumer financial products. The authority to supervise and examine depository institutions with \$10 billion or less in assets, like us, for compliance with federal consumer laws remains largely with institutions' primary regulators, such as the OCC for us. The CFPB may participate in examinations of these smaller institutions on a "sampling basis" and may refer potential enforcement actions against such institutions to their primary regulators.

The CFPB has recently been the target of intense scrutiny from the current administration, which has indicated a desire to dismantle, or significantly reform, the agency and its funding structure. The future structure, operation, and authority of the CFPB, as well as its fate, are currently uncertain and cannot be predicted. Nonetheless, consumer laws continue to apply to us whatever the funding, staffing or priorities of the CFPB.

Anti-Money Laundering and OFAC

Under federal law, including the Bank Secrecy Act and the USA PATRIOT Act of 2001, certain financial institutions must maintain anti-money laundering programs that include established internal policies, procedures and controls; a designated compliance officer; an ongoing employee training program; and testing of the program by an independent audit function. Financial institutions are also prohibited from entering into specified financial transactions and account relationships and must meet enhanced standards for due diligence and customer identification in their dealings with foreign financial institutions and foreign customers. Financial institutions must take reasonable steps to conduct enhanced scrutiny of account relationships to guard against money laundering and to report any suspicious transactions, and law enforcement authorities have been granted increased access to financial information maintained by financial institutions.

OFAC administers laws and Executive Orders that prohibit U.S. entities from engaging in transactions with certain prohibited parties. OFAC publishes lists of persons and organizations suspected of aiding, harboring or engaging in terrorist acts, known as Specially Designated Nationals and Blocked Persons. Generally, if a bank identifies a transaction, account or wire transfer relating to a person or entity on an OFAC list, it must freeze the account or block the transaction, file a suspicious activity report and notify the appropriate authorities.

Bank regulators routinely examine institutions for compliance with these obligations and they must consider an institution's compliance in connection with the regulatory review of applications, including applications for bank mergers and acquisitions. Failure of a financial institution to maintain and implement adequate programs to combat money laundering and terrorist financing and comply with OFAC sanctions, or to comply with relevant laws and regulations, could have serious legal, reputational and financial consequences for the institution.

Privacy, Data Protection and Cybersecurity

Privacy, data protection and cybersecurity are areas of significant and increasing federal, state and local regulation, and their legal and regulatory frameworks are in considerable flux and rapidly evolving. For example, federal banking regulators and legislators have adopted laws, rules, regulations and standards, including the GLB Act, that, among other things, limit the ability of banks and other financial institutions to disclose non-public information about consumers to non-affiliated third parties, require disclosure of privacy policies and practices relating to sharing personal information to consumers and, in some circumstances, allow consumers to prevent disclosure of certain personal information to a non-affiliated third party. These laws, rules, regulations and standards affect how consumer information is transmitted through financial services companies and conveyed to outside vendors. Such laws, rules, regulations and standards also require banks and other financial institutions to implement a comprehensive cybersecurity program that includes administrative, technical and physical safeguards to enhance the security and confidentiality of customer records and information. Federal law also makes it a criminal offense, except in limited circumstances, to obtain or attempt to obtain customer information of a financial nature by fraudulent or deceptive means.

Other U.S. federal and state laws, rules, regulations and standards impact our ability to share certain information with affiliates and non-affiliates for marketing and/or non-marketing purposes, or to contact consumers with marketing offers. Additionally, like other lenders, we use credit bureau data in its underwriting activities. Use of such data is regulated under the Fair Credit Reporting Act, pursuant to which consumers may prevent disclosure of certain information among affiliated companies that is assembled or used to determine eligibility for a product or service, such as that shown on consumer credit reports and asset and income information from applications, and may also have the option to direct banks and other financial institutions not to share information about transactions and experiences with affiliated companies for the purpose of marketing products or services. Similar state laws may also impose additional requirements on us or our subsidiaries. Like other business in the U.S., our nonbanking U.S. subsidiaries are also subject to rules and regulations issued by the Federal Trade Commission, which regulates unfair or deceptive acts and practices, including with respect to privacy, data protection and cybersecurity. Moreover, Congress has considered, and will likely in the future consider, additional privacy, data protection and cybersecurity legislation, to which we may become subject if passed.

The enactment of the Cyber Incident Reporting for Critical Infrastructure Act (the “CIRCIA”) in 2022, once rulemaking is complete, will require, among other things, certain companies to report significant cyber incidents to the Cybersecurity and Infrastructure Agency (the “CISA”) within 72 hours from the time the company reasonably believes the incident occurred (and within 24 hours of making a ransom payment as a result of a ransomware attack). On April 4, 2024, the CISA proposed a rule under the CIRCIA that would clarify the scope of cyber incidents to be reported and would further define covered entities subject to CIRCIA to expressly include companies in the financial services industry that are required to report cyber incidents to their primary U.S. federal regulators. Although the CIRCIA originally required the CISA to finalize its regulations by October 4, 2025, but as of June 2026, CISA had not yet finalized any rules.

We also are subject to U.S. federal regulations that, among other things, require a banking organization to notify its primary U.S. banking agency as soon as possible (and in any event within 36 hours) after identifying a “computer-security incident” that has materially disrupted or degraded, or the banking organization believes in good faith is reasonably likely to materially disrupt or degrade, its business or operations in a manner that would, among other things, jeopardize the viability of its operations, result in customers being unable to access their deposit and other accounts, result in a material loss of revenue, profit or franchise value, or pose a threat to the financial stability of the U.S. financial sector. Additionally, U.S. banking agencies, as well as the SEC and related self-regulatory organizations, regularly issue guidance regarding cybersecurity that is intended to enhance cyber risk management among financial institutions.

In addition to applicable federal privacy laws, rules, regulations and standards, we are subject to certain state privacy laws. For example, the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 (collectively, the “CCPA”), among other things, gives California residents the right to request access to or correct personal information collected about them, and whether that personal information has been sold or shared with others, the right to request deletion of personal information (subject to certain exceptions), the right to opt out of certain sharing and sales of their personal information, and the right not to be discriminated against for exercising these rights. The CCPA contains several exemptions, including that many, but not all, requirements of the CCPA are inapplicable to personal information that is collected, sold, disclosed or otherwise processed subject to certain U.S. federal laws, including the GLB Act. Similar laws have been or may be adopted by other states where we do business or collect personal information. In addition, laws in all 50 U.S. states generally require businesses to provide notice under certain circumstances to individuals whose personal information has been disclosed as a result of a data breach.

Artificial Intelligence

While we do not directly use AI within the scope of our business operations, we use products and services and rely on third-party vendors that may use AI in connection with their business, products and services. We

may rely on AI models developed by third parties in a non-material way, and, to that extent, would be dependent in part on the manner in which those third parties develop and train their models, including risks arising from the inclusion of any unauthorized materials in the training data for their models and the effectiveness of the steps these third parties have taken to limit the risks associated with the output of their models, matters over which we may have limited visibility. Regulation of AI is rapidly evolving worldwide as legislators and regulators are increasingly focused on these powerful emerging technologies. The technologies underlying AI and its uses are subject to a variety of laws and regulations, including intellectual property, privacy (including with respect to automated decision-making), data protection, cybersecurity, consumer protection, competition and equal opportunity laws and regulations, and are expected to be subject to increased regulation and new laws or new applications of existing laws and regulations. For example, AI is the subject of ongoing review by various U.S. governmental and regulatory agencies, and various U.S. states and other foreign jurisdictions are applying, or are considering applying, their existing laws and regulations to AI or are considering legal and regulatory frameworks for AI. In particular, several states, including Colorado and California, have passed or are continuing to propose laws and regulations that govern various facets and uses of AI, including to make consequential decisions.

Effect of Governmental Monetary Policies

Our earnings are affected by domestic and foreign economic conditions, particularly by the monetary and fiscal policies of the United States government and its agencies. Banking is a business that depends on interest rate differentials. The Federal Reserve has had, and will continue to have, an important impact on the operating results of commercial banks through its power to implement national monetary policy in order, among other things, to mitigate recessionary and inflationary pressures by regulating the national money supply. Some of the instruments of monetary policy available to the Federal Reserve include changes in the discount rate on member bank borrowings, the fluctuating availability of borrowings at the “discount window,” open market operations, the imposition of and changes in reserve requirements against member banks’ deposits and assets of foreign branches, and the imposition of and changes in reserve requirements against certain borrowings by banks and their affiliates. These policies influence to a significant extent the overall growth of bank loans, investments, and deposits and the interest rates charged on loans or paid on deposits. See “Risk Factors—Risks Related to Our Industry and Regulation.”

Future Legislation and Regulatory Reform

From time to time, various legislative and regulatory initiatives are introduced in Congress. New regulations and statutes are regularly proposed that contain proposals for altering the structures, regulations and competitive relationships of financial institutions operating in the United States. We cannot predict whether or in what form any proposed regulation or statute will be adopted or the extent to which our business may be affected by any new regulation or statute. Future legislation and policies, and the effects of that legislation and those policies, may have a significant influence on our operations and activities, financial condition, results of operations, growth plans or future prospects and the overall growth and distribution of loans, investments and deposits. Such legislation and policies have had a significant effect on the operations and activities, financial condition, results of operations, growth plans and future prospects of commercial banks in the past and are expected to continue.

MANAGEMENT

Board of Directors

Our Board currently consists of nine members, all of whom will be elected at the annual meeting of stockholders and serve one-year terms, until their successors are duly elected and qualified. Pursuant to our Amended and Restated Bylaws, our Board is authorized to have not less than five nor more than twenty-five directors, unless changed by resolution of our Board.

The following table sets forth summary information about our current directors as of the date of this prospectus, including their names, ages as of August 24, 2026, and year in which they began serving as a director. No director has any family relationship, as defined in Item 401 of Regulation S-K, with any other director or with any of our executive officers. There are no arrangements or understandings between any of the directors and any other person pursuant to which he or she was selected as a director except as disclosed below. See “Certain Relationships and Related Person Transactions—Stockholder Agreements—Board Representation and Observation Rights.”

Name	Age	Position	Director Since
John M. Eggemeyer ⁽²⁾	80	Chair of Board of Directors	2025
Richard J. Dahl ⁽¹⁾⁽³⁾	75	Vice Chair of Board of Directors	2022
Ann C. Teranishi	51	Chief Executive Officer, President, and Director	2021
Marty E. Adams ⁽²⁾	73	Director	2025
Christopher K.W. Chouinard ⁽¹⁾	53	Director	2025
Steven J. Didion ⁽³⁾⁽⁴⁾	59	Director	2025
Michael J. Kennedy ⁽¹⁾⁽²⁾	54	Director	2018
Yoko Otani ⁽⁴⁾	72	Director	2023
Robert G. Sarver ⁽³⁾⁽⁴⁾	64	Director	2025

(1) Member of the Audit Committee

(2) Member of the Compensation & Human Capital Management Committee

(3) Member of the Nominating and Corporate Governance Committee

(4) Member of the Risk Committee

Directors

John M. Eggemeyer. Mr. Eggemeyer has been the Chair of our Board since March 2026 and has served as a board member since January 2025. Since June 2021 Mr. Eggemeyer has also served on the board of Primis Financial Corporation (NASDAQ: FRST) and since 2019 he has served on the board of Northpointe Bancshares, Inc. (NYSE: NPB). He was the Chair of the board of directors of Banc of California, Inc. from 2023 to 2024 and became its Vice Chair and Lead Independent Director in 2025. He founded Castle Creek Capital LLC, (“Castle Creek”) in 1990, a firm that is recognized as one of the most active private equity investors in community banking, where he is a Managing Director. Prior to founding Castle Creek, Mr. Eggemeyer spent nearly 20 years as a senior executive with some of the largest banking organizations in the United States. Mr. Eggemeyer previously served as Chair of the board of directors of PacWest Bancorp from 2000 to 2023. He was also a director of Pacific Western Bank before it was acquired by Banc of California. Previously, he founded Guaranty Bancorp and served as a Director from 2004 until 2018. In addition, Mr. Eggemeyer served on the boards of The Bancorp, Inc., (NASDAQ: TBBK) from 2016 to 2024, Heritage Commerce Corporation (NASDAQ: HTBK) from 2010 to 2016, TCF Financial Corporation from 1994 to 2006, and American Financial Realty from 2000 to 2005. Mr. Eggemeyer holds a Bachelor of Science from Northwestern University and a Master of Business Administration from the University of Chicago. We believe that Mr. Eggemeyer’s broad range of professional experience in community banking and his dedication to serving the community make him qualified to serve on our Board.

Richard J. Dahl. Mr. Dahl has served as the Vice Chair of our Board since March 2026 and has served on our Board since 2022. He previously served as the Chair of our Board from August 2023 to March 2026. Mr. Dahl has also served as Chair of the board of directors of Dine Brands Global, Inc. (NYSE: DIN), a restaurant company that operates franchised and corporate owned full-service restaurants, since 2017 and has been a board member since 2004. Mr. Dahl served as the Chair of the board of directors, President, and Chief Executive Officer of the James Campbell

Company LLC, a nationally diversified private real estate company, from August 2011 to May 2018. He was a member of the board of directors of Hawaiian Electric Industries, Inc., (NYSE: HE) from January 2017 to August 2023. He served on the board of directors of IDACORP, Inc., (NYSE: IDA) and its primary subsidiary, Idaho Power Company, from 2008 and served as the Chair from 2019 to 2024, during which time he held the position of Chair of the board from May 2019 to May 2024. Mr. Dahl also served on the board of directors of International Rectifier Corporation from February 2008 to January 2015 and was Chair of its board during those years. He also served on the board of directors and as President and Chief Operating Officer of Dole Food Company, Inc., from July 2004 to July 2007. From 2002 to 2004, Mr. Dahl served as Dole Food Company's Vice President, Senior Vice President and Chief Financial Officer. From 1994 to 2002, Mr. Dahl served on the board of directors and held senior executive roles, including President, Chief Operating Officer, and Executive Vice President and Chief Financial Officer at Bank of Hawaii Corporation, formerly known as Pacific Century Financial Corporation. Mr. Dahl holds a bachelor's degree from University of Idaho. We believe that Mr. Dahl's extensive knowledge of our Bank and his experience in director roles across multiple industries make him qualified to serve on our Board.

Ann C. Teranishi. Ms. Teranishi has served as our President, Chief Executive Officer, and a member of our Board since May 2021, driving strategic direction for the Bank, focused on relationship banking, digital transformation, customer experience and teammate engagement. Since Ms. Teranishi joined the Bank in 2007, she has held various senior leadership positions. From February 2018 to May 2021, Ms. Teranishi served as Executive Vice President of Operations, where she delivered operational improvements to enhance customer experience and was key in transitioning the Bank towards online and self-service banking solutions. Prior to that, she was Senior Vice President, Director of Operations, from January 2017 to January 2018. From 2014 to 2017, Ms. Teranishi was Senior Vice President, Customer Experience, leading high-priority, strategic Bank initiatives to enhance customer experience. From 2011 to 2014, she was Senior Vice President, Director of Consumer Credit Management and was promoted to Director of Retail Credit Management. From 2007 to 2011, she was Senior Vice President, Director of Regulatory Compliance. Under Ms. Teranishi's leadership, our Bank has improved customer, community and employee confidence, and successfully navigated key milestones including our Separation from HEI in December 2024 and reaching our 100th year serving Hawaii in 2025. Ms. Teranishi holds a bachelor's degree in international relations and economics from Claremont McKenna College and a juris doctorate from the University of California College of the Law, San Francisco. We believe Ms. Teranishi's decades of banking experience, extensive knowledge of our Bank and the Hawaii market, and track record of delivering strong results, make her qualified to be our President, Chief Executive Officer, and to serve on our Board.

Marty E. Adams. Mr. Adams has served as a member of our Board since January 2025. Mr. Adams is the Co-founder and has been the Managing Member of Strategic Value Bank Partners, LLC, an investment firm specializing in community banks, since 2015. Since 2008, Mr. Adams has been the President of Marty Adams Consulting, LLC, where he serves as an advisor to banks, their boards of directors and to private equity firms pertaining to bank equity investments. Mr. Adams has served on the board of directors of Premier Financial Corp. since 2020. He has been a member of the board of directors of First National Bank of America in East Lansing, Michigan, since 2016. He has also been a director of FineMark Holdings, Inc., and FineMark National Bank & Trust in Fort Myers, Florida since 2021. Mr. Adams served as the interim Chief Executive Officer of PVF Capital Corp. and Park View Federal Savings Bank in Solon, Ohio, and as President and Chief Operating Officer of Huntington Bancshares Inc., following Huntington's acquisition of Sky Financial Group, Inc., from July 2007 to December 2007. Mr. Adams was previously the Chair and Chief Executive Officer of Sky Financial Group and Sky Bank. He served on the boards of United Community Financial Corp. and Home Savings Bank from 2013 through 2020. Mr. Adams earned a bachelor's in business administration and economics from West Liberty University and a Master of Business Administration from Franciscan University. We believe Mr. Adams' skills and qualifications built over 45-plus years in the banking and financial services industries, as well as his service in significant public company leadership positions, make him qualified to serve on our Board.

Christopher K.W. Chouinard. Mr. Chouinard has served as a member of our Board since January 2025. He has over 25 years of experience as an analyst and investor in the financial services sector. He joined Davis Asset Management in 2016 and is currently a Partner and Investment Analyst, responsible for overseeing more than \$2 billion in investments. In 2012, Mr. Chouinard founded 1C Investment Company LLC. He served as a member of the board at Clearsurance, an insurance shopping platform, from 2017 to 2021, and as a board member at Opportunity Bank, N.A., from 2011 to 2012. From 2007 to 2011, Mr. Chouinard was a Managing Director at Endicott Management Company, responsible for managing hedge and private equity funds focused on community banks. He was an Equity Analyst at Morgan Stanley from 2002 to 2007, an Equity Analyst at BofA Securities from 1999 to 2001, an Equity Research Analyst at Sanford Bernstein from 1997 to 1999, and an economist in the antitrust division of Skadden,

Arps, Slate, Meagher & Flom, focusing on bank mergers and acquisitions from 1995 to 1997. Mr. Chouinard holds a bachelor's degree in economics from Cornell University and he is a Chartered Financial Analyst charter holder. We believe Mr. Chouinard's decades of experience in the financial sector make him qualified to serve on our Board.

Steven J. Didion. Mr. Didion has served as a member of our Board since January 2025. He is currently General Partner and Portfolio Manager of JCSD Partners, LP, and JCSD Partners II, LP ("JCSD Partners"), bank-focused hedge funds based in California. From July 2016 to June 2020, Mr. Didion served as a member of the boards of directors of Hope Bancorp, Inc. (NASDAQ: HOPE) and Bank of Hope, following the merger of equals between BBCN Bancorp, Inc., and Wilshire Bancorp, Inc., and their respective subsidiaries, BBCN Bank and Wilshire Bank. From January 2014 to July 2016, Mr. Didion served on the board of directors of the former Wilshire Bancorp and Wilshire Bank. From 2009 to 2013, Mr. Didion served in key roles at Endicott Group ("Endicott"), a private equity firm in New York specializing in bank investments. Mr. Didion began his career with Salomon Brothers, Inc., and moved to Hoefer & Arnett in 1991 to build out the firm's Bank Research Group. He was appointed Chief Executive Officer of Hoefer & Arnett in 2001 and initiated the merger with Howe Barnes in 2006. From 2006 to 2009, he served as Director of the Financial Institutions Group at Howe Barnes Hoefer & Arnett. Mr. Didion earned a bachelor's degree from the University of California at Berkeley. We believe Mr. Didion's extensive experience in the financial and investment sectors make him qualified to serve on our Board.

Michael J. Kennedy. Mr. Kennedy has served as a member of our Board since 2018. He also has served on the board of directors of IDACORP, Inc., (NYSE: IDA) and its primary subsidiary, Idaho Power Company, since May 2025. He served as a member of the board of Hawaiian Electric Industries, Inc. (NYSE: HE), from August 2022 to August 2023. Mr. Kennedy has led numerous financial technology companies from early stage, through rapid growth to successful sale. In 2011, Mr. Kennedy founded the Zelle Payments Network, formerly clearXchange, and led as Chief Executive Officer. Mr. Kennedy grew this from an idea to the largest person-to-person digital payments network in the world. From 2019 to 2021, Mr. Kennedy was the Chief Executive Officer of Interstellar, revolutionizing international payments using blockchain technology. In March 2021, Interstellar was acquired by Velo Labs, where he was the Chief Executive Officer of the combined organization until 2022. As a banker, Mr. Kennedy was an Executive Vice President at Wells Fargo and Company ("Wells Fargo") (NYSE: WFC) from 2004 to 2011. During his tenure, he led payments strategy, innovation, and wealth management strategy and implementation. From 1996 to 1998 and from 2000 to 2004, Mr. Kennedy worked at McKinsey and Company's financial services practice as a consultant, advising C-suite executives on critical strategic and operational decisions. Mr. Kennedy holds a Master of Business Administration from Harvard Business School, a Master of Science in Industrial Engineering from Stanford University, and a Bachelor of Science in Industrial Engineering from Stanford University. We believe Mr. Kennedy's combination of experience with traditional banks, technology-driven financial technology companies, executive leadership and operational expertise make him qualified to serve on our Board.

Yoko Otani. Ms. Otani has served as a member of our Board since 2023. She has served as a member on the Executive Committee of the Board of Governors of the Risk Management Association of New York Chapter since 2013 and as Treasurer since 2021. Ms. Otani served as a member of the board of Hawaiian Electric Industries, Inc. (NYSE: HE), from January 2023 to August 2023. She has 27 years of senior leadership experience in the banking industry. From 2009 to 2018, Ms. Otani was a Managing Director at Promontory Financial Group, a global consulting firm advising clients on a variety of financial services matters, including regulatory issues, governance, compliance, risk management, liquidity, restructuring, acquisitions, due diligence, and internal investigations. From 1995 to 2009, Ms. Otani was a managing director, senior credit officer and co-head of the North America Financial Institution Group at Citigroup's Corporate and Investment bank. From 1982 to 1995, Ms. Otani was in the Corporate Finance Group in the Office of the Chief Financial Officer at Citibank where she was responsible for Citicorp's debt and equity issuances, subsidiary recapitalizations, balance sheet, asset-liability, and liquidity management. Ms. Otani holds a Bachelor of Arts degree in East Asian Studies from Barnard College, Columbia University and a Master of Business Administration in Finance from New York University. We believe Ms. Otani's wealth of experience and expertise in both national and international corporate finance, risk management and commercial and investment banking makes her qualified to serve on our Board.

Robert G. Sarver. Mr. Sarver has served as a member of our Board since January 2025. Mr. Sarver is a member at 3Edgewood LLC, an Arizona-based private alternative real estate investment firm. From April 2018 to April 2022, he served as the Executive Chairman of Western Alliance Bancorporation (NYSE: WAL), prior to which Mr. Sarver served as Chairman and Chief Executive Officer from December 2002 until April 2018. He was named North American Banking CEO of the Year in 2017 by International Banker. Mr. Sarver serves as a Director at Sarver Heart Center at the University of Arizona. In 1990, he founded Southwest Value Partners Enterprises, a real estate

investment company. From 1996 to 2019, Mr. Sarver was a Director at Meritage Homes Corporation (NYSE: MTH). From 2000 to 2015, he served as a Director of Skywest Airlines. Mr. Sarver served at Zions Bancorporation (NASDAQ: ZION) as a Director and a member of its Credit Committee from 1995 to 2001 and as an Executive Vice President from 1998 to 2001. He was also the Chair and Chief Executive Officer at California Bank and Trust from 1998 to 2001. Mr. Sarver also served as Chief Executive Officer of GB Bancorporation, the former parent company of Grossmont Bank, from 1995 to 1997. He was the Founder and President of National Bank of Arizona from 1984 until the bank's time of sale in 1994 to Zions Bancorporation. Mr. Sarver holds a bachelor's degree in Business Administration from University of Arizona. We believe Mr. Sarver's decades of banking experience, serving in Director and Executive Officer roles make him qualified to serve on our Board.

Board Structure and Compensation of Directors

Corporate Governance Guidelines

We are committed to having sound corporate governance principles, which are essential to running our business efficiently and maintaining our integrity in the marketplace. In connection with this initial public offering, our Board has adopted corporate governance guidelines which set forth the framework within which our Board, assisted by its committees, will direct the affairs of our Bank. Our corporate governance guidelines address, among other things, the composition and functions of our Board, director independence, compensation of directors, management succession and review, board committees and selection of new directors. These corporate governance guidelines are available on our website at www.asbhawaii.com.

Director Qualifications

We believe that our directors should have the highest professional and personal ethics and values, consistent with our longstanding values and standards. They should have broad experience at the policy-making level in business, government or civic organizations. They should be committed to enhancing stockholder value and should have sufficient time to carry out their duties and to provide insight and practical wisdom based on their own unique experience. Each director must represent the interests of all stockholders. When considering potential director candidates, our Board also considers the candidate's independence, character, judgment, diversity, age, skills, including financial literacy, and experience in the context of our needs and those of our Board. Our Board's priority in selecting board members is the identification of persons who will further the interests of our stockholders through his or her record of professional and personal experiences and expertise relevant to our growth strategy.

Board Leadership Structure

All Board meetings are led by our Chair of our Board, Mr. Eggemeyer. Mr. Eggemeyer's primary duties are to lead our Board in establishing our overall vision and strategic plan and to lead our management in carrying out that plan. Ms. Teranishi, a director of our Board, is also the Chief Executive Officer of the Bank. Our Board does not have a policy regarding the separation of the roles of an executive officer and a member of our Board. The Board endorses the view that one of its primary functions is to protect stockholders' interests by providing independent oversight of management, including the Chief Executive Officer. Our Board does not believe that mandating a particular structure is necessary to achieve effective oversight. Eight of our Board's nine directors have been determined by our Board to be independent under the listing standards of the NYSE. All directors, including the Chair of our Board, are bound by fiduciary obligations imposed by law, to serve the best interests of the stockholders.

To further strengthen the oversight of our Board, our independent directors may hold executive sessions at which only independent directors are present.

Board Role in Risk Oversight

Our Board has ultimate authority and responsibility for overseeing our risk management. Our Board does not view risk in isolation and considers risk in virtually every business decision and as part of our overall business strategy. Our Board monitors, reviews and reacts to material enterprise risks identified by management. Our Board receives specific reports from executive management on financial, credit, liquidity, interest rate, capital, operational, legal compliance and reputation risks and the degree of exposure to those risks. Our Board helps properly focus management on risk by, among other things, reviewing and discussing the performance of senior

management and business line leaders. Our Board's committees have responsibility for risk oversight in specific areas. The Audit Committee oversees risks related to financial reporting, internal controls over financial reporting, valuation of investment securities, internal and independent audit functions, capital adequacy, legal matters, tax matters, credit matters, and reputational risks relating to these areas. The Risk Committee oversees our management of material risks relating to our risk management strategies, process and framework. The Compensation & Human Capital Management Committee (the "Compensation Committee") oversees risks related to incentive compensation, executive and director compensation, human capital, and reputational risks relating to these areas. The Nominating and Corporate Governance Committee is tasked with overseeing the nomination and evaluation of our Board, executive succession planning and our corporate governance principles. In addition, the Nominating and Corporate Governance Committee will oversee corporate governance-related risks, such as board composition and effectiveness, board succession planning, corporate governance policies, related party transactions, ethics, and reputational risks relating to these areas.

As part of the risk governance process, our Chief Risk Officer also provides a quarterly report and updates on risk management to the Risk Committee of our Board. The Bank believes that its enterprise risk framework, including the active engagement of management with our Board in the risk oversight function, supports the risk oversight function of our Board

Director Independence

The NYSE listing standards provide that a director does not qualify as independent unless our Board affirmatively determines that the director has no material relationship with us (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Bank). Our Board has established categorical standards of independence to assist it in determining director independence which conform to the independence requirements in the NYSE listing standards. The categorical standards of independence are incorporated within our corporate governance guidelines, which are available in the Corporate Governance section of our investor relations website.

In addition, the NYSE rules require that, subject to specified exceptions, each member of a listed company's Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee be independent. Audit Committee members must also satisfy the additional independence criteria set forth in Rule 10A-3 under the Exchange Act and the rules of the NYSE. Compensation Committee members must also satisfy the additional independence criteria set forth in Rule 10C-1 under the Exchange Act and the NYSE rules.

In order to be considered independent for purposes of Rule 10A-3 under the Exchange Act and under the rules of the NYSE, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the committee, our Board, or any other board committee: (1) accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries; or (2) be an affiliated person of the listed company or any of its subsidiaries.

To be considered independent for purposes of Rule 10C-1 under the Exchange Act and under the rules of the NYSE, our Board must affirmatively determine that the member of the Compensation Committee is independent, including a consideration of all factors specifically relevant to determining whether the director has a relationship to the company which is material to that director's ability to be independent from management in connection with the duties of a Compensation Committee member, including, but not limited to: (i) the source of compensation of such director, including any consulting, advisory or other compensatory fee paid by the company to such director; and (ii) whether such director is affiliated with the company, a subsidiary of the company or an affiliate of a subsidiary of the company.

Our Board has determined that a majority of its members are independent as defined by the listing standards of the NYSE and the categorical standards of independence set by our Board. Our Board has determined that, as of January 28, 2026, the following eight directors are independent: Messrs. Dahl, Adams, Chouinard, Didion, Eggemeyer, Sarver, Kennedy and Ms. Otani. See "Certain Relationships and Related Person Transactions—Stockholder Agreements—Board Representation and Observation Rights" for a discussion of certain relationships between us and our independent directors. These relationships have been considered by our Board in determining a director's independence from the Bank under our corporate governance guidelines and the NYSE listing standards and were determined to be immaterial.

Directors who are also full-time officers or employees of the Bank, such as Ms. Teranishi, will receive no additional compensation for serving as directors. All other directors will receive an annual retainer of \$85,000 and an annual award of \$85,000 paid in form of cash in quarterly installments. In addition, the chairs of the Audit Committee and the Risk Committee will receive an annual fee of \$15,000; the Chair of the Compensation Committee will receive an annual fee of \$10,000; the Chair of the Nominating and Corporate Governance Committee will receive an annual fee of \$7,500; the Chair of our Board will receive an annual fee of \$75,000. Additionally, committee members of the Audit Committee and Risk Committee including the committee Chair will receive an annual committee retainer of \$10,000; committee members of the Compensation Committee and the Nominating and Corporate Governance Committee including the committee Chair will receive an annual committee retainer of \$7,500. Adopted by our Board on January 28, 2026 and effective March 1, 2026, the Vice Chair of our Board will receive an annual cash award of \$75,000. We compensate our directors on a quarterly basis. We also offer reimbursements to our directors for their reasonable out-of-pocket expenses, including travel and lodging, incurred in attending meetings of our Board and committees thereof.

2026 Non-Employee Director Equity Awards

Our Board has approved, subject to the completion of this offering, an RSU Award to each of our non-employee directors, with a grant date fair value of \$85,000. While granted at the time of this offering, these RSU Awards are intended to serve as ordinary-course equity grants for our non-employee directors. The RSU Awards will vest on each of the first four quarterly anniversaries of the date of grant, subject to such director's continued service with us on each respective vesting date.

Indemnification and Insurance

We maintain a general liability insurance policy that covers certain liabilities of our directors and officers arising out of claims based on acts or omissions in their capacities as directors or officers. Our Amended and Restated Articles of Association and Amended and Restated Bylaws include provisions limiting the liability of directors and officers and indemnifying them under certain circumstances. In addition, we have entered into indemnification agreements with certain of our directors that provide them with additional indemnification and related rights. See “Executive and Director Compensation—Limitation of Liability and Indemnification Matters.”

Code of Business Conduct and Ethics

In connection with this initial public offering, our Board has adopted a Code of Business Conduct and Ethics that is designed to guide our directors, executive officers and associates to meet the highest standards of ethical conduct. The Code of Business Conduct and Ethics requires that our directors, executive officers and associates avoid conflicts of interest, comply with all laws and other legal requirements, conduct business in an honest and ethical manner and otherwise act with integrity and in our best interest. A copy of our Code of Business Conduct and Ethics is available free of charge on our website at www.asbhawaii.com. We expect that any amendments to such code and guidelines, or any waivers of their requirements with respect to our directors or executive officers, will be disclosed on our corporate website or by such other means as may be required by applicable NYSE rules.

Clawback Policies

In January 2026, our Board approved and we adopted a compensation recovery policy (the “Compensation Recovery Policy”) in place that is designed to comply with NYSE listing rules as required by the Dodd-Frank Act. The Compensation Recovery Policy is in accordance with the final rules regarding recovery of erroneously awarded executive officer compensation in connection with an accounting restatement, as adopted by the SEC in October 2022, and consistent with the corresponding listing standards (together, the “Clawback Rules”). Pursuant to the Compensation Recovery Policy, and subject to certain limited exceptions in the Clawback Rules, in the event we are required to restate our financial statements, we are required to recoup erroneously awarded incentive-based compensation (as described in the Clawback Rules), including both cash and equity compensation paid to any current or former executive officer (as described in the Clawback Rules), whether or not the executive officer was at fault for the restatement, during the three completed fiscal years immediately prior to the date the accounting restatement was required. The amount recoverable is the amount of any incentive-based compensation received by the executive officer based on the financial statements prior to the restatement that exceeds the amount that such executive officer would have received had the incentive-based compensation been determined based on the financial restatement.

In addition, in May 2026, the Compensation Committee adopted a detrimental conduct compensation recoupment policy (the “Detrimental Conduct Policy”). Under the Detrimental Conduct Policy, if a covered executive (which includes any “officer” designated under Section 16 of the Exchange Act) engages in detrimental conduct (as defined in the Detrimental Conduct Policy), the Compensation Committee may seek to recover all or a portion of any compensation (including any annual cash bonuses or equity incentive compensation) received by such officer during the three year period preceding such detrimental conduct.

Board Committees

Our Board currently has four principal standing committees, an Audit Committee, a Risk Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee, and each committee has a written charter adopted by our Board that complies with the applicable listing standards of the NYSE pertaining to corporate governance. Such written charters are available on our website at www.asbhawaii.com.

Audit Committee

Our Audit Committee consists of Mr. Kennedy (chair), Mr. Chouinard, and Mr. Dahl, all of whom are independent directors. Our Board has affirmatively determined that each member of the Audit Committee also satisfies the additional independence standards under the NYSE rules and applicable SEC and/or OCC rules, including Rule 10A-3 of the Exchange Act for audit committee service and has the ability to read and understand fundamental financial statements.

Our Board has determined that Mr. Kennedy has: (i) an understanding of generally accepted accounting principles and financial statements; (ii) an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves; (iii) an experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by our financial statements, or experience actively supervising one or more persons engaged in such activities; (iv) an understanding of internal control over financial reporting; and (v) an understanding of audit committee functions.

Therefore, our Board determined that Mr. Kennedy meets the definition of “audit committee financial expert” as defined in Item 407(d)(5)(ii) of Regulation S-K promulgated under the Securities Act and under the applicable rules and regulations of the SEC and/or the OCC and is “financially sophisticated” as defined by the applicable rules and regulations of the NYSE. The designation of a person as an audit committee financial expert does not result in the person being deemed an expert for any purpose, including under Section 11 of the Securities Act. The designation does not impose on the person any duties, obligations or liability greater than those imposed on any other audit committee member or any other director and does not affect the duties, obligations or liability of any other member of the Audit Committee or Board.

In connection with this initial public offering, our Audit Committee has adopted a written charter that sets forth the committee’s duties and responsibilities. The charter of the Audit Committee is available on our website at www.asbhawaii.com. As described in its charter, our Audit Committee has responsibility for, among other things:

- monitoring the integrity of our financial statements, systems of internal controls, and compliance with regulatory and legal requirements;
- overseeing the risks relating to financial reporting, litigation, credit, reputation and related matters;
- reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures and any special steps taken to monitor and control major financial risk exposures;
- reviewing and discussing with management and the independent auditor our financial statements and related information, including non-GAAP financial information, critical audit matters, and other

disclosures included in our earnings releases and quarterly and annual reports on Form 10-Q and Form 10-K prior to filing or furnishing with the OCC;

- monitoring the independence, qualifications, and performance of our independent auditor and internal audit function, including with respect to appointment, compensation, retention and termination of the independent auditor;
- providing an avenue of communication among the independent auditor, management, internal audit, and our Board;
- approving or, as required, pre-approving, all audit and all permissible non-audit services, other than de minimis non-audit services, to be performed by the independent auditor;
- performing such other duties and responsibilities as may be directed by our Board or required by applicable laws, rules or regulations;
- advising our Board and any other board committees if the clawback provisions of Rule 10D-1 under the Exchange Act (the “SEC Clawback Rule”) are triggered based upon a financial statement restatement or other financial statement change, with the assistance of management and to the extent that our securities continue to be listed on a national stock exchange and subject to the SEC Clawback Rule; and
- developing and discussing with our Board policies and procedures of related person transactions, and reviewing proposed related person transactions, if any. See “Certain Relationships and Related Person Transactions—Related Party Transaction Policy” for more information.

Compensation Committee

Our Compensation Committee currently consists of Mr. Adams (chair), Mr. Eggemeyer, and Mr. Kennedy, all of whom are independent directors. Our Board has affirmatively determined that each member of the Compensation Committee (i) meets the independence requirements of our corporate governance guidelines and bylaws, (ii) satisfies the additional independence standards under the NYSE rules and applicable SEC and/or OCC rules for Compensation Committee service and (iii) qualifies as a “non-employee director” for purposes of Rule 16b-3 of the Exchange Act.

Our Compensation Committee has adopted a written charter that sets forth the committee’s duties and responsibilities. The charter of the Compensation Committee is available on our website at www.asbhawaii.com. As described in its charter, our Compensation Committee has responsibility for, among other things:

- approving and overseeing our executive compensation program;
- reviewing and approving annual corporate goals and objectives for the Chief Executive Officer (“CEO”), evaluating the CEO’s performance in light of those goals and objectives, and determining the CEO’s compensation level based on such evaluation;
- approving non-CEO executive compensation, including base salary and short-term and long-term compensation;
- overseeing all compensation and benefit programs in which broad-based employees of the Bank are eligible to participate;
- reviewing our incentive compensation arrangements to confirm that incentive pay does not encourage unnecessary risk-taking and reviewing and discussing, at least annually, the relationship between risk management and incentive compensation;
- review and approve any compensation-related matters to be considered by stockholders at the annual meeting, including those proposed by management or stockholders, and recommend any actions to be taken by our Board with respect to these proposals;

- review and approve the Compensation Committee’s annual report that is to be included in our proxy statement in accordance with applicable SEC rules and regulations;
- developing and recommending to our Board compensation for non-employee directors;
- providing oversight of our broader talent management;
- assisting our Board in its oversight of all other human capital management strategies, practices, and risks; and
- administer our Executive Compensation Recovery Policy, and review and approve any changes thereto as may be appropriate or necessary.

Except to the extent prohibited by law or regulation, the Compensation Committee may delegate matters within its power and responsibility to individuals or subcommittees when it deems appropriate.

In addition, the Compensation Committee has the authority under its charter to retain outside advisors to assist the Compensation Committee in the performance of its duties.

Nominating and Corporate Governance Committee

Our Nominating and Corporate Governance Committee currently consists of Mr. Sarver (chair), Mr. Dahl, and Mr. Didion, all of whom are independent directors. Our Board has affirmatively determined that each member of the Nominating and Corporate Governance Committee also satisfies independence standards under the applicable rules and regulations of the SEC and/or OCC and rules of the NYSE.

In connection with this initial public offering, our Nominating and Corporate Governance Committee has adopted a written charter that sets forth the committee’s duties and responsibilities. The charter of the Nominating and Corporate Governance Committee is available on our website at www.asbhawaii.com. As described in its charter, our Nominating and Corporate Governance Committee has responsibility for, among other things:

- identifying qualified individuals to become members of our Board;
- recommending to our Board the director nominees for each annual meeting of stockholders and director nominees to be elected by the Board to fill interim director vacancies. See “Certain Relationships and Related Person Transactions—Stockholder Agreements—Board Representation and Observation Rights”;
- recommending to our Board the leadership structure of our Board and the composition and leadership of Board committees;
- overseeing the annual review and evaluation of the performance of our Board and its committees;
- developing and recommending to our Board updates to our corporate governance documents;
- reviewing and assessing stockholders’ feedback related to our governance practices and stockholder engagement process; and
- with respect to matters involving our directors and officers, approve or ratify potential conflicts of interest and related party transactions in accordance with our Code of Business Conduct and Ethics.

In addition, our Nominating and Corporate Governance Committee has the authority under its charter to retain outside advisors to assist the Nominating and Corporate Governance Committee in the performance of its duties, including any third-party search firm to be used to identify director candidates as it deems necessary or appropriate.

Risk Committee

Our Risk Committee consists of Ms. Otani (chair), Mr. Didion, and Mr. Sarver, all of whom are independent directors.

In connection with this initial public offering, our Risk Committee has adopted a written charter that sets forth the committee's duties and responsibilities. The charter of the Risk Committee is available on our website at www.asbhawaii.com. As described in its charter, our Risk Committee has responsibility for overseeing enterprise risk management relating to our business and operations, and capital planning. Such risks include, but are not limited to, risks associated with:

- credit (including loan and investment portfolios; impact of climate related risks);
- market (particularly interest rate sensitivity);
- liquidity;
- operations (including regulatory compliance, information/cyber security, business continuity, insurance, and legal and environmental);
- strategic; and
- reputational.

In addition, our Risk Committee has the authority under its charter to retain outside advisors to assist the Risk Committee in the performance of its duties, as it deems necessary or appropriate.

Executive Officers

The following table sets forth summary information regarding our executive officers, including their names, ages and positions as of the date of this prospectus.

Name	Age	Position
Ann C. Teranishi	51	Chief Executive Officer, President, and Director
Dane A. Teruya	49	Executive Vice President and Chief Financial Officer
Karen Elizabeth Whitehead	59	Executive Vice President and Chief Administrative Officer, and Assistant Corporate Secretary
Natalie M. H. Taniguchi	66	Executive Vice President, Chief Risk Officer
Steven R. Nakahara	56	Executive Vice President and Chief Credit Officer
John S. Ward	61	Executive Vice President and Chief Marketing and Product Officer
Anthony J. Mizuno	55	Executive Vice President, Commercial Markets
Danielle K. N. Aiu	53	Executive Vice President, Consumer Banking
John E. Jacobi, III	63	Executive Vice President, Chief Information Officer

The business experience of each of the executive officers documented in the table above is set forth below, except for Ann C. Teranishi, as her business experience is described above in the board of directors section. No executive officer has any family relationship, as defined in Item 401 of Regulation S-K, with any other executive officer or any of our current directors. There are no arrangements or understandings between any of the officers and any other person pursuant to which he or she was selected as an officer. None of our executive officers have served as a member of a Compensation Committee (or if no committee performs that function, the board of directors) of any other entity that has an executive officer serving as a member of our Board.

Dane A. Teruya. Mr. Teruya joined our Bank in 2016 and is the Executive Vice President and Chief Financial Officer, responsible for our financial strategy and planning and leading strategic initiatives that support business growth. He leads our Treasury, Secondary Marketing, Financial Planning & Analysis, Investor Relations, and Accounting teams and is responsible for overseeing capital and investment management, financial reporting, the

preparation of financial statements, tax returns and regulatory reports to ensure compliance, and identifying, monitoring and mitigating financial risks to protect the Bank's assets. Mr. Teruya previously served as our Bank's Senior Vice President and Treasurer from 2016 to 2018. He has 26 years of banking experience and previously served as Vice President and Treasury Manager at Central Pacific Bank, the wholly-owned principal subsidiary of Central Pacific Financial Corp. (NYSE: CPF), from 2000 to 2016, where he was responsible for managing the company's investment portfolio, including interest rate and liquidity risk. Mr. Teruya holds an Executive Master of Business Administration and a Bachelor of Business Administration from University of Hawaii at Manoa – Shidler College of Business.

Karen Elizabeth Whitehead. Ms. Whitehead joined our Bank in 2008 and is the Executive Vice President and Chief Administrative Officer and Assistant Corporate Secretary of the Bank. In her role, Ms. Whitehead leads the Bank Operations team, which delivers integrated operations solutions to improve operational efficiency, as well as the Human Resources, Learning and Development, Communications, Community Impact, Corporate Real Estate, Corporate Security, Facilities Management, Bank Secrecy Act, and Legal teams. Prior to joining the Bank, Ms. Whitehead served as Deputy General Counsel of First Horizon National Corporation (NYSE: FHN), from 2004 to 2008, a diversified financial service holding company. Ms. Whitehead also served as General Counsel at National Commerce Financial ("NCF"), from 2002 to 2004 and Associate Counsel from 1997 to 2002. Ms. Whitehead graduated with honors from both the University of Mississippi, where she earned a Bachelor of Arts degree in English, and University of Arkansas School of Law, where she received her Juris Doctorate.

Natalie M. H. Taniguchi. Ms. Taniguchi joined our Bank in 2002 and currently serves as Executive Vice President, Chief Risk Officer, overseeing the Enterprise Risk Management, Compliance, Sarbanes Oxley, Project Management, Business Continuity, Information Security and Third-Party Relationship teams. Under her direction, the Enterprise Risk Management Program provides a framework to identify, manage, mitigate, and report on key risks impacting our business. Ms. Taniguchi is the primary liaison with the Bank's regulators. She joined the Bank as Vice President, Enterprise Management and was promoted to Senior Vice President in 2007. Previously, Ms. Taniguchi served as Financial Vice President and Treasurer for a subsidiary of HEI from 1997 to 2001, and as the Corporate Finance and Investments Director for HEI from 1987 to 1997. Ms. Taniguchi holds a Bachelor of Business Administration in Accounting from the University of Hawaii at Manoa.

Steven R. Nakahara. Mr. Nakahara has been our Bank's Executive Vice President and Chief Credit Officer since 2019. He is responsible for our credit approval and collections, appraisal services, policies, procedures, and credit administrative processes. His teams support lending objectives and enhance the quality of the Bank's loan portfolio. Prior to joining our Bank, Mr. Nakahara served in senior management positions at several of Hawaii's largest financial institutions. From 2018 to 2019, he was Senior Vice President, Credit Administration, at First Hawaiian Bank, where he structured and approved Commercial and Industrial and Commercial Real Estate financing transactions and oversaw lending policies and credit production workflows. From 2010 to 2018, Mr. Nakahara was Senior Vice President, Commercial Credit, at Bank of Hawaii, where he oversaw commercial credit analysis, structuring and approvals for middle-market lending. Mr. Nakahara has more than 25 years of experience managing commercial underwriting and loan approval functions, improving processes and technology, and building high-value business client relationships. Mr. Nakahara received a Bachelor of Business Administration in finance from the University of Hawaii at Manoa, and graduated with honors from the Pacific Coast Banking School.

John S. Ward. Mr. Ward joined our Bank in 2018 and currently serves as Executive Vice President and Chief Marketing and Product Officer, overseeing marketing, product, and analytics for the Bank. Mr. Ward has more than 30 years of experience in traditional and digital marketing, business development, and product management in financial services and technology. Prior to the Bank, from 2014 to 2018, Mr. Ward was Chief Operating Officer at iQuanti Inc., a digital marketing agency. From 2006 to 2014, he served as Senior Vice President at Sallie Mae Bank, the nation's leading student loan lending company, and as President at Upromise, Inc., a college saving online banking platform and credit card company. From 1999 to 2006, Mr. Ward served as Chief Marketing Officer and Executive Vice President at IDT Corporation (NYSE: IDT), a technology and telecommunication company. Mr. Ward also served as Senior Vice President at First Union National Bank from 1998 to 1999, where he oversaw online banking. Mr. Ward is an engineering graduate of the University of Nebraska and holds a Master of Business Administration from the Wharton School at the University of Pennsylvania.

Anthony J. Mizuno. Mr. Mizuno joined our Bank in 2020 and currently serves as the Executive Vice President, Commercial Markets, responsible for managing commercial client relationships and driving revenue growth, commercial market share expansion, and profitability. With over 30 years in banking, he has extensive knowledge of

the Hawaii market and experience in affordable housing financing, commercial mortgages, construction lending, and equipment leasing. Prior to joining the Bank as Senior Vice President, Manager of Commercial Real Estate Banking, Mr. Mizuno spent 25 years at Bank of Hawaii, the wholly-owned subsidiary of Bank of Hawaii Corporation (NYSE: BOH), where he led Commercial Real Estate Loans, Corporate Banking, Dealer Commercial, Equipment Leasing, Commercial Banking, and Guam Commercial Banking. From 2002 to 2004, Mr. Mizuno served as Chief Operating Officer and Chief Financial Officer at The Certified Group. Mr. Mizuno holds a Bachelor of Business Administration from University of San Diego.

Danielle K. N. Aiu. Ms. Aiu joined our Bank in 1995, and she currently serves as the Executive Vice President, Consumer Banking, responsible for leading the strategic direction and operational performance of our 35-branch network on the five islands of Hawaii, Customer Banking Center, Home Loans, ASB Insurance and Investments and our Business Banking teams. Ms. Aiu is focused on driving profitability, income growth, efficient portfolio management, and fostering a high-performance culture. Ms. Aiu started her career in banking as a teller, and over the past 31 years at our Bank, has been promoted to various leadership roles, including Financial Services Representative, Branch Manager, Regional Executive, and Director of Branch Banking. With extensive knowledge of our local market and deep relationships in our community, she is focused on making banking easy and delivering an excellent customer experience. Ms. Aiu attended the University of Hawaii at Manoa.

John E. Jacobi, III. Mr. Jacobi joined our Bank in 2025 and serves as Executive Vice President and Chief Information Officer, leading our Technology Infrastructure, Governance, Banking and Data Systems, Architecture and Development teams. With nearly 30 years of technology experience, Mr. Jacobi has held senior leadership roles at various corporations. From January 2017 to June 2025, Mr. Jacobi served as Chief Information Officer at Hawaiian Airlines, Inc., where he led the airlines' technology modernization. From 2016 to 2017, he served as an IT Consultant for Bank of Montreal (NYSE: BMO) and JetBlue Airways Corporation (NASDAQ: JBLU), from 2014 to 2015. From 2011 to 2012, he served as Vice President at Southwest Airlines Co. (NYSE: LUV), overseeing the commercial portfolio and AirTran information technology. He also served as a Director and Vice President for customer and contact center system at Delta Air Lines, Inc. (NYSE: DAL), from 1996 to 2005. He has led large-scale digital transformation initiatives across the financial services and airlines industries. Mr. Jacobi holds a Bachelor of Science in Computer Science from the University of Georgia and has completed executive education programs at Harvard Business School and the MIT Sloan School of Management.

EXECUTIVE AND DIRECTOR COMPENSATION

As an emerging growth company under the JOBS Act, we have elected to comply with the executive compensation disclosure rules applicable to “smaller reporting companies” as such term is defined in the rules promulgated under the Securities Act, which permit us to limit reporting of executive compensation to our principal executive officer and our two other most highly compensated executive officers, who are referred to as our named executive officers, or NEOs. For our fiscal year ended December 31, 2025, our NEOs were Ann C. Teranishi, our President, Chief Executive Officer, and Director of our board, Dane A. Teruya, our Chief Financial Officer, and Karen Elizabeth Whitehead, our Chief Administrative Officer and Assistant Corporate Secretary.

Summary Compensation Table

The following table sets forth information concerning the compensation paid to our NEOs during our fiscal year 2025 and, for Ms. Teranishi only due to her status as a prior NEO of HEI, during fiscal year 2024. The compensation data for 2024 is provided for informational purposes only.

Name and Principal Position	Year	Salary ⁽¹⁾ (\$)	Bonus ⁽²⁾ (\$)	Stock Awards ⁽³⁾	Non-Equity Incentive Plan Compensation ⁽⁴⁾ (\$)	Nonqualified Deferred Compensation Earnings ⁽⁵⁾ (\$)	All Other Compensation ⁽⁶⁾ (\$)	Total (\$)
Ann C. Teranishi*								
President, Chief Executive Officer, and Director.....	2025	875,000	795,247	—	1,187,900	—	127,796	2,985,943
	2024	800,000	643,153	—	1,200,000	—	33,338	2,676,491
Dane A. Teruya*								
Executive Vice President and Chief Financial Officer.....	2025	471,200	460,151	—	446,698	—	50,760	1,428,809
Karen Elizabeth Whitehead*								
Executive Vice President, Chief Administrative Officer and Assistant Corporate Secretary.....	2025	598,900	584,449	—	573,746	—	91,157	1,848,252

* Following HEI’s sale of its controlling interest in the Bank via ASB Hawaii, Inc. on December 31, 2024, Ms. Teranishi, Mr. Teruya, and Ms. Whitehead were deemed to have terminated their respective employments under the Hawaiian Electric Industries, Inc. Equity and Incentive Plan (the “EIP”). As a result, Ms. Teranishi, Mr. Teruya, and Ms. Whitehead forfeited their compensation awarded under HEI’s EIP, including their annual incentive awards, long-term performance-based awards and long-term time-based awards. Following the separation of the Bank and HEI, the ASB Compensation Committee determined the incentive compensation for each of Ms. Teranishi, Mr. Teruya, and Ms. Whitehead in respect of each of their forfeited EIP awards.

(1) **Salary.** This column represents cash base salary received for the year.

(2) **Bonus.** For the year of 2025, these represent amounts of cash awarded to our executives, including our NEOs, under ASB’s Long-Term Retention Incentive, a program with annual grants of long-term retention incentive compensation in the form of restricted cash awards (“RCAs”). RCAs are earned over three years subject to the applicable NEO’s continued service through the applicable vesting date, and are paid every 6 or 12 months (as determined by ASB Compensation Committee at the beginning of the plan period). RCAs are not subject to performance-based vesting conditions. See “—Our Current NEOs Compensation Practices Following the Separation—ASB’s Long-Term Retention Incentive” for more information. For 2025, these amounts also include cash payments related to each NEO’s respective Retention Bonus Agreement. See “Retention Bonus Agreements” for more information. These amounts for the year of 2025 represent:

(a) for Ms. Teranishi, \$20,786 paid in the form of cash converted from the remaining installment of the 2022 HEI restricted stock units (“RSUs”) vested on February 11, 2025, \$27,728 paid in the form of cash converted from an installment of the 2023 HEI RSUs vested on February 10, 2025, \$93,333 RCA payments received in 2025 from the HEI 2024 grant of long-term time-based incentive compensation, and \$653,400 retention bonus agreement payments by ASB in 2025;

(b) for Mr. Teruya, \$12,183 paid in the form of cash converted from the remaining installment of the 2022 HEI RSUs vested on February 11, 2025, \$12,043 paid in the form of cash converted from an installment of the 2023 HEI RSUs vested on February 10, 2025, \$38,125 RCA payments received in 2025 from the HEI 2024 grant of long-term time-based incentive compensation, and \$397,800 retention bonus agreement payments by ASB in 2025;

(c) for Ms. Whitehead, \$15,040 paid in the form of cash converted from the remaining installment of the 2022 HEI RSUs vested on February 11, 2025, \$15,331 paid in the form of cash converted from an installment of the 2023 HEI RSUs vested on February 10, 2025, \$48,458 RCA payments received in 2025 from the HEI 2024 grant of long-term time-based incentive compensation, and \$505,620 retention bonus agreement payments by ASB in 2025.

(3) **Stock Awards.** For the year of 2025, no Bank equity was awarded.

(4) **Non-Equity Incentive Plan Compensation.** For the year of 2025, these represent cash awarded under ASB's Annual Performance Incentive, an annual cash incentive program that rewards our executives, including our NEOs, for their contributions towards specific annual, short-term financial and operational goals based on their company-related and/or individual-related performance metrics. These amounts represent (a) for Ms. Teranishi, a cash payment of \$1,187,900; (b) for Mr. Teruya, a cash payment of \$446,698; (c) for Ms. Whitehead, a cash payment of \$573,746. See “—Our Current NEOs Compensation Practices Following the Separation—ASB's Annual Performance Incentive” for more information.

In addition, our NEOs are eligible for cash awarded under ASB's Long-Term Performance Incentive, a program providing an opportunity for our executive officers, including our NEOs, to receive cash-based awards and performance-based compensation awards over a three-year period, based on the achievement levels set by the ASB Compensation Committee, including minimum, target, and maximum. No such cash awards were issued to our executive officers, including our NEOs in 2025. See “—Our Current NEOs Compensation Practices Following the Separation—ASB's Long-Term Performance Incentive” for more information.

(5) **Nonqualified Deferred Compensation Earnings.** No NEO had above-market or preferential earnings on nonqualified deferred compensation for the period(s) covered in the table above.

(6) **All Other Compensation.** These amounts for the year 2025 reflect:

(a) for Ms. Teranishi, \$12,975 in ASB-paid club membership dues, \$17,500 of employer matching contributions to her 401(k) account in 2025, \$94,193 in employer matching contributions to her nonqualified deferred compensation plan account, and \$3,128 in insurance premiums paid by the Bank;

(b) for Mr. Teruya, \$17,500 of employer matching contributions to his 401(k) account in 2025, \$31,091 in employer matching contributions to his nonqualified deferred compensation plan account, and \$2,169 in insurance premiums paid by the Bank; and

(c) for Ms. Whitehead, \$25,702 in ASB-paid club membership dues, \$17,500 of employer matching contributions to her 401(k) account in 2025, \$44,181 in employer matching contributions to her nonqualified deferred compensation plan account, and \$3,774 in insurance premiums paid by the Bank.

Club membership fees are commonly provided to business executives in Hawaii and used for the primary purpose of business entertainment.

Material Components of Compensation Program

Special Note Regarding the Separation and Our NEOs Compensation Practices Prior to the Separation

Prior to the completion of the Separation on December 31, 2024, we were a wholly-owned subsidiary of ASB Hawaii. ASB Hawaii is an intermediate holding company wholly-owned by HEI. As a subsidiary of HEI, we participated in Hawaiian Electric Industries, Inc. Equity and Incentive Plan, as amended and restated effective February 9, 2024 (“EIP”), including the Executive Incentive Compensation Plan (“EICP”), Long-Term Incentive Plan (“LTIP”), Restricted Stock

Units (“RSUs”), and Restricted Cash Awards (“RCAs”). As a result of the Separation transaction on December 31, 2024, previously recorded share-based awards to ASB participants under HEI’s EIP were canceled. All outstanding EIP awards held by ASB participants were forfeited effective as of December 31, 2024. The following section of this prospectus discloses the compensation programs in which our NEOs participated prior to the Separation.

HEI’s Executive Incentive Compensation Plan (“EICP”)

For the periods prior to the Separation, our NEOs were eligible to earn an annual cash incentive award under HEI’s EICP based on the achievement of performance goals for the year. Each year, HEI’s Compensation & Human Capital Management Committee determined the target annual incentive opportunity, performance metrics and the applicable goals for each executive. As noted above, following HEI’s sale of its controlling interest in the Bank in December 2024, our NEOs were deemed to have terminated their employment under the HEI EICP and forfeited their awards thereunder. Their annual incentive compensation awards were subsequently determined by the ASB Compensation Committee in respect of their forfeited HEI EICP award respectively.

HEI’s Long-Term Incentive Plan (“LTIP”)

HEI long-term incentives included (i) time-based cash and equity awards (RCAs and RSUs), which vest over a three-year period, and (ii) performance-based equity, which are earned based on achievement of performance goals over rolling three-year periods.

Long-term time-based incentive compensation

For the periods prior to the Separation, our NEOs were eligible to receive annual grants of long-term time-based incentive compensation in the form of RSUs and RCAs that were earned over a period of three years. Customarily, HEI’s named executive officers and our NEOs received long-term time-based compensation in the form of RSUs. To manage the heightened dilutive impact from equity awards due to the decline in HEI’s stock price and limit the depletion of the reserved and available shares under the stockholder-approved EIP, in 2024, HEI’s named executive officers and our NEOs were granted RCAs in lieu of RSUs. RSUs vest and are settled in shares of HEI Common Stock in three equal annual installments beginning one year from the date of grant (plus compounded dividend equivalent shares on the installment that vested in such year). RCAs are earned over three years and are paid twice annually in equal installments beginning six months from the date of grant. RSUs and RCAs offered executives the opportunity to receive shares of HEI Common Stock or cash payments, respectively, over a period of three years, generally subject to continued employment with HEI.

Long-term performance-based incentive compensation

This element provided variable, at-risk equity awards based on meeting pre-set performance objectives over a three-year period. The three-year performance periods for long-term performance-based incentives focus on a long-term perspective and provide balance with the shorter-term focus of the annual incentive program. Similar to the annual incentives, in developing long-term incentives, HEI Compensation & Human Capital Management Committee determined the target incentive opportunity for each executive officer and performance metrics and goals for the three-year period. The equity awards received by our NEOs prior to the Separation were granted by HEI’s Compensation & Human Capital Management Committee.

As noted above, following HEI’s sale of its controlling interest in the Bank in December 2024, our NEOs were deemed to have terminated their respective employment for purposes of their HEI annual incentive awards, long-term performance-based awards and long-term time-based awards, and forfeited each of such awards. Subsequently, the ASB Compensation Committee awarded cash-based awards in respect of their forfeited awards for each respective NEO. For the forfeited equity awards, the cash value was determined based on a calculation that considered the pre- and post-separation portions of the vesting and/or performance period, the grant date share price and share price at the Separation. The vesting, payout and other terms remained unchanged.

Our Current NEOs Compensation Practices Following the Separation

Following the Separation, we have operated as an independent company. Effective January 1, 2025, the Compensation Committee approved, and we adopted, the American Savings Bank Executive Incentive Plan, including the Annual Performance Incentive, the Long-Term Performance Incentive, and the Long-Term Retention Incentive. The following describes certain elements of our current compensation structure and programs for periods following the Separation.

ASB's Annual Performance Incentive

The Compensation Committee approved an annual cash incentive program that rewards our executives, including our NEOs, for their contributions towards specific annual, short-term financial and operational goals based on company-related and/or individual-related performance metrics. It is designed to motivate the executives to focus on strategic business results and initiatives and reward them for results and achievements against the performance metrics. Each executive's annual cash incentive award opportunity is based on the achievement levels set by the Compensation Committee. Each executive's annual cash incentive opportunity amount is set as a percentage of his or her base salary (the "target") and will be determined based on the level of achievement against company-related or individual-related performance metrics, with the payout ranging from 50% (if minimum performance is achieved) to a maximum of 200% of the target.

ASB's Long-Term Performance Incentive

Following the Separation, our Long-Term Performance Incentive compensation program provides an opportunity for executive officers, including our NEOs, to earn long-term cash-incentive awards over a three-year period. Each executive's cash incentive award opportunity is based on the achievement levels set by the Compensation Committee with respect to company-related and/or individual-related performance metrics. Each executive's long-term cash incentive opportunity amount is set as a percentage of his or her base salary and will be determined based on the level of achievement against the performance metrics, with the payout ranging from 50% (if minimum performance is achieved) to a maximum of 200% of the target.

ASB's Long-Term Retention Incentive

The Bank's executives, including our NEOs, are eligible to receive annual grants of long-term retention incentive compensation in the form of RCAs that are earned over a period of three years. RCAs are paid every 6 or 12 months (as determined by ASB's Compensation Committee).

In the event of change-in-control (as defined therein) and if an executive is involuntarily terminated from employment without cause (as defined therein), within 2 years after the change-in-control, such executive will receive a pro rata payout of any outstanding awards under the plan (with performance being deemed achieved at target for purposes of the annual performance incentive and the long-term performance incentive) within 30 days following such termination; provided however, that if another policy or agreement governs a change in control pertaining to the awards in such plan, and is approved by ASB's Compensation Committee or ASB's Board, that policy or agreement will apply.

Retention Bonus Agreement

Ann C. Teranishi. In 2024, to incentivize Ms. Teranishi to remain with the Bank through the completion of the Separation transaction, Ms. Teranishi entered into a Retention Bonus Agreement with us effective as of February 23, 2024, that provides for retention bonus payments totaling 1.5 times Ms. Teranishi's base salary as of January 1, 2024, paid in five equal installments every six months beginning on March 15, 2024, subject to Ms. Teranishi continuing employment in good standing through each respective payment date. In March 2025, the Compensation Committee agreed to accelerate the unvested payments. Accordingly, all the remaining installment payments under such Retention Bonus Agreement have been paid, and ASB no longer has any obligation under the Retention Bonus Agreement.

Dane A. Teruya. In 2024, to incentivize Mr. Teruya to remain with the Bank through the completion of the Separation transaction, Mr. Teruya entered into a Retention Bonus Agreement with us effective as of February 21, 2024, that provides for retention bonus payments totaling 1.5 times Mr. Teruya's base salary as of January 1, 2024, paid in five equal installments every six months beginning on March 15, 2024, subject to Mr. Teruya continuing employment in good standing through each respective payment date. On March 15, 2025, the Compensation Committee agreed to accelerate the unvested

payments. Accordingly, all the remaining installment payments under such Retention Bonus Agreement have been paid, and ASB no longer has any obligation under the Retention Bonus Agreement.

Karen Elizabeth Whitehead. In 2024, to incentivize Ms. Whitehead to remain with the Bank through the completion of the Separation transaction, Ms. Whitehead entered into a Retention Bonus Agreement with us effective as of February 22, 2024, that provides for retention bonus payments totaling 1.5 times Ms. Whitehead's base salary as of January 1, 2024, paid in five equal installments every six months beginning on March 15, 2024, subject to Ms. Whitehead continuing employment in good standing through each respective payment date. In March 2025, the Compensation Committee agreed to accelerate the unvested payments. Accordingly, all the remaining installment payments under such Retention Bonus Agreement have been paid, and ASB no longer has any obligation under the Retention Bonus Agreement.

ASB Executive Severance Policy

The ASB Executive Severance Policy, effective as of February 23, 2024, provides for the payment of severance and other benefits to eligible executives in the event of a termination of employment by us without cause or, in the event of a change in control of the Bank, by the Bank without cause or by the eligible executives for good reason, with each of cause and good reason as defined in the ASB Executive Severance Policy (each, an "ASB Qualifying Termination"). The following descriptions disclose the payment of severance and other benefits to our NEOs under such policy.

Ann C. Teranishi. In the event of an ASB Qualifying Termination, the ASB Executive Severance Policy provides our Chief Executive Officer, currently Ms. Teranishi, the following payments and benefits: (i) a lump sum payment in an amount equal to one and one-half times the highest annual base salary paid during the three years preceding the date of termination, (ii) continued participation in the company's health benefit plans for a period of eighteen months at the same level and cost to NEO as if the termination did not occur, and (iii) solely in the case of an ASB Qualifying Termination within two years of the date of a change in control, accelerated vesting of restricted stock and restricted cash awards; provided that, where applicable, Ms. Teranishi's existing Change in Control Agreement (as described below) will govern the applicable severance benefits in lieu of those provided under the ASB Executive Severance Policy in connection with a change in control.

Dane A. Teruya and Karen Elizabeth Whitehead. In the event of an ASB Qualifying Termination, the ASB Executive Severance Policy provides that certain key employees, including our Chief Financial Officer and Chief Administrative Officer (currently Mr. Teruya and Ms. Whitehead), the following payments and benefits: (i) a lump sum payment in an amount equal to one times the highest annual base salary paid during the three years preceding the date of termination, (ii) continued participation in the company's health benefit plans for a period of twelve months at the same level and cost to NEO as if the termination did not occur, and (iii) in the case of an ASB Qualifying Termination within two years of the date of a change in control, accelerated vesting of restricted stock and restricted cash awards; provided that, where applicable, the existing Change in Control Agreement (as described below) of Ms. Whitehead will govern the applicable severance benefits in lieu of those provided under the ASB Executive Severance Policy.

ASB 401(k) Plan

Our employees, including our NEOs, may participate in the ASB 401(k) Plan, a tax-qualified defined contribution 401(k) plan. In the year of 2025, ASB matched the employee's contributions on a dollar-for-dollar basis up to 5% of eligible compensation deferred. Beginning in January 2026, we currently match the employee's contributions on a dollar-for-dollar basis up to 2% of eligible compensation deferred, and additionally the Bank adds a 3% automatic contribution calculated on the basis of the employee's eligible wages. In 2024, eligible compensation was capped at \$345,000. In 2025, eligible compensation was capped at \$350,000. We also provide discretionary, nonelective profit-sharing contributions to the accounts of employees who are employed on the last day of the plan year or terminate employment during the plan year because of retirement, death or disability. Our NEOs received matching contributions under the plan in 2024 and in 2025, limited to the amount permitted based on eligible compensation. See "—Summary Compensation Table."

Retirement Plan

A qualified, noncontributory defined benefit pension plan, the American Savings Bank Retirement Plan (the “Retirement Plan”), subject to the provisions of ERISA, was frozen on December 31, 2007. Accordingly, participation and benefit accruals of the Retirement Plan were frozen effective December 31, 2007, and thereafter there have been no new participants admitted to the retirement plan and no participant has accrued additional benefit. Effective September 30, 2025, the Retirement Plan was terminated. During 2025, the Retirement Plan’s obligations were settled through a combination of lump-sum payments to eligible participants and the purchase of a group annuity contract. None of our NEOs participate in the Retirement Plan.

SERP

Certain current and former executives of our Bank participate in noncontributory, nonqualified American Savings Bank Supplemental Executive Retirement Plan (“SERP”), which provides for benefits upon a participant’s termination of employment due to death, disability, or qualifying retirement. Benefits are based on the employees’ years of service and compensation. The SERP was frozen as of December 31, 2008, and was terminated effective September 30, 2025. During 2025, the SERP’s obligations were settled through lump-sum payments to eligible participants. None of our NEOs participate in the SERP.

ASB Deferred Compensation Plan

The American Savings Bank Select Deferred Compensation Plan (“ASB Deferred Compensation Plan”) is a nonqualified deferred compensation plan that allows eligible Bank employees, including our NEOs, to defer up to 100% of current salary, annual bonus and commissions. Pursuant to a 2009 amendment, for plan years beginning January 1, 2010, the plan provides for employer matching contributions and profit-sharing contributions. All participant and employer contributions are 100% vested under the terms of the ASB Deferred Compensation Plan. In determining the applicable matching and profit-sharing contributions, we include in the underlying compensation decisions any compensation which was excluded from consideration under the ASB 401(k) Plan (including on account of being contributed to the ASB Deferred Compensation Plan or being in excess of limits on eligible compensation imposed by the Internal Revenue Code). The deferred amounts are credited with gains or losses, as applicable, of deemed investments chosen by the participant from a designated list of publicly traded mutual funds and other investment offerings. Earnings are not above-market or preferential and therefore are not included in the Summary Compensation Table above for the respective years. Under the ASB Deferred Compensation Plan, a participant may receive an interim distribution while employed, but no earlier than the first day of the fourth plan year following the effective date of the initial election to defer. A participant may also request a withdrawal of a portion of his or her account to satisfy an unforeseeable emergency. The distribution of accounts from the ASB Deferred Compensation Plan is triggered by disability, death or separation from service (including retirement) and will be delayed for a 6-month period to the extent necessary to comply with Internal Revenue Code Section 409A. A participant may elect to receive such distributions in a lump sum or in substantially equal payments spread over a period not to exceed 15 years.

Employment Agreements with Named Executive Officers

We currently do not have employment agreements in place with any of our NEOs.

Potential Payments upon Termination or Change in Control

HEI entered into a change in control agreement in December 2008 with Ms. Whitehead, and in December 2023 with Ms. Teranishi, respectively (each “Change in Control Agreement”). In connection with the Separation, we have entered into an assignment and assumption agreement with HEI, Ms. Whitehead and Ms. Teranishi, respectively, pursuant to which we have assumed all liabilities under each Change in Control Agreement and we have released HEI from all liabilities under such Change in Control Agreement. These agreements provide that each of these NEOs will receive the benefits described below upon either a termination by the Bank of the NEO’s employment without “cause” or a voluntary resignation by the NEO from her employment for “good reason” (each, as defined in the Change in Control Agreement) within 24 months following a “change in control” (as defined in the Change in Control Agreement). We refer to either of these terminations as a “qualifying termination” for purposes of the Change in Control Agreements. The Change in Control Agreements are double trigger, which means that they provide for cash severance and other benefits only upon a qualifying termination of

such executive's employment following a change in control. These benefits are contingent upon the consummation of the change in control of our Bank. Benefits under the Change in Control Agreements are also contingent upon the NEO executing a release of claims in a form that is reasonably acceptable to us.

In the event of qualifying termination following a change in control and within 24 months after a change in control, each of these NEOs is entitled to, among other benefits as set forth in each Change in Control Agreement: (i) a lump sum severance payment in cash equal to two (2) times the sum of (a) such NEO's highest base salary as in effect during the three-year period ending immediately prior to the qualifying termination and (b) such NEO's target annual bonus pursuant to any annual bonus or incentive plan maintained by us in respect of the fiscal year in which occurs the qualifying termination, (ii) acceleration of 100% of the vesting of each then-outstanding and unvested equity award, subject to certain exceptions as set forth in each Change in Control Agreement, (iii) continued life, disability, dental, accident and health insurance benefits for the two-year period immediately following the date of a qualifying termination at no greater cost to the NEO than the cost to the NEO immediately prior to such termination, (iv) a lump sum amount, in cash, equal to the sum of (x) the amount that would have been accrued under any defined benefit pension plan and (y) the excess of the accrued benefit over the portion of the account balance that is nonforfeitable, in each case as calculated under the Change in Control Agreement, (v) a lump sum amount, in cash, equal to the sum of (x) the amount that would have been contributed under any defined contribution benefit plan and (y) the excess of the NEO's account balance over the portion of the account balance that is nonforfeitable, in each case as calculated under the Change in Control Agreement, (vi) any unpaid incentive compensation (other than equity) which has been allocated or awarded to the NEO for a completed bonus cycle, plus a prorated portion of all contingent incentive compensation awards for any uncompleted period under such plan if the termination occurs during the first half of the bonus cycle or the full amount of such incentive compensation if the termination occurs during the second half of the bonus cycle, (vii) provision of post-retirement health care or life insurance plans if the NEO is entitled to such benefits or would have become entitled to such benefits within the two year period following the termination of employment, (viii) outplacement services for a period of one year following the termination of employment with such amount not exceeding 15% of the sum of the NEO's highest annual base salary, and (ix) for a two year period post-termination, continued provision of our customary perquisites.

The Change in Control Agreements have initial terms of two years and automatically renew for an additional year on each anniversary unless 90 days' notice of nonrenewal is provided by either party, so that the protected period is at least one year upon nonrenewal. The benefits under the Change in Control Agreements will supersede all other agreements and understandings between us and each of the NEOs with respect to severance and vesting acceleration in the event of qualifying termination, if any.

Outstanding Equity Awards at 2025 Fiscal Year End

We did not issue any equity-based awards in fiscal year 2025, and none of our NEOs holds any equity-based awards in the Bank.

Director Compensation

The table below sets forth information regarding non-employee director compensation for the fiscal year of 2025.

Name	Fees Earned or Paid in Cash (\$) ⁽¹⁾	Total (\$)
John M. Eggemeyer	\$ 177,500	\$ 177,500
Richard J. Dahl	\$ 262,500	\$ 262,500
Marty E. Adams	\$ 187,500	\$ 187,500
Christopher K. W. Chouinard	\$ 180,000	\$ 180,000
Steven J. Didion	\$ 187,500	\$ 187,500
Michael J. Kennedy	\$ 202,500	\$ 202,500
Yoko Otani	\$ 195,000	\$ 195,000
Robert G. Sarver	\$ 195,000	\$ 195,000

(1) For calendar year of 2025, each of our non-employee directors received an annual cash retainer of \$85,000 and an annual cash-based award of \$85,000, in each case paid in equal quarterly installments.

In addition, the Chairs of the Audit Committee and the Risk Committee received an annual retainer of \$15,000; the Chair of the Compensation Committee received an annual retainer of \$10,000; the Chair of the Nominating and Corporate Governance Committee received an annual retainer of \$7,500; the Chair of our Board received an annual retainer of \$75,000, in each case paid in equal quarterly installments. Additionally, committee members of the Audit Committee and Risk Committee including the committee Chairs also received an annual committee retainer of \$10,000; committee members of the Compensation Committee and the Nominating and Corporate Governance Committee including the committee Chairs received an annual committee retainer of \$7,500, in each case paid in equal quarterly installments. We compensated our directors on a quarterly basis. We also offer reimbursements to our directors for their reasonable out-of-pocket expenses, including travel and lodging, incurred in attending meetings of our Board and committees thereof. None of our directors received equity-based compensation in fiscal year 2025.

Limitation of Liability and Indemnification Matters

We have entered into indemnification agreements with certain of our current non-employee directors. These agreements require us to indemnify these individuals to the fullest extent permitted by applicable laws against liabilities that may arise by reason of their service to us, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified. Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, or the Securities Act, may be permitted to directors, officers, or control persons, in the opinion of the SEC, such indemnification is against public policy, as expressed in the Securities Act and is therefore unenforceable.

There is currently no pending material litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought.

Compensation Program Following Offering

Post-Offering Compensation Arrangements

We currently employ a cash-based long term incentive program for our executive officers including our NEOs, consisting of (i) ASB's Long-Term Performance Incentive, which are performance-based cash awards, and (ii) ASB's Long-Term Retention Incentive, which are time-vested cash awards (i.e., restricted cash award or RCAs). In connection with our initial public offering, our board of directors and stockholders have approved an omnibus equity and incentive plan (the "2026 Plan") designed to allow us to grant equity-based awards in lieu of our existing performance-based cash awards and the RCAs, and pursuant to which we will grant cash- and equity-based incentive compensation, which may take the form of performance-based incentive awards granted as performance awards and service-based awards such as restricted stock units RSUs, among other additional terms detailed as follows. Previously granted awards, including any outstanding unvested RCAs will remain subject to and governed by the terms of the cash-based long term incentive program.

Our current ASB Annual Performance Incentive will continue as our cash bonus program for our executive officers following this offering. See "—Our Current NEOs Compensation Practices Following the Separation—ASB's Annual Performance Incentive" for more information.

2026 Equity and Incentive Plan

General. Our Board and our stockholders approved the 2026 Plan, which became effective as of May 5, 2026, and will apply to equity awards granted at the time of this offering. The following summary describes the material terms of the 2026 Plan.

Share Reserve. Subject to the capitalization adjustment provisions set forth in the 2026 Plan, the number of shares of our common stock initially available for issuance under our 2026 Plan initially is 1,624,950 shares, which number of shares available for grant and issuance will be increased on January 1st of each of the first ten calendar years during the term of the 2026 Plan (including January 1, 2036) by the lesser of (i) 0.5% of the total number of shares of our common stock issued and outstanding on each December 31st immediately prior to the date of increase or (ii) such number of shares as determined by the Board. Shares subject to an award under the 2026 Plan that expires, is forfeited, is canceled or is settled in cash will

become available for future awards under the 2026 Plan. Shares tendered or withheld in payment of taxes or an exercise price will not again become available for awards. Shares of our common stock subject to awards that are assumed, converted or substituted under the 2026 Plan as a result of our acquisition of another company will not count against the number of shares that may be granted under the 2026 Plan subject to stock exchange requirements.

Administration. The 2026 Plan is administered by the Compensation & Human Capital Management Committee or its delegates (or, in its discretion, our Board) (collectively, the “Administrator”). Subject to the terms of the 2026 Plan, the Administrator shall have the power and authority to (i) select participants, (ii) determine whether, when and to what extent to grant awards under the 2026 Plan, (iii) determine the number of shares to be covered by such award, (iv) determine terms and conditions for such awards, (v) permit a participant to defer receipt of a portion of such award subject to the requirements of Section 409A of the Code, (vi) determine the terms and conditions governing such award, (vii) determine fair market value, (viii) determine the duration and purposes of leaves of absence, (ix) adopt, alter and repeal administrative rules, guidelines and practices governing the 2026 Plan, (x) establish subplans and (xi) construe and interpret the terms and provisions of the 2026 Plan and awards thereunder, and otherwise supervise the administration of the 2026 Plan.

Eligibility; Limits on Compensation to Non-Employee Directors. Employees, non-employee directors and consultants and other independent contractors are eligible to participate in our 2026 Plan. Pursuant to the 2026 Plan, any participant who is a non-employee director may not receive compensation for any fiscal year in excess of \$750,000 in the aggregate dollar value of both cash payments and equity-based awards, or \$1,000,000 in the case of (i) a non-employee chair and vice chair of our Board or a chair of a committee of our Board or (ii) a newly appointed non-employee director in connection with their first full year of service (but not in connection with a reappointment to the board).

Types of Awards. Awards under the 2026 Plan include options (including options intended to qualify as incentive stock options under Section 422 of the Code (“ISOs”) and nonqualified stock options (“NSOs,” and, together with ISOs, “Options”), stock appreciation rights (“SARs”), restricted stock, RSUs, performance awards, other cash-based awards and other stock-based awards. The number of shares available for grants of ISOs is 1,444,400.

Stock Options. An award of a stock option gives a grantee the right to purchase a certain number of shares of our common stock during a specified term in the future at an exercise price equal to at least 100% of the fair market value of our common stock on the grant date. The term of a stock option may not exceed 10 years from the date of grant. The exercise price of any stock option may be paid using cash, check or certified bank check; shares of our common stock; a net exercise of the stock option; or any other legal consideration approved by us and permitted by applicable law and any combination of the foregoing.

Share Appreciation Rights. A Share Appreciation Right (“SAR”) entitles the grantee to receive an amount equal to the difference between the fair market value of our common stock on the exercise date and the exercise price of the SAR (which may not be less than 100% of the fair market value of a share of our common stock on the grant date), multiplied by the number of shares subject to the SAR. The term of a SAR may not exceed 10 years from the date of grant. Payment to a grantee upon the exercise of a SAR may be either in cash, shares of our common stock or other securities or property, or a combination of the foregoing, as determined by the Administrator.

Restricted Stock. Restricted stock is an award of shares that is subject to certain restrictions and forfeiture conditions as determined by the Administrator. Subject to such restrictions as determined by the Administrator, the applicable participant will have the rights and privileges of a stockholder with respect to shares, including the right to vote and the right to receive dividends, as long as the participant holds the restricted stock.

Restricted Stock Units. An RSU is an award that represents a right to receive the value of one share (or a percentage of such value). RSUs may be paid in cash, shares, other awards, other property or any combination thereof, as determined in the discretion of the Administrator. Awards of RSUs may include the right to receive dividend equivalents. The applicable participant does not have the rights and privileges of a stockholder with respect to shares underlying an RSU.

Performance Awards. Performance awards are awards that may be earned upon achievement or satisfaction of performance conditions specified by the Administrator. Performance awards may be denominated as a cash amount, number of shares or units or a combination thereof.

Other Stock-Based or Cash-Based Awards. Under the 2026 Plan, the Administrator may grant other types of equity-based, equity-related or cash-based awards, including awards subject to performance-based criteria, subject to such terms and conditions that the Administrator may determine. Such awards may include the grant or offer for sale of unrestricted shares of our common stock, performance share awards and performance units settled in cash.

Adjustments. In connection with any change in capitalization, the Administrator will make equitable or proportionate adjustments as it deems appropriate to (i) the aggregate number of shares of our common stock reserved for issuance under the 2026 Plan and the maximum number of shares that may be subject to awards granted to any participant in any calendar or fiscal year, (ii) the kind, number and exercise price subject to outstanding options and SARs granted under the 2026 Plan, and (iii) the kind, number and purchase price of shares subject to outstanding restricted shares, RSUs, performance awards or other share-based awards granted under the 2026 Plan, in each case as may be determined by the Administrator, in its sole discretion.

Amendment; Termination. Our Board may amend or terminate the 2026 Plan at any time, provided that no such amendment may materially adversely impair the rights of an award without the participant's consent. Further, our Board may only amend the following subject to the approval of our stockholders: (i) increase the total number of shares of our common stock available for issuance under the 2026 Plan, (ii) materially increase benefits provided under the 2026 Plan, (iii) materially alter the eligibility provisions of the 2026 Plan or (iv) extend the maximum option term for options. The Administrator may not approve, without stockholder approval, (i) any reduction in the exercise price of any option or SAR after it is granted, (ii) cancel an option or SAR when the exercise price exceeds the fair market value of a share in exchange for a new award or (iii) take any other action that would be treated as a repricing of such option or SAR.

Term. Unless terminated sooner by our Board or extended with stockholder approval, the 2026 Plan will terminate on the day immediately preceding the tenth anniversary of the date on which our stockholder approved the 2026 Plan, but any outstanding award will remain in effect until the underlying shares are delivered or the award lapses.

Change in Control. Upon the occurrence of a change in control (as defined in the 2026 Plan) in which awards are not assumed by the surviving entity or otherwise equitably converted or substituted in connection with the change in control in a manner approved by the Administrator or our Board: (i) all outstanding options, SARs and other awards in the nature of rights that may be exercised will become fully exercisable; (ii) all time-based vesting restrictions on outstanding awards will lapse; and (iii) all performance goals or other vesting criteria under all outstanding performance-based awards will be deemed achieved at 100% of target levels upon, or immediately prior, to the change in control.

With respect to awards assumed by the surviving entity or otherwise equitably converted or substituted in connection with a change in control (as defined in the 2026 Plan), unless the Administrator determines otherwise, or as otherwise provided in the applicable award agreement or an individual agreement between a participant and us, if within two years after the effective date of the change in control, a participant's employment is terminated without Cause (as defined in the 2026 Plan) within 24 months following the change in control, then: (i) all of that participant's outstanding options, SARs and other awards in the nature of rights that may be exercised will become fully exercisable; (ii) all time-based vesting restrictions on that participant's outstanding awards will lapse; and (iii) all performance goals or other vesting criteria under all outstanding performance-based awards will be deemed achieved at 100% of target levels.

Clawback. Under the 2026 Plan, awards (including any amounts or benefits arising from such awards) will be subject to any clawback or recoupment arrangements or policies we have in place from time to time, subject to such terms and conditions of such policy (or policies). As discussed above, as of the date hereof, our Compensation Committee has established (i) the Compensation Recovery Policy and (ii) the Detrimental Conduct Policy. Each of these clawback policies will apply to awards under the 2026 Plan.

2026 Equity Awards

Our Compensation Committee approved restricted stock unit awards (the "RSU Awards") in an aggregate amount equal to \$2,620,000, subject to the completion of this offering, with the number of shares of common stock underlying such RSU Awards to be determined based on the price per share on the date of this prospectus, to certain of our executive officers and eligible employees, including our NEOs, in connection with their long-term compensation for fiscal year 2026. While granted at the time of this offering, these RSU Awards are

intended to serve as ordinary-course equity grants for our NEOs and are made in lieu of long-term cash awards that would otherwise have been granted in fiscal year 2026. The RSU Awards will vest on each of the first four anniversaries of the date of grant, subject to such grantee's *continued* employment with us on each respective vesting date. In the event of eligible retirement as defined in the 2026 Plan, the RSU Awards will continue to vest in accordance with their vesting schedule as if such grantee had remained employed with us through the applicable vesting date.

Similarly, our Compensation Committee approved performance-based restricted stock unit awards (the "PSU Awards") in an aggregate amount equal to \$1,350,000, measured at target, subject to the completion of this offering, with the number of shares of common stock underlying such PSU Awards to be determined based on the price per share on the date of this prospectus, to our executive officers, including our NEOs. These PSU Awards are intended to serve as ordinary-course equity grants for our NEOs in connection with our 2026-2028 Long-Term Incentive Plan for the performance period beginning on January 1, 2026 and ending on December 31, 2028 (the "three-year performance period"). The PSU Awards will vest and settle following the end of the three-year performance period based on specified performance metrics (as described below) during the three-year performance period, subject to such grantee's continued employment with us through the last day of the three-year performance period. In the event of eligible retirement as defined in the 2026 Plan, the PSU Awards will be deemed to have satisfied any service-based vesting condition and performance-based vesting conditions will be determined based on actual performance during the performance period, and the PSU Awards will vest and settle in the ordinary course as if such grantee had remained continuously employed with us through the end of the applicable performance period. These performance metrics will include a return on equity metric, a return on assets metric and an efficiency ratio metric, in each case with such performance as determined by the Compensation Committee. Payouts relating to such PSU Awards will range from 50% (if threshold performance is achieved) to a maximum of 200%. The mix of the RSU Awards and PSU Awards at grant for our NEOs is expected to be 50%/50%. The RSU Awards and PSU Awards will be granted under the 2026 Plan and the award agreement evidencing the grant thereof, to be effective upon effectiveness of the registration statement of which this prospectus forms a part.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

Loans to Officers, Directors and Affiliates

We offer loans in the ordinary course of business to our insiders, including our executive officers and directors, their related interests and immediate family members and other employees. Applicable law and our written credit policies require that loans to insiders be on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties, and must not involve more than the normal risk of repayment or present other unfavorable features. Loans to non-insider employees and other non-insiders are subject to the same requirements and underwriting standards and meet our normal lending guidelines, except that non-insider employees and other non-insiders may receive preferential interest rates and fees as an employee benefit. Loans to individual employees, directors and executive officers must also comply with our Bank's statutory lending limits and regulatory requirements regarding lending limits and collateral. All extensions of credit to the related parties must be reviewed and approved by our Board, and directors with a personal interest in any loan application are excluded from the consideration of such loan application. For further discussion of these restrictions applicable to us, see "Supervision and Regulation—Transactions with Insiders and Affiliates."

We have made loans to directors and executive officers. The loans to such persons (i) complied with our Regulation O policies and procedures, (ii) were made in the ordinary course of business, (iii) were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable loans with persons not related to us, and (iv) did not involve more than a normal risk of collectability or did not present other features unfavorable to us.

Directed Share Program

At our request, the underwriters have reserved for sale, at the initial public offering price up to 7% of the shares of our common stock offered by this prospectus for sale, to our directors, officers, employees, business associates and related persons. We will offer these shares to the extent permitted under applicable regulations in the United States through a directed share program. See "Underwriting—Directed Share Program."

Related Party Transaction Policy

Transactions by us with related parties are subject to a formal written policy, as well as regulatory requirements and restrictions. These requirements and restrictions include Sections 23A and 23B of the Federal Reserve Act and the Federal Reserve's Regulation W, which generally requires that certain transactions between the Bank and its affiliates be on terms substantially the same, or at least as favorable to the Bank, as those prevailing at the time for comparable transactions with or involving other nonaffiliated persons. The Federal Reserve's Regulation O, governs certain loans by us to executive officers, directors and principal stockholders. We have adopted policies to comply with these regulatory requirements and restrictions. For further discussion of these restrictions applicable to us, see "Supervision and Regulation—Transactions with Insiders and Affiliates."

Other than the compensation arrangements with directors and executive officers described in "Executive Compensation," the ordinary banking relationships described above, and descriptions disclosed in this section, none of our directors, executive officers or beneficial holders of more than 5% of our capital stock, or their immediate family members or entities affiliated with them, had or will have a direct or indirect material interest, in any transactions to which we have been a party in which the amount involved exceeded or will exceed \$120,000.

In addition, our Board has adopted a written policy governing the approval of related party transactions that complies with all applicable requirements of the SEC and/or OCC and the NYSE concerning related party transactions. Related party transactions are transactions in which we are a participant, the amount involved exceeds \$120,000 and a related party has or will have a direct or indirect material interest. Our related parties include our directors (including nominees for election as directors), executive officers, 5% stockholders and the

immediate family members of these persons. Our Audit Committee, in consultation with counsel, as appropriate, is responsible for the review, approval, or ratification of related party transactions. In determining whether to approve a related party transaction, our Board or Audit Committee may consider such factors as it deems appropriate, which factors may include, without limitation, the related party's interest in the related party transaction, the approximate dollar value of the amount involved in the related party transaction, the approximate dollar value of the amount of the related party's interests in the related party transaction without regard to the amount of any profit or loss, whether the related party transaction was undertaken in the ordinary course of business, whether the related party transaction with the related party is proposed to be, or was, entered into on terms no less favorable to the Bank than terms that could have been reached with an unrelated third party, the purpose of, and the potential benefits to the Bank of, the related party transaction, the fairness of the proposed transaction, the direct or indirect nature of the related party's interest in the transaction, the appearance of an improper conflict of interests for any director or executive officer, whether the transaction would impair an outside director's independence, the acceptability of the transaction to our regulators, the potential violations of other corporate policies, and any other information regarding the related party transaction or the related party in the context of the proposed related party transaction that would be material to investors in light of the circumstances of the particular related party transaction. Our related party transaction policy is available on our website at www.asbhawaii.com.

Related Party Transactions with HEI

We have made loans and extensions of credit to HEI and our directors and executive officers, members of their immediate families and affiliated entities in the ordinary course of business and on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons, and which did not involve more than the normal risk of collectability or present other unfavorable features.

When we were a subsidiary of HEI, we were charged for the services that we obtained from HEI, which included, among others, assistance with investor relations, governance expenses, information technology audit services and public company reporting relating specifically to ASB Hawaii and its subsidiary, on a fully burdened basis pursuant to cost sharing agreements established between us and HEI for regulatory compliance purposes, copies of which have been filed as exhibits to the registration statement of which this prospectus forms a part, and the related expenses were included in our historical financial statements. The above-described services from HEI ceased upon our Separation from HEI. No further obligations between HEI and ASB continue under such cost sharing agreements. We currently do not rely on any services from HEI.

Transactions with Certain Stockholders

We entered into the agreements described below with HEI, certain of our other stockholders, directors, and executive officers in connection with the Separation, pursuant to which we separated our respective businesses, with respect to matters described in the following paragraphs. The descriptions of such agreements set forth below are intended solely as summaries of the principal terms of those agreements and are qualified in their entirety by reference to the forms of such agreements that are filed as exhibits to our registration statement on Form S-1, of which this prospectus forms a part.

Investment Agreement

In connection with the Separation, HEI, the Bank, and ASB Hawaii entered into Investment Agreements, dated as of December 30, 2024, with various individuals and entities, including certain officers and directors of our Bank (collectively together, the "Purchasing Stockholders" and together with ASB Hawaii the "Pre-IPO Stockholders"), pursuant to which HEI through ASB Hawaii sold an aggregate of 8,109 shares of our then common stock to the Purchasing Stockholders, constituting 90.1% of our then common stock, while HEI retaining 9.9% of our then common stock held by ASB Hawaii. This sale transaction closed on December 31, 2024, and no investor, including HEI through ASB Hawaii, retained or owned more than 9.9% of our then common stock.

Each of Ann C. Teranishi, Danielle Aiu, Anthony Mizuno, Steven Nakahara, Natalie M.H. Taniguchi, Dane Alain Teruya, John Steven Ward, and Karen Elizabeth Whitehead, our executive officers, either directly or through a related trust, is a party to such Investment Agreement. Each of Richard J. Dahl, Michael Kennedy and

Yoko Otani is an independent director, and either directly or through a related trust is a party to such Investment Agreement. Brian Yoshii, our former Chief Information Officer, is also a party to such Investment Agreement.

Stockholder Agreements

In connection with the Separation, we also entered into the Stockholder Agreements, dated as of December 31, 2024, with each of our Pre-IPO Stockholders. Each of Ann C. Teranishi, Danielle Aiu, Anthony Mizuno, Steven Nakahara, Natalie M.H. Taniguchi, Dane Alain Teruya, John Steven Ward, and Karen Elizabeth Whitehead, our current executive officers, either directly or through a related trust, is a party to such Stockholder Agreements. Each of Richard J. Dahl, Michael Kennedy and Yoko Otani either directly or through a related trust is a party to such Stockholder Agreements. Brian Yoshii, our former Chief Information Officer, is also a party to such Stockholder Agreements.

Under the Stockholder Agreements, we have agreed to comply with certain continuing obligations with respect to certain Purchasing Stockholders (collectively together, the “Eligible Investors”) which are described in more detail below. Eligible Investors include Castle Creek, Davis Asset Management, JCSD Bishop, Strategic Value, 3Edgewood, and Celtic Bank subject to certain limitations set forth in the Stockholder Agreements. Some continuing obligations terminate upon consummation of this offering. Upon consummation of this offering, the Stockholder Agreements will terminate, except that certain provisions will survive, including (i) registration rights, including demand, shelf and piggyback registration rights, together with related registration expense and indemnification obligations, (ii) certain board representation and observation rights, subject to applicable ownership thresholds, (iii) confidentiality obligations and (iv) the most-favored-nation provision with respect to registration rights. For avoidance of doubt, our obligations with respect to registration expenses and indemnification in relation to any untrue statements in the registration statement will survive the expiration of the registration rights set forth in the Stockholder Agreements. For avoidance of doubt, with respect to the continuing obligations and liabilities described herein and below under the Stockholder Agreement, none of such continuing obligations or liabilities are related to the obligations of ASB Hawaii, Inc., wholly owned by HEI, when it was the owner of the Bank before the Separation.

Board Representation and Observer Rights

Each Eligible Investor and the Farallon Investors have the right to nominate one person to our Board, subject to satisfaction of the legal and governance requirements regarding service as a member of our Board and to the reasonable qualification standard set by us. ASB Hawaii, Inc. does not have the right to nominate a director to our Board. In addition, subject to limited exceptions, we have agreed, for certain investors that do not have a representative on our Board (the “Non-Eligible Investors”), to invite one person designated by each of the Non-Eligible Investors to attend all meetings of our Board in a non-voting capacity.

The above-described board representation and board observation rights will continue with respect to the Eligible Investors and Non-Eligible Investors, respectively, for so long as each of the Eligible Investors and Non-Eligible Investors, together with its affiliates, continues to hold an amount of shares of our common stock that is equal to or greater than 50% of such investor’s shares that it originally purchased in connection with the Separation. If an Eligible Investor ceases to hold the required ownership percentage, it will no longer have any further board representation rights, and each Eligible Investor has agreed to vote or deliver a written consent in favor of the resignation or removal of such director designated by such Eligible Investor.

Currently, Robert G. Sarver, John M. Eggemeyer, Christopher K. W. Chouinard, Steven J. Didion, and Marty E. Adams serve on our board as directors that were nominated by an Eligible Investor. Robert G. Sarver, John M. Eggemeyer, Christopher K. W. Chouinard, Steven J. Didion, and Marty E. Adams were nominated by 3Edgewood, Castle Creek, Davis Asset Management, JCSD Bishop and Strategic Value, respectively. 3Edgewood, Castle Creek, Davis Asset Management, JCSD Bishop and Strategic Value will own 9.5%, 9.9%, 9.9%, 5.6% and 9.9% of our common stock, respectively, upon the completion of this offering.

Registration Rights

In connection with the transactions above and as specified in the Stockholder Agreements, we have agreed to provide demand registration rights to each of our Pre-IPO Stockholders who beneficially own (i) 8.5% or

more or (ii) at least 4.9% but less than 8.5% of our issued and outstanding shares of our common stock as of immediately prior to the consummation of our initial public offering (the “Demanding Stockholder”), subject to certain limitations set forth in the Stockholder Agreements as the case may be.

Pursuant to the demand registration rights, after the consummation of our initial public offering and subject to the black-out period contemplated in the Stockholder Agreements, the Demanding Stockholder, subject to certain limitations set out in the Stockholder Agreements, have the right to require us to file a registration statement with the OCC so that the Demanding Stockholder may resell its shares of our common stock. We have agreed to file such registration statement with the OCC within 45 days of our receipt of such request in the case of a request for a registration statement on Form S-1 or within 25 days of our receipt of such request in the case of a request for a registration statement on Form S-3, and use our reasonable best efforts to cause such registration statement to become effective. In connection with this offering, we are also registering for resale all shares of our common stock held by our existing stockholders that are not sold in this offering. See “Shares Eligible for Future Sale”. Accordingly, the demand registration rights described above will not be exercisable for so long as such registration statement remains effective.

We have also agreed to provide piggyback registration right to all record holders of our registrable securities for a primary or secondary offer of our securities (other than a registration statement related to equity compensation plans or mergers and acquisitions). In the event we receive a request for a demand registration from a Demanding Stockholder, we have agreed to notify other record holders of our registrable securities of such registration request within 5 business days of our receipt of such registration request. The record holders of our registrable securities may elect to have their securities included in a piggyback registration statement for resale. We have agreed to include in such registration statement all registrable securities requested by holders to be included in connection with the piggyback registration within 15 business days following the notice given by us. If the offering is underwritten, the number of shares to be sold by us may be reduced upon recommendation of the managing underwriters.

In any of the foregoing registration statements, we will pay the fees and expenses of such registration statements, including all registration and filing fees, printing expenses, trading market fees, fees and disbursements of counsel for us and fees and expenses reasonably incurred, including all reasonable fees and disbursements of one legal counsel for the eligible Demanding Stockholder participating in such registration.

The Separation Agreement

In connection with the Separation, we also entered into a Separation Agreement, dated December 31, 2024 (the “Separation Agreement”). The Separation Agreement sets forth the agreements between us and HEI regarding the principal actions that each took in connection with the Separation and regarding aspects of our relationship with HEI following the Separation, including matters related to the allocation of assets and liabilities to us and to HEI, indemnification obligations of us and HEI, among other matters. The form of the Separation Agreement has been filed as an exhibit to the registration statement of which this prospectus forms a part.

Transfer of Businesses and Assumption of Liabilities

The Separation Agreement identifies the assets transferred, the liabilities assumed and the contracts transferred to or retained by each of us and HEI as part of our separation from HEI. The Separation Agreement generally provides that effective immediately following the Separation, (i) with respect to each contract between solely HEI and the Bank (except for the Separation Agreement, the Stockholder Agreements, and the Investment Agreement) shall be terminated, (ii) with respect to any contract to which any member of the HEI or the Bank is a party that relates to the HEI business affairs and our business affairs (excluding the Stockholder Agreements and Investment Agreement) (each, “Shared Contract”), HEI and the Bank have agreed to use reasonable best efforts to enable us to enter into a new contract with respect to our business affairs with the counterparty on substantially the same terms as promptly as practicable, and (iii) in the event that a party reasonably determines that any Shared Contract cannot be terminated and replaced in accordance with the manner described above, HEI has agreed to transfer to us any assets held by HEI that are part of our banking business (collectively, the “Bank Assets”), and that we have agreed to assume any liabilities of HEI relating to the Bank Assets or the operation of any of our banking business, and any other liabilities that are

expressly provided by the Separation Agreement or any other ancillary agreement as being liabilities to be assumed by us (collectively, the “Bank Liabilities”), and similarly, we have agreed to transfer to HEI any of HEI’s assets that are held by us and HEI has agreed to assume any liabilities of the Bank that are not Bank Liabilities.

Releases and Indemnification

Except as otherwise provided in the Separation Agreement or any ancillary agreement, including for any liabilities actually incurred at any time out of any litigation concerning the August 8, 2023 wildfires on Maui, the Separation Agreement provides that each of us and HEI have agreed to release and forever discharge the other party and its subsidiaries and affiliates from all liabilities existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed on or before the separation. Pursuant to the Separation Agreement or any ancillary agreement, the releases will not extend to obligations or liabilities under any agreements between us and HEI that remain in effect following the separation, including the Stockholder Agreements and the Investment Agreement. These releases are subject to certain exceptions set forth in the Separation Agreement. In the Separation Agreement, each of us and HEI have also agreed, subject to certain exceptions, to not make any claim or demand, or commence any action asserting any claim against each other with respect to all liabilities as described above.

Employee Matters

Treatment of Equity Awards at Separation Date

With respect to any of our current or former employees, directors or other individual service providers that held any cash, equity or equity-based awards under HEI’s 2010 Equity and Incentive Plan (as amended and restated, the “2010 Equity Plan”) immediately prior to the separation date, pursuant to the Separation Agreement each such employee, director or other individual service provider has either waived any retirement-based vesting protections with respect to any outstanding awards under HEI’s 2010 Equity Plan, or their outstanding awards have been treated as of the separation date in accordance with the terms of HEI’s 2010 Equity Plan. We have assumed all obligations of HEI under its 2010 Equity Plan with respect to our participants, and we have agreed to provide replacement awards on substantially similar terms in the form of cash.

Treatment of Our Employees under Certain HEI Benefit Plans

Following the separation date, solely for certain eligible Bank current and former employees, HEI has assigned to us certain benefit plans of HEI, namely (i) the Hawaiian Electric Industries, Inc. Excess Pay Plan (which amends and collectively restates the Hawaiian Electric Industries, Inc. Excess Pay Supplemental Executive Retirement Plan and the Hawaiian Electric Industries, Inc. Excess Benefit Plan) and (ii) the Executive Death Benefit Plan of Hawaiian Electric Industries, Inc. We have assumed each such benefit plan and all liabilities under such plan and released HEI from all liabilities. With respect to our own 401K Retirement Plan and other Bank benefits plans that had existed before the separation, our eligible employees continue to participate in accordance with such plan’s existing terms.

Assumption of Change in Control Agreements

Effective as of the separation date, HEI has assigned to the Bank and the Bank has assumed all liabilities under each Change in Control Agreement by and between HEI and (i) Karen Elizabeth Whitehead, our Executive Vice President and Chief Administrative Officer, and (ii) Ann C. Teranishi, our President and Chief Executive Officer, respectively. Accordingly, the Bank has released HEI from all liabilities under each Change in Control Agreement. See “Executive and Director Compensation—Potential Payments upon Termination or Change in Control.”

Tax Matters

The Separation Agreement imposes certain rights, responsibilities, and obligations on us and HEI after the separation with respect to certain tax matters, including a tax true-up, tax refunds, and our prior tax sharing agreements with HEI. For the avoidance of doubt, all the payments and reimbursements described below have been made in a

manner described in the Separation Agreement unless indicated otherwise in the following paragraphs, and thus such obligations have been satisfied, and tax sharing agreements between us and HEI have been terminated.

In connection with the Separation Agreement, HEI has agreed to reimburse us for the excess of the amount of income taxes paid by us to HEI prior to the closing with respect to the 2024 tax period under our prior tax allocation agreement with HEI over our final liability for taxes for such tax period. We received such reimbursement from HEI in November 2025.

At the closing, HEI has also agreed to pay us an amount set forth in the Separation Agreement equal to the amount of any low-income housing tax credits generated by us during the 2023 tax period. Additionally, HEI has agreed to pay to us an amount set forth in the Separation Agreement equal to the actual cash tax savings realized by HEI for the 2022 tax period as a result of a carryback, upon the filing of an amendment to the combined tax return for the 2022 tax period. We received such amount of low-income housing tax credits and such amount of capital loss carryback from HEI in December 2024 and March 2026, respectively.

Pursuant to the Separation Agreement, we have agreed to remit HEI any tax refunds received by us of or against taxes that relate to a pre-closing tax period (as defined therein), that are received by us within six (6) years after the closing date, subject to certain limitations set forth in the Separation Agreement. We have not received any of such tax refunds as of the date of this prospectus, and thus no remittance by us to HEI has been triggered.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth information regarding beneficial ownership of our common stock as of September 4, 2026, by:

- each person whom we know to own beneficially more than 5% of our common stock;
- each selling stockholder;
- each of the directors and named executive officers individually; and
- all directors and executive officers as a group.

In accordance with the rules of the OCC (which incorporates the relevant SEC rules) beneficial ownership includes voting or investment power with respect to securities and includes the shares issuable pursuant to stock options that are exercisable within 60 days of September 4, 2026. Shares issuable pursuant to stock options are deemed outstanding for computing the percentage of the person holding such options but are not outstanding for computing the percentage of any other person. The percentage of beneficial ownership for the following table is based on 64,997,983 shares of our common stock outstanding as of September 4, 2026, after giving effect to the Stock Split. The table below does not reflect shares that may be purchased in this offering by the stockholders listed in the table, including pursuant to the non-binding indication of interest described under “The Offering—Indications of Interest” or through the directed share program described under “Underwriting.” Unless otherwise noted, the address for each stockholder listed in the table below is: c/o American Savings Bank, N.A., 300 North Beretania Street, Honolulu, Hawaii 96817. To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of our common stock.

Name of Beneficial Owner	Shares Beneficially Owned Before the Offering		Number of Shares Being Offered	Shares Beneficially Owned After the Offering Assuming the Underwriters' Option is Not Exercised ⁽¹⁾		Shares Beneficially Owned After the Offering Assuming Full Exercise of Underwriters' Option	
	Number	Percent		Number	Percent	Number	Percent
Stockholders with greater than 5% of our common stock							
Entities affiliated with Castle Creek							
Capital Partners ⁽²⁾	6,434,802	9.90%	-	6,434,802	9.90%	6,434,802	9.90%
Davis Partnership, LP ⁽³⁾	6,434,802	9.90%	-	6,434,802	9.90%	6,434,802	9.90%
Strategic Value Investors, LP ⁽⁴⁾	6,434,802	9.90%	-	6,434,802	9.90%	6,434,802	9.90%
3EDGEWOOD Investments, LLC ⁽⁵⁾	6,174,810	9.50%	-	6,174,810	9.50%	6,174,810	9.50%
CDI American, LLC ⁽⁶⁾	4,333,200	6.67%	-	4,333,200	6.67%	4,333,200	6.67%
Selling stockholders							
JCSD Bishop, LLC ⁽⁷⁾	6,434,802	9.90%	2,794,600	3,640,202	5.60%	3,221,012	4.96%
ASB Hawaii, Inc. ⁽⁸⁾	6,434,802	9.90%	1,959,360	4,475,442	6.89%	4,181,538	6.43%
Celtic Bank Corporation ⁽⁹⁾	5,690,936	8.76%	985,960	4,704,976	7.24%	4,557,082	7.01%
Pomegranate Funding, LLC ⁽¹⁰⁾	5,690,936	8.76%	985,960	4,704,976	7.24%	4,557,082	7.01%
Cari Marshall Trust UAD							
01/09/1995 ⁽¹¹⁾	639,147	*	555,780	83,367	*	-	-
MCW LIVING TRUST ⁽¹²⁾	252,770	*	219,800	32,970	*	-	-
Todd Marshall Revocable Family							
Trust UAD 4/13/2000 ⁽¹³⁾	639,147	*	555,780	83,367	*	-	-
Directors and named executive officers							
John M. Eggemeyer	-	-	-	-	-	-	-
Richard J. Dahl ⁽¹⁴⁾	72,220	*	-	72,220	*	72,220	*
Ann C. Teranishi ⁽¹⁵⁾	72,220	*	-	72,220	*	72,220	*
Marty E. Adams	-	-	-	-	-	-	-
Christopher K.W. Chouinard	-	-	-	-	-	-	-
Steve J. Didion	-	-	-	-	-	-	-
Robert G. Sarver	-	-	-	-	-	-	-

Name of Beneficial Owner	Shares Beneficially Owned Before the Offering		Number of Shares Being Offered	Shares Beneficially Owned After the Offering Assuming the Underwriters' Option is Not Exercised ⁽¹⁾		Shares Beneficially Owned After the Offering Assuming Full Exercise of Underwriters' Option	
	Number	Percent		Number	Percent	Number	Percent
Michael J. Kennedy ⁽¹⁶⁾	72,220	*	-	72,220	*	72,220	*
Yoko Otani	72,220	*	-	72,220	*	72,220	*
Dane A. Teruya	72,220	*	-	72,220	*	72,220	*
Karen Elizabeth Whitehead ⁽¹⁷⁾	72,220	*	-	72,220	*	72,220	*
Natalie M.H. Taniguchi ⁽¹⁸⁾	72,220	*	-	72,220	*	72,220	*
John S. Ward	36,110	*	-	36,110	*	36,110	*
Anthony J. Mizuno ⁽¹⁹⁾	28,888	*	-	28,888	*	28,888	*
Danielle K. N. Aiu	28,888	*	-	28,888	*	28,888	*
Steven R. Nakahara	28,888	*	-	28,888	*	28,888	*
John E. Jacobi, III	-	-	-	-	-	-	-
All executive officers and directors as a group (17 persons)	628,314	*	-	628,314	*	628,314	*

* Less than 1%

- (1) Assumes no exercise of the underwriters' option to purchase additional shares. See "Underwriting."
- (2) Consists of (i) 4,990,402 shares held by Castle Creek Capital Partners VIII Co-Investment Fund C, LP and (ii) 1,444,400 shares held by Castle Creek Capital Partners VIII, LP. Castle Creek Capital VIII LLC is the general partner of each of the foregoing entities. The natural persons who have or share voting and/or dispositive powers over the shares held by Castle Creek Partnerships are the managing principals of Castle Creek VIII LLC. The Castle Creek Capital VIII LLC managing principals are John M. Eggemeyer, Sundeep Rana, Tony Scavuzzo and David Volk, each of whom disclaims any beneficial ownership of the shares of common stock held directly by Castle Creek Partnerships, except to the extent of his pecuniary interest therein, if any. The address of the business office of Castle Creek Partnerships is 11682 El Camino Road, Suite 320, San Diego, California 92130.
- (3) Reported shares held by Davis Partnership, L.P., a Delaware limited partnership. Mr. Lansing A. Davis, a citizen of the United States, is the managing member of Davis Capital Partners, LLC, a Delaware limited liability company, which is the sole general partner of Davis Asset Management, L.P., a Delaware limited partnership, which is the general partner of Davis Partnership, L.P. Mr. Lansing A. Davis has voting and dispositive power over the shares held by Davis Partnership, L.P., and accordingly, may be deemed to have beneficial ownership of such shares. The business address of each of the foregoing persons is 3 Harbor Drive, Suite 301, Sausalito, California 94965.
- (4) Reported shares held by Strategic Value Investors LP, wholly owned by Strategic Value Bank Partners, LLC. Benjamin Mackovack, Marty E. Adams, and Umberto Fedeli have the voting and dispositive power over the shares held by Strategic Value Bank Partners, LLC, and may be deemed to have beneficial ownership of the shares of common stock held by Strategic Value Investors LP. Each of Benjamin Mackovack, Marty E. Adams, and Umberto Fedeli disclaims any beneficial ownership of the shares of common stock held directly by Strategic Value Investors LP, except to the extent of his pecuniary interest therein, if any. The address of the business office of such reporting person is 127 Public Square, Suite 1510, Cleveland, Ohio 44114.
- (5) Reported shares held by 3Edgewood Investments, LLC ("3EDGEWOOD INVESTMENTS"), a Delaware limited liability company. 3Edgewood LLC is the Manager of 3EDGEWOOD INVESTMENTS. Robert Sarver, Max Sarver and Evan Feldhausen are the Managers of 3Edgewood LLC, having voting and dispositive power over the shares held by 3Edgewood LLC, and accordingly, may be deemed to have beneficial ownership of the shares of common stock held by 3EDGEWOOD INVESTMENTS. Robert Sarver, Max Sarver and Evan Feldhausen each disclaims any beneficial ownership of the shares of common stock held directly by 3EDGEWOOD INVESTMENTS except to the extent of his pecuniary interest therein, if any. The address of the business office of such reporting person is 4210 E. Camelback Rd., Suite E, Phoenix, Arizona 85018.
- (6) Reported shares are held by CDI American. CDI American is controlled by Financial Technology Investors, LLC ("Financial Technology Investors"). Mike Szalkowski and Michael Lazarus hold pecuniary interests in CDI American but do not have voting or dispositive power over the shares held by CDI American. David Zalick and Helen Zalick have voting and dispositive power over the shares held by Financial Technology

Investors and, together with Financial Technology Investors, may be deemed to have beneficial ownership of the shares held by CDI American. Each of Messrs. Szalkowski, Lazarus, Zalik, and Ms. Zalik disclaims beneficial ownership of the shares of common stock held directly by CDI American except to the extent of his or her pecuniary interest therein, if any. The address of the business office of CDI American is 6120 Powers Ferry Road, Suite 600, Atlanta, Georgia 30339.

- (7) Reported shares held by JCSD Bishop, LLC (“JCSD Bishop”), a Delaware limited liability company. Steven J. Didion and Jeff J. Miller, both citizens of the United States, are managing members of JCSD Bishop, and each of Mr. Didion and Mr. Miller is deemed possessing voting and dispositive power over the shares held by JCSD Bishop, LLC. Each of Mr. Didion and Mr. Miller disclaims any beneficial ownership of the shares of common stock held directly by JCSD Bishop except to the extent of his pecuniary interest therein, if any. The business address of JCSD Bishop is 1981 N. Broadway, Ste. 270, Walnut Creek, California 94596.
- (8) Reported shares held by ASB Hawaii, Inc., a Hawaii corporation and our previous holding company (an intermediate holding company wholly-owned by HEI). On December 31, 2024, HEI through ASB Hawaii sold an aggregate of 8,109 shares of our then common stock, to various individuals and entities, including certain officers and directors of our Bank constituting 90.1% of our then common stock, while HEI retaining 9.9% of our then common stock held by ASB Hawaii. The address of the business office of such reporting person is 1001 Bishop Street, Suite 2900, Honolulu, Hawaii 96813.
- (9) Reported shares held by Celtic Bank Corporation, owned by Celtic Investment, Inc. (“Celtic Investment”). Reese Howell and Robert Gregory have the voting and dispositive power over the shares held by Celtic Investment, and may be deemed to have beneficial ownership of such shares held by Celtic Bank Corporation. Each of Reese Howell and Robert Gregory disclaims any beneficial ownership of the shares of common stock held directly by Celtic Bank Corporation, except to the extent of his pecuniary interest therein, if any. The address of the business office of such reporting person is 268 South State Street Ste 300, Salt Lake City, Utah 84111.
- (10) As the manager of Pomegranate Funding, LLC (“Pomegranate”), Farallon Capital Management, L.L.C., a Delaware limited liability company (“FCM”), may be deemed to be a beneficial owner of the shares of common stock held by Pomegranate. Each of Joshua J. Dapice, Philip D. Dreyfuss, Hannah E. Dunn, Varun N. Gehani, Nicolas Giauque, Avner A. Husen, David T. Kim, Michael G. Linn, Patrick (Cheng) Luo, Thomas G. Roberts, Jr., Edric C. Saito, Daniel S. Short, Andrew J.M. Spokes, John R. Warren, and Mark C. Wehrly (collectively, the “Farallon Managing Members”), as a senior managing member or managing member, as the case may be, of FCM, in each case with the power to exercise investment discretion, may be deemed to be a beneficial owner of such shares held by Pomegranate. Each of FCM and the Farallon Managing Members hereby disclaims any beneficial ownership of such shares. The address of each of the entities and individuals referenced in this note is c/o Farallon Capital Management, L.L.C., One Maritime Plaza, Suite 2100, San Francisco, California 94111.
- (11) Reported shares held in a revocable trust for the benefit of Cari Marshall, as to which trust Cari Marshall serves as trustee. Cari Marshall disclaims beneficial ownership of the shares held by the referenced trust except to the extent of his pecuniary interest therein, if any. The address of such reporting person is 4210 E. Camelback Rd, Suite E, Phoenix, Arizona 85018.
- (12) Reported shares held in a revocable trust for the benefit of Michael C. Wilkins, as to which trust Michael C. Wilkins serves as trustee. Michael C. Wilkins disclaims beneficial ownership of the shares held by the referenced trust except to the extent of his pecuniary interest therein, if any. The address of such reporting person is 4210 E. Camelback Rd, Suite E, Phoenix, Arizona 85018.
- (13) Reported shares held in a revocable trust for the benefit of Todd Marshall, as to which trust Todd Marshall serves as trustee. Todd Marshall disclaims beneficial ownership of the shares held by the referenced trust except to the extent of his pecuniary interest therein, if any. The address of such reporting person is 4210 E. Camelback Rd, Suite E, Phoenix, Arizona 85018.
- (14) Reported shares held in a revocable trust for the benefit of Mr. Dahl, as to which trust he serves as trustee. Mr. Dahl disclaims beneficial ownership of the shares held by the referenced trust except to the extent of his pecuniary interest therein, if any.
- (15) Reported shares held in a revocable trust for the benefit of Ms. Teranishi, as to which trust she serves as trustee. Ms. Teranishi disclaims beneficial ownership of the shares held by the referenced trust except to the extent of her pecuniary interest therein, if any.

- (16) Reported shares held in a revocable trust for the benefit of Mr. Kennedy, as to which trust he serves as trustee. Mr. Kennedy disclaims beneficial ownership of the shares held by the referenced trust except to the extent of his pecuniary interest therein, if any.
- (17) Reported shares held by Whitehead Family Farms LLC, a limited liability company. Karen Elizabeth Whitehead, William Bradley Whitehead, and Karen A. Whitehead are the managers and members of Whitehead Family Farms LLC. Any decisions by Whitehead Family Farms LLC with respect to the shares of common stock held by it, including voting and dispositive decisions, are made by 2/3 vote of these three individuals. Accordingly, each of Karen Elizabeth Whitehead, William Bradley Whitehead and Karen A. Whitehead is deemed to have or share beneficial ownership of the securities held directly by Whitehead Family Farms LLC. Each such individual disclaims any beneficial ownership of the shares of common stock held directly by Whitehead Family Farms LLC except to the extent of his or her pecuniary interest therein, if any. The business address of Whitehead Family Farms LLC is P.O. Box 391, England, Arkansas 72046.
- (18) Reported shares held in a revocable trust for the benefit of Ms. Taniguchi, as to which trust she serves as trustee. Ms. Taniguchi disclaims beneficial ownership of the shares held by the referenced trust except to the extent of her pecuniary interest therein, if any.
- (19) Reported shares held in a revocable trust for the benefit of Mr. Mizuno, as to which trust he serves as trustee. Mr. Mizuno disclaims beneficial ownership of the shares held by the referenced trust except to the extent of his pecuniary interest therein, if any.

DESCRIPTION OF CAPITAL STOCK

The following is a summary of the material terms of our capital stock, as they will be in effect upon the completion of this offering unless noted otherwise. The following description of our capital stock does not purport to be complete so you should refer to our Amended and Restated Articles of Association and Amended and Restated Bylaws, which we have included as exhibits, to the registration statement of which this prospectus is a part. We urge you to read these documents for a more complete understanding of the information contained in this section.

General

Upon the completion of this offering and the filing of our Amended and Restated Articles of Association, our authorized capital stock will consist of 200,000,000 shares of our common stock and 8,000,000 shares of preferred stock, no par value per share. After giving effect to the Stock Split, the par value per share of our common stock reflected in this prospectus is \$0.0001 after rounding. As of June 30, 2026, and giving effect to the Stock Split, 64,997,983 shares of our common stock were outstanding, 30 shares of our preferred stock were designated (as “Perpetual Preferred Stock, Series A,”) and 5 shares of our preferred stock are issued and outstanding.

If all shares are sold in this offering, there will be 64,997,983 shares of our common stock and 5 shares of our preferred stock outstanding upon the completion of this offering.

An aggregate of 1,624,950 shares of our common stock will be reserved for issuance under the 2026 Plan.

All of our outstanding shares of our common stock are, and the shares of our common stock issued in this offering will be, fully paid and nonassessable.

Each share of our common stock has the same relative rights as, and is identical in all respects with, each other share of our common stock.

Common Stock

Voting Rights; Majority Written Consent

Following the completion of this offering, holders of our common stock will be entitled to one vote per share on all matters requiring stockholder action, except for the election of directors. In elections of directors, the numbers of votes cast by each common stockholder will be determined by multiplying the number of shares the holder owns by the number of directors to be elected. There will be no cumulative voting in the elections of directors, and directors will be elected by a plurality of the votes cast in respect of the stockholders entitled to vote on the elections of directors. Our Amended and Restated Bylaws provide that a majority of the shares entitled to vote at a stockholders’ meeting, represented in person or by proxy, constitute a quorum. When a quorum is present, stockholders owning a majority voting interest in the outstanding voting stock will be required to take action, unless otherwise specified by law or our Amended and Restated Articles of Association. Except as otherwise required by law, any action required or permitted to be taken by any of our stockholders must be effected at a duly called annual or special meeting of such stockholders and may not be effected by any consent in writing by such stockholders.

Liquidation Rights

In the event of the liquidation, dissolution or winding up of the Bank, subject to the rights of the holders of all other securities of the Bank that, by their respective terms, are senior to our common stock, the remaining assets shall be distributed to the holders of our common stock according to their respective shares.

Dividends

Holders of our common stock are entitled to receive dividends when, as and if declared by our Board out of funds legally available for that purpose, subject to any preferential rights of holders of any outstanding shares of preferred stock and any other class or series of stock having preference over the common stock as to dividends. See “Dividend Policy.”

Board Nomination Rights of Eligible Investors

The following description of the terms of the Stockholder Agreements is intended as a summary only and is qualified in its entirety by reference to the Stockholder Agreements filed as an exhibit to the registration statement of which this prospectus is a part. The Stockholder Agreements grant six Eligible Investors, Castle Creek, Davis Asset Management, JCSD, Strategic Value, 3Edgewood, Celtic Bank and the Farallon Investors, each the right to nominate one director to the Board, subject to reasonable qualification standards and applicable regulatory restrictions. Eligible Investors’ nomination right is contingent on maintaining ownership of at least 50% of such investor’s shares that it originally purchased in connection with the Separation. If an investor falls below this threshold, it loses its nomination right, and its nominated director must resign or be removed, with the Board size reduced accordingly. See “Certain Relationships and Related Persons Transactions—Stockholder Agreements—Board Representation and Observer Rights.”

Restrictions on Ownership of Bank Common Stock

The ability of a third party to acquire our stock is also limited under applicable U.S. banking laws, and regulatory approval for the acquisition of our stock may be required under certain circumstances. Any corporation or other company that becomes a holder of 25% or more of our outstanding common stock, or otherwise is deemed to control us under the federal Change in Bank Control Act and regulations issued by the OCC, is deemed to have acquired “control” of us. The federal Change in Bank Control Act and regulations issued by the OCC require that, depending on the particular circumstances, notice must be furnished to the OCC, and not disapproved, prior to any person acquiring “control” of a national bank, subject to certain exemptions. See “Supervision and Regulation—Change in Control” for additional description of these federal law restrictions on ownership of our common stock.

Advance Notice Provisions for Stockholder Nominations and Stockholder Proposals

Our Amended and Restated Articles of Association provide that stockholders must provide advance notice of any proposal or nomination for election as a director which a stockholder desires to bring before a meeting of stockholders. Such requirements are in addition to any requirements under SEC Rule 14a-8 for stockholder proposals sought to be included in the Bank’s proxy materials.

Preferred Stock

Our Amended and Restated Articles of Association authorize the issuance of up to 8,000,000 shares of preferred stock. The shares of preferred stock may be divided into and issued in one or more series, with such relative rights, preferences, and limitations as determined by our Board in its discretion. Our Board is authorized to establish one or more series of preferred stock and to cause shares of preferred stock to be issued from time to time. Any issuance of preferred stock with voting rights or which is convertible into voting shares could adversely affect the voting power of the holders of common stock. Furthermore, the issuance of preferred stock could adversely affect the likelihood that such holders will receive dividend payments and payments upon liquidation. The shares of preferred stock that may be issued in the future may have other rights, including economic rights senior to our common stock, and, as a result, could have an adverse effect on the market value of our common stock.

Any of these actions could have an anti-takeover effect and discourage a transaction that some or a majority of our stockholders might believe to be in their best interests or in which our stockholders might receive a premium for their shares over our then-market price.

Series A Preferred Stock

Ranking

Shares of the Series A Preferred Stock rank, with respect to the payment of dividends and distributions upon liquidation, dissolution, or winding-up:

- senior to our common stock and to any class or series of capital stock we may issue that is not expressly stated to be on parity with or junior to the Series A Preferred Stock;
- on parity with any class or series of capital stock expressly stated to be on parity with the Series A Preferred Stock; and
- junior to any class or series of capital stock we may issue that is expressly stated to be senior to the Series A Preferred Stock.

Dividends

Holders of Series A Preferred Stock are not entitled to receive or to participate in any dividends (payable in cash, stock or otherwise) on their Series A Preferred Stock, except as expressly required by law.

Redemption Rights

The Series A Preferred Stock is perpetual and has no maturity date. The Series A Preferred Stock is not subject to any mandatory redemption, sinking fund or other similar provisions. The Series A Preferred Stock will be redeemable at the option of us, in whole or in part, from time to time, on any business day, at a redemption price equal to \$1,000 per share of Series A Preferred Stock on the shares of Series A Preferred Stock called for redemption. Holders of Series A Preferred Stock will have no right to require the redemption or repurchase of Series A Preferred Stock. Any redemption of the Series A Preferred Stock is subject to our receipt of any required prior approval from the OCC and to the satisfaction of any conditions set forth in the capital guidelines or regulations of the OCC applicable to redemption of the Series A Preferred Stock.

Liquidation Rights

In the event that we voluntarily or involuntarily liquidate, dissolve, or wind up our affairs, holders of the Series A Preferred Stock are entitled to receive out of assets of the Bank available for distribution to stockholders, after satisfaction of liabilities to creditors and subject to the rights of holders of any securities ranking senior to Series A Preferred Stock, before any distribution of assets is made to holders of our common stock or any Series A junior securities, a liquidating distribution in the amount of the liquidation preference of \$1,000 per share of Series A Preferred Stock. Holders of Series A Preferred Stock shall not be entitled to any other amounts from the Bank after they have received their full liquidating distribution.

Voting Rights

Holders of shares of Series A Preferred Stock have no voting power, and no right to vote on any matter at any time, either as a separate Series or class or together with any other Series or class of shares of capital stock, and are not entitled to call a meeting of such holders for any purpose, nor are they entitled to participate in any meeting of the holders of our common stock, except as expressly required by law.

Conversion Rights

Holders of shares of Series A Preferred Stock do not have any rights to convert such shares into shares of any other class or series of securities of the Bank.

Preemptive Rights

Holders of shares of Series A Preferred Stock have no preemptive rights with respect to any shares of our capital stock or any of its other securities convertible into or carrying rights or options to purchase any such capital stock.

Anti-Takeover Provisions

Provisions in our Amended and Restated Articles of Association and our Amended and Restated Bylaws may discourage, delay or prevent a merger, acquisition or other change in control that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. In addition, these provisions may frustrate or prevent any attempt by our stockholders to replace or remove our current management by making it more difficult to replace or remove our Board. These provisions include, but are not limited to:

- a prohibition on stockholder action through written consent;
- no cumulative voting in the election of directors;
- a prohibition on removal of directors without cause and without a vote of not less than two-thirds of all outstanding shares of our capital stock entitled to vote in the election of directors;
- a requirement that special meetings of the stockholders may be called only by the Chair of our Board, by a majority of our Board or by one or more stockholders owning not less than 10 percent of our capital stock;
- the authority of our Board to issue and repurchase common and preferred stock with such terms as our Board may determine;
- the inclusion of forum selection and mandatory arbitration provisions for stockholder disputes; and
- a requirement of approval of not less than two-thirds of all outstanding shares of our capital stock entitled to vote to amend certain provisions of our Amended and Restated Articles of Association and a requirement of approval of not less than a majority of directors to amend our Amended and Restated Bylaws.

We are a national association, and we are subject to applicable federal banking statutes or regulations or bank safety and soundness. We elect to follow, to the extent not inconsistent with applicable federal statutes or regulations, or bank safety and soundness, the corporate governance procedures of Delaware General Corporation Law, Del Code Ann. Tit.8, or DGCL. The DGCL prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder, generally a person who, together with its affiliates, owns, or within the last three years has owned, 15% or more of our voting stock, for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. Accordingly, the DGCL may discourage, delay, or prevent a change in control of our company.

Furthermore, our Amended and Restated Articles of Association specify that the Court of Chancery of the State of Delaware will be the sole and exclusive venue for most legal actions involving actions brought against us by stockholders. We believe this provision benefits us by providing increased consistency in the application of the DGCL by chancellors particularly experienced in resolving corporate disputes, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi-forum litigation. The provision may have the effect of discouraging lawsuits against our directors and officers.

Listing

We have been approved to list our common stock on the NYSE under the symbol “ASBH.”

Transfer Agent

The transfer agent and registrar for our common stock is Broadridge Corporate Issuer Solutions, LLC.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no established public market for our common stock. Although we have been approved to list our common stock on the NYSE, we cannot assure you that a significant public market for our common stock will develop or be sustained. Future sales of substantial amounts of our common stock in the public market, or the perception that such sales could occur, could adversely affect prevailing market prices as well as our ability to raise equity capital in the future.

Upon completion of this offering, based on the number of shares of our capital stock outstanding as of June 30, 2026, we will have 64,997,983 shares of our common stock issued and outstanding. Concurrent with this offering, we are registering for resale all of the shares of our common stock owned by our existing shareholders that are not sold in this offering. As a result, 64,997,983 shares of our common stock will be freely tradable without further restriction or registration under the Securities Act, following the expiration of the lock-up period.

Lock-Up Agreements and Market Standoff Provisions

We, our officers, directors, the selling stockholders and holders of substantially all of our outstanding common stock are entering into lock-up agreements or market standoff provisions that, subject to certain exceptions described under “Underwriting,” prohibit them from (i) offering, pledging, announcing the intention to sell, selling, contracting to sell, granting any option, right or warrant for the sale of, making any short sale or otherwise disposing of any shares of our common stock or any securities convertible into or exchangeable or exercisable for our common stock, whether now owned or hereafter acquired or with respect to which such person has or hereafter acquires the power of disposition, or exercise any right with respect to the registration thereof, or file or cause to be filed any registration statement under the Securities Act, with respect to any of the foregoing; (ii) entering into any swap, hedge or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economics of ownership of the shares of our common stock or such other securities, whether any such swap or transaction is to be settled by delivery of shares of our common stock or other securities, in cash or otherwise; (iii) making any demand for or exercise any right with respect to, the registration of any of the shares of our common stock or any security convertible into or exercisable or exchangeable for shares of our common stock; or (iv) publicly disclosing the intention to do any of the foregoing for a period of at least 180 days following the date of this prospectus, without the prior written consent of the Representative (as defined below). These agreements are subject to certain customary exceptions. See “Underwriting — Lock-Up Agreements.” As a result of these contractual restrictions, shares of our common stock subject to lock-up agreements will not be eligible for sale until these agreements expire or the restrictions are waived by the Representative.

Rule 144

In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of Section 13 or Section 15(d) of the Exchange Act for at least 90 days, a person who is not deemed to have been one of our affiliates for purposes of the Securities Act at any time during the 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than our affiliates, is entitled to sell those shares without complying with the manner of sale, volume limitation or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144 and the requirements of the lock-up and market standoff agreements, as described above. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then that person would be entitled to sell those shares (subject to the requirements of the lock-up and market standoff agreements, as described above) without complying with any of the requirements of Rule 144.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares on behalf of our affiliates are entitled to sell upon expiration of the lock-up and market standoff provisions described above, within any three-month period, a number of shares that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately 649,980 shares immediately after this offering; or
- the average weekly trading volume of our common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to that sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.

Registration Statement on Form S-8

In connection with this offering, we have filed a registration statement on Form S-8 under the Securities Act registering shares of our common stock subject to outstanding stock options and the shares of our common stock reserved for issuance under our equity incentive plans. The Form S-8 became effective upon filing. The shares registered on Form S-8 are subject to the volume limitations and the manner of sale, notice and public information requirements of Rule 144 and will not be eligible for resale until expiration of the lock-up and market standoff agreements to which they are subject, as described under “Underwriting.”

Registration Rights

See “Certain Relationships and Related Person Transactions—Stockholder Agreements” for more information on registration rights.

MATERIAL U.S. FEDERAL INCOME AND ESTATE TAX CONSEQUENCES FOR NON-U.S. HOLDERS OF COMMON STOCK

The following are the material U.S. federal income and estate tax consequences of the ownership and disposition of our common stock acquired in this offering by a “Non-U.S. Holder” that does not own, and has not owned, actually or constructively, more than 5% of our common stock. You are a Non-U.S. Holder if for U.S. federal income tax purposes you are a beneficial owner of our common stock and are:

- a nonresident alien individual;
- a foreign corporation; or
- a foreign estate or trust.

You are not a Non-U.S. Holder if you are a nonresident alien individual present in the United States for 183 days or more in the taxable year of disposition, or if you are a former citizen or former resident of the United States for U.S. federal income tax purposes. If you are such a person, you should consult your tax adviser regarding the U.S. federal income tax consequences of the ownership and disposition of our common stock.

If you are an entity or arrangement treated as a partnership for U.S. federal income tax purposes, the U.S. federal income tax treatment of a partner or beneficial owner of the entity will generally depend on the status of the partner or beneficial owner, the activities of the entity, and certain determinations made at the partner or beneficial owner level. Partners and beneficial owners in partnerships or other pass-through entities that own our common stock should consult their own tax advisors as to the particular U.S. federal income and estate tax consequences applicable to them.

This discussion is based on the Internal Revenue Code of 1986, as amended to the date hereof (the “Code”), administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, changes to any of which subsequent to the date of this prospectus may affect the tax consequences described herein, possibly with retroactive effect. This discussion does not describe all of the tax consequences that may be relevant to you in light of your particular circumstances, including minimum tax and Medicare contribution tax consequences and does not address any aspect of state, local or non-U.S. taxation, or any taxes other than income and estate taxes. In addition, this summary does not describe the U.S. federal income tax consequences applicable to you if you are subject to special treatment under U.S. federal income tax laws, including if you are a U.S. expatriate, a financial institution, an insurance company, a tax-exempt organization, a trader, broker or dealer in securities or currencies, a “controlled foreign corporation,” a “passive foreign investment company,” a person who acquired shares of our common stock as compensation or otherwise in connection with the performance of services, or a person who has acquired shares of our common stock as part of a straddle, hedge, conversion transaction or other integrated investment. You should consult your tax adviser with regard to the application of the U.S. federal tax laws to your particular situation, as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

Dividends

Distributions of cash or other property will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent those distributions exceed our current and accumulated earnings and profits, they will constitute a return of capital, which will first reduce your basis in our common stock, but not below zero, and then will be treated as gain from the sale of our common stock, as described below under “—Gain on Disposition of Our Common Stock.”

Dividends paid to you generally will be subject to withholding tax at a 30% rate or a reduced rate specified by an applicable income tax treaty. In order to obtain a reduced rate of withholding, you will be required to provide a properly executed applicable Internal Revenue Service (“IRS”) Form W-8 certifying your entitlement to benefits under a treaty. If you do not timely furnish the required documentation, but you qualify for a lower treaty rate, you may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. You should consult your tax adviser regarding your entitlement to benefits under any applicable income tax treaty.

If dividends paid to you are effectively connected with your conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment or fixed base maintained by you in the United States), you will generally be taxed on the dividends in the same manner as a U.S. person. In this case, you will be exempt from the withholding tax discussed in the preceding paragraph, although you will be required to provide a properly executed IRS Form W-8ECI in order to claim an exemption from withholding. You should consult your tax adviser with respect to other U.S. tax consequences of the ownership and disposition of our common stock, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate) if you are a corporation.

Gain on Disposition of Our Common Stock

Subject to the discussions below under “—Information Reporting and Backup Withholding” and “—FATCA,” you generally will not be subject to U.S. federal income or withholding tax on gain realized on a sale or other taxable disposition of our common stock unless:

- the gain is effectively connected with your conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by you in the United States), or
- we are or have been a “United States real property holding corporation,” as defined in the Code, at any time within the five-year period preceding the disposition or your holding period, whichever period is shorter, and our common stock has ceased to be regularly traded on an established securities market prior to the beginning of the calendar year in which the sale or disposition occurs.

We believe that we are not, and do not anticipate becoming, a United States real property holding corporation.

If you recognize gain on a sale or other disposition of our common stock that is effectively connected with your conduct of a trade or business in the United States (and if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by you in the United States), you will generally be taxed on such gain in the same manner as a U.S. person. You should consult your tax adviser with respect to other U.S. tax consequences of the ownership and disposition of our common stock, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate) if you are a corporation.

Information Reporting and Backup Withholding

Information returns are required to be filed with the IRS in connection with payments of distributions on our common stock, regardless of whether such distributions constitute dividends or whether any tax was actually withheld. Unless you comply with certification procedures to establish that you are not a U.S. person, information returns may also be filed with the IRS in connection with the proceeds from a sale or other disposition of our common stock. You may be subject to backup withholding on payments on our common stock or on the proceeds from a sale or other disposition of our common stock unless you comply with certification procedures to establish that you are not a U.S. person or otherwise establish an exemption. Your provision of a properly executed applicable IRS Form W-8 certifying your non-U.S. status will permit you to avoid backup withholding. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against your U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

FATCA

Provisions of the Code commonly referred to as “FATCA” require withholding of 30% on payments of dividends on our common stock, as well as of gross proceeds of dispositions of our common stock, to “foreign financial institutions” (which is broadly defined for this purpose and in general includes investment vehicles) and certain other non-U.S. entities unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of interests in or accounts with those entities) have been satisfied, or an exemption applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Under proposed regulations promulgated by Treasury on December 13, 2018, which state that taxpayers may rely on the proposed regulations until final regulations are issued, this withholding tax will not apply to the gross

proceeds from the sale or disposition of our common stock. You should consult your tax adviser regarding the effects of FATCA on your investment in our common stock.

Federal Estate Tax

Individual Non-U.S. Holders and entities the property of which is potentially includible in such an individual's gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers), should note that, absent an applicable treaty exemption, our common stock will be treated as U.S.-situs property subject to U.S. federal estate tax.

THIS DISCUSSION OF U.S. FEDERAL AND ESTATE INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. PROSPECTIVE HOLDERS SHOULD CONSULT THEIR TAX ADVISORS CONCERNING THE U.S. FEDERAL INCOME AND ESTATE TAX CONSEQUENCES TO THEM OF OWNING AND DISPOSING OF OUR COMMON STOCK, AS WELL AS THE APPLICATION OF ANY OTHER U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX LAWS.

UNDERWRITING

The selling stockholders are offering the shares of our common stock described in this prospectus in a firm commitment underwritten offering in which we, the selling stockholders and Piper Sandler & Co., as representative for the underwriters named below (the “Representative”), are entering into an underwriting agreement with respect to the shares of our common stock being offered hereby. Subject to certain conditions contained in the underwriting agreement, each underwriter will agree, severally and not jointly, to purchase, and the selling stockholders will agree, severally and not jointly, to sell the number of shares of our common stock as set forth opposite each underwriter’s name in the following table:

	Number of Shares
Piper Sandler & Co.	5,640,068
Keefe, Bruyette & Woods, A Stifel Company	1,611,448
D.A. Davidson & Co.	402,862
Stephens Inc.	402,862
Total	<u>8,057,240</u>

The underwriters are offering the shares of our common stock subject to a number of conditions contained in the underwriting agreement, including receipt and acceptance of our common stock by the underwriters. The obligations of the underwriters to pay for and accept delivery of the shares offered by this prospectus are subject to these conditions. The underwriting agreement between us, the selling stockholders and the underwriters provides that if any underwriter defaults, the purchase commitments of the non-defaulting underwriters may be increased or this offering may be terminated.

In connection with this offering, the underwriters or securities dealers may distribute offering documents to investors electronically. See “—Electronic Distribution.”

Option to Purchase Additional Shares

The selling stockholders have granted the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to 1,208,586 additional shares of our common stock, at the initial public offering price set forth on the cover page of this prospectus, less the underwriting discount. The underwriters may exercise this option solely for the purpose of covering over-allotments, if any, made in connection with the offering of the shares of our common stock offered by this prospectus. If the underwriters exercise this option, each underwriter will be obligated, subject to the conditions in the underwriting agreement, to purchase a number of additional shares of our common stock proportionate to the number of shares reflected next to such underwriter’s name in the table above relative to the total number of shares reflected in such table.

Indications of Interest

We have received a non-binding indication of interest from an entity affiliated with CDI American, an existing stockholder, to purchase up to 2,101,600 shares of our common stock in this offering at the initial public offering price per share, on the same terms as the other purchasers in this offering. If this investor purchases the full number of shares indicated, CDI American and such affiliated entity would beneficially own approximately 9.9% of our outstanding common stock after this offering. Because indications of interest are not binding agreements or commitments to purchase shares, this investor may determine to purchase more, fewer or no shares in this offering, and the underwriters may determine to sell more, fewer or no shares to this investor. The underwriters will receive the same underwriting discount and commissions on any shares sold to this investor as they will on any other shares sold to the public in this offering.

Underwriting Discount

Shares of our common stock sold by the underwriters to the public will be offered at the initial public offering price set forth on the cover of this prospectus. Any shares of our common stock sold by the underwriters to securities dealers may be sold at a discount of up to \$0.624 per share from the initial public offering price. If all of the shares of

our common stock are not sold at the initial public offering price, the Representative may change the offering price and the other selling terms. Sales of shares of our common stock made outside of the United States may be made by affiliates of the underwriters. The underwriters reserve the right to reject an order for the purchase of shares, in whole or in part.

The underwriting fee is equal to the public offering price per share of common stock less the amount paid by the underwriters to the selling stockholders per share of common stock. The underwriting fee is \$1.04 per share. The following table shows the per share and total underwriting discounts to be paid to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Full Exercise of option to purchase additional shares	No Exercise of option to purchase additional shares
Per share ⁽¹⁾	\$ 1.04	\$ 1.04
Total.....	\$ 9,636,459.04	\$ 8,379,529.60

- (1) The Underwriters have agreed to reimburse the selling stockholders \$0.08 per share of the gross underwriting discounts payable for the shares sold in this offering.

We estimate the total expenses of this offering, not including the underwriting discount, to be approximately \$3 million, and such expenses are payable by us. We have agreed to reimburse the underwriters for certain reasonable and documented out-of-pocket expenses incurred by the underwriters in connection with this offering, up to a maximum of \$450,000.

Lock-Up Agreements

We, our officers, directors, the selling stockholders and holders of substantially all of our outstanding common stock are entering into lock-up agreements with the underwriters. Under these agreements, we and each of these persons may not, without the prior written approval of the Representative and subject to certain exceptions:

- offer, pledge, announce the intention to sell, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock or any securities convertible into, exercisable or exchangeable for or that represent the right to receive our common stock whether now owned or hereafter acquired or with respect to which such person has or hereafter acquires the power of disposition, or exercise any right with respect to the registration thereof, or file or cause to be filed any registration statement under the Securities Act, with respect to any of the foregoing;
- enter into any swap, hedge, or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the lock-up shares of our common stock or such other securities, whether any such transaction is to be settled by delivery of the lock-up shares of our common stock or other securities, in cash or otherwise;
- make any demand for or exercise any right with respect to, the registration of any of the shares of our common stock or any security convertible into or exercisable or exchangeable for shares of our common stock; or
- publicly disclose the intention to do any of the foregoing.

These restrictions are subject to customary exceptions and will be in effect for a period of 180 days after the date of this prospectus. At any time and without public notice, the Representative may, in its sole discretion, waive or release all or some of the securities from these lock-up agreements.

These restrictions also apply to securities convertible into or exchangeable or exercisable for or repayable with our common stock to the same extent as they apply to our common stock. They also apply to common stock owned now or later acquired by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition.

Exchange Listing

We have been approved to list our common stock on the NYSE under the symbol “ASBH.”

Indemnification and Contribution

We and the selling stockholders have agreed to indemnify the underwriters and their affiliates, directors, officers, selling agents and controlling persons against certain liabilities, including under the Securities Act. If we and the selling stockholders are unable to provide this indemnification, we will contribute to the payments the underwriters and their affiliates, selling agents and controlling persons may be required to make in respect of those liabilities.

Offering Price Determination

Prior to this offering, there has been no public market for our common stock. The initial public offering price was determined through negotiations between us, the selling stockholders and the underwriters. In addition to prevailing market conditions, the factors considered in determining the initial public offering price were:

- the valuation multiples of publicly traded companies that the underwriters believe to be comparable to us;
- our financial information;
- the history of, and the prospects for, our company and the industry in which we compete;
- an assessment of our management, its past and present operations, and the prospects for, and timing of, our future revenues;
- our book value; and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the shares may not develop. It is also possible that after the offering the shares will not trade in the public market at or above the initial public offering price.

Price Stabilization, Short Positions and Penalty Bids

To facilitate this offering and in accordance with Regulation M under the Exchange Act, or Regulation M, the underwriters may engage in transactions that stabilize, maintain, or otherwise affect the price of our common stock, including:

- stabilizing transactions;
- short sales; and
- purchase to cover positions created by short sales.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of our common stock while this offering is in progress. These transactions may also include making short sales of our common stock, which involves the sale by the underwriters of a greater number of shares of our common stock than they are required to purchase in this offering. Short sales may be “covered short sales,” which are short positions in an amount not greater than the underwriters’ purchase option referred to above, or may be “naked short sales,” which are short positions in excess of that amount.

The underwriters may close out any covered short position either by exercising their purchase option, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which they may purchase shares through the purchase option described above. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market that could adversely affect investors who purchased in this offering.

As an additional means of facilitating our initial public offering, the underwriters may bid for, and purchase, shares of our common stock in the open market. The underwriting syndicate also may reclaim selling concessions allowed to an underwriter or a dealer for distributing shares of our common stock in this offering, if the syndicate repurchases previously distributed shares of our common stock to cover syndicate short positions or to stabilize the price of our common stock.

As a result of these activities, the price of our common stock may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the underwriters at any time without notice. The underwriters may carry out these transactions on the NYSE, in the over-the-counter market or otherwise.

Passive Market Making

In connection with this offering, the underwriters may engage in passive market making transactions in our common stock on the NYSE in accordance with Rule 103 of Regulation M during a period before the commencement of offers or sales of our common stock and extending through the completion of the distribution of this offering. A passive market maker must generally display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker's bid, the passive market maker may continue to bid and effect purchases at a price exceeding the then highest independent bid until specified purchase limits are exceeded, at which time such bid must be lowered to an amount no higher than the then highest independent bid. Passive market making may cause the price of our common stock to be higher than the price that otherwise would exist in the open market in the absence of those transactions. The underwriters engaged in passive market making are not required to engage in passive market making and may end passive market making activities at any time.

Electronic Distribution

A prospectus in electronic format may be made available by e-mail or on the websites or through online services maintained by one or more of the underwriters or their affiliates. In those cases, prospective investors may view offering terms online and may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of shares for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations. Other than the prospectus in electronic format, the information on the underwriters' websites and any information contained on any other website maintained by any of the underwriters is not part of this prospectus, has not been approved and/or endorsed by the underwriters or us, and should not be relied upon by investors.

Directed Share Program

At our request, the underwriters have reserved for sale, at the initial public offering price, up to 7% of the shares of our common stock offered by this prospectus for sale to our directors, officers, employees, business associates and related persons. Our directed share program will be administered by the Representative or its affiliates. Reserved shares purchased will not be subject to lock-up restrictions, except to the extent that the purchasers of such shares are otherwise subject to lock-up agreements as a result of their relationships with us. The number of shares of our common stock available for sale to the general public will be reduced to the extent these persons purchase the reserved shares. Any reserved shares of our common stock that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of our common stock offered by this prospectus.

Our Relationship with the Underwriters

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment advisory, investment research, principal investment, hedging, financing, loan referrals, valuation and brokerage activities. From time to time, the underwriters and/or their respective affiliates have directly and indirectly engaged, and may in the future engage, in various financial advisory, investment banking loan referrals and commercial banking services with us and our affiliates, including acting as placement agents and/or financial advisors for our equity and debt offerings, for which they received or were paid, or may in the future receive or be paid, customary compensation, fees, expense reimbursement and commissions for these transactions.

In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities)

and financial instruments (including bank loans) for their own account and for the accounts of their customers, and those investment and securities activities may involve securities and/or financial instruments of ours or our affiliates. The underwriters and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of those securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in those securities and instruments.

Our common stock is being offered by the underwriters, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of certain legal matters by counsel for the underwriters and other conditions.

Selling Restrictions

Other than in the United States, no action has been taken by us, the selling stockholders or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisement in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission in relation to this offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001, or the Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons, or the Exempt Investors, who are “sophisticated investors” (within the meaning of section 708(8) of the Corporations Act), “professional investors” (within the meaning of section 708(11) of the Corporations Act), or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under this offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Bermuda

The shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 of Bermuda which regulates the sale of securities in Bermuda. Additionally, non-Bermudian persons (including companies) may not carry on or engage in any trade or business in Bermuda unless such persons are permitted to do so under applicable Bermuda legislation.

Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration*

Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or DFSA. This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of our shares should conduct their own due diligence on such shares. If you do not understand the contents of this prospectus, you should consult an authorized financial advisor.

European Economic Area

In relation to each Member State of the European Economic Area, each of which we refer to as a Relevant State, no shares have been offered or will be offered pursuant to the offering to the public in that Relevant State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that the shares may be offered to the public in that Relevant State at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the underwriters for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the shares shall require the Company or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Each person in a Member State who receives any communication in respect of, or who acquires any shares under, the offering contemplated hereby will be deemed to have represented, warranted and agreed to and with each of the underwriters and their affiliates and us that:

- it is a qualified investor within the meaning of the Prospectus Regulation; and
- in the case of any shares acquired by it as a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, (i) the shares acquired by it in the offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Member State other than qualified investors, as that term is defined in the Prospectus Regulation, or

have been acquired in other circumstances falling within the points (a) to (d) of Article 1(4) of the Prospectus Regulation and the prior consent of the underwriters has been given to the offer or resale; or (ii) where the shares have been acquired by it on behalf of persons in any Member State other than qualified investors, the offer of those shares to it is not treated under the Prospectus Regulation as having been made to such persons.

We, the selling stockholders, and the underwriters and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgment and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the underwriters of such fact in writing may, with the prior consent of the underwriters, be permitted to acquire shares in the offering.

Hong Kong

In relation to Hong Kong, the shares may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong), or the Companies (Winding Up and Miscellaneous Provisions) Ordinance, or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), or the Securities and Futures Ordinance, or (ii) to “professional investors” as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

Israel

This prospectus does not constitute a prospectus under the Israeli Securities Law, 5728-1968, or the Israeli Securities Law, and has not been filed with or approved by the Israel Securities Authority. In Israel, this prospectus is being distributed only to, and is directed only at, and any offer of the shares is directed only at, (i) a limited number of persons in accordance with the Israeli Securities Law and (ii) investors listed in the first addendum, or the Addendum, to the Israeli Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters, venture capital funds, entities with equity in excess of NIS 50 million and “qualified individuals,” each as defined in the Addendum (as it may be amended from time to time), or, collectively referred to as qualified investors (in each case, purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors are required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of the same and agree to it.

Japan

The shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended), or the FIEA. The shares may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws and regulations of Japan in effect at the relevant time.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the shares may not be offered or sold, or made the subject of an invitation for subscription or purchase, nor may this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the shares be circulated, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Switzerland

This prospectus does not constitute an offer to the public or a solicitation to purchase or invest in any shares. No shares have been offered or will be offered to the public in Switzerland, except that offers of shares may be made to the public in Switzerland at any time under the following exemptions under the Swiss Financial Services Act (the “FinSA”):

- to any person which is a professional client as defined under the FinSA;
- to fewer than 500 persons (other than professional clients as defined under the FinSA), subject to obtaining the prior consent of the Representative for any such offer; or
- in any other circumstances falling within Article 36 FinSA in connection with Article 44 of the Swiss Financial Services Ordinance,

provided that no such offer of shares shall require us or any underwriter to publish a prospectus pursuant to Article 35 FinSA. The shares have not been and will not be listed or admitted to trading on a trading venue in Switzerland.

Neither this prospectus nor any other offering or marketing material relating to the shares constitutes a prospectus as such term is understood pursuant to the FinSA and neither this prospectus nor any other offering or marketing material relating to the shares may be publicly distributed or otherwise made publicly available in Switzerland.

United Arab Emirates

The shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the DIFC) other than in compliance with the laws of the United Arab Emirates (and the DIFC) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the DIFC) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the DFSA.

United Kingdom

This prospectus has been prepared on the basis that the offering of the shares falls within one of the exceptions specified in Part 1 of Schedule 1 of the Public Offers and Admissions to Trading Regulations 2024 (the “POATRs”) and, accordingly, there will not be a prospectus prepared or published for the purposes of the POATRs. This prospectus does not constitute a prospectus for the purposes of the POATRs.

An offer to the public of any shares may not be made in the United Kingdom, except that an offer to the public in the United Kingdom of any shares may be made at any time under the following exemptions:

- (a) at any time where the offer is conditional on the admission of the shares to trading on the London Stock Exchange plc’s main market (in reliance on the exception in paragraph 6(a) of Schedule 1 to the POATRs);
- (b) at any time to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 to the POATRs;
- (c) at any time to fewer than 150 persons (other than qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs) in the United Kingdom subject to obtaining the prior consent of the relevant underwriters nominated by us for any such offer; or
- (d) at any time in any other circumstances falling within Part 1 of Schedule 1 to the POATRs.

For the purposes of this provision, the expression an “offer to the public” in relation to any shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and the shares to be offered so as to enable an investor to decide to purchase or subscribe for the shares.

Brazil

The offer and sale of the shares of our common stock have not been and will not be registered with the Brazilian Securities Commission (Comissão de Valores Mobiliários, or “CVM”) and, therefore, will not be carried out by any means that would constitute a public offering in Brazil under CVM Resolution no 160, dated July 13, 2022, as amended, or unauthorized distribution under Brazilian laws and regulations. Our share of common stock may only be offered to Brazilian professional investors (as defined by applicable CVM regulation), who may only acquire the securities through a non-Brazilian account, with settlement outside Brazil in non-Brazilian currency. The trading of these securities on regulated securities markets in Brazil is prohibited.

LEGAL MATTERS

The validity of the shares of our common stock offered hereby will be passed upon for us by Davis Polk & Wardwell LLP. Certain legal matters will be passed upon for the underwriters by Skadden, Arps, Slate, Meagher & Flom LLP.

EXPERTS

The financial statements of American Savings Bank, F.S.B. as of December 31, 2025 and 2024, and for each of the two years in the period ended December 31, 2025, included in this registration statement have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in its report. Such financial statements are included in reliance upon the report of such firm given its authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

The shares of our common stock offered by this prospectus have not been registered with the Securities and Exchange Commission in reliance upon the exemption provided by section 3(a)(2) of the Securities Act of 1933. We have filed with the OCC a registration statement on Form S-1 under the Securities Act for the common stock offered by the selling stockholders for sale in this offering, and this prospectus is a part of that registration statement. This prospectus does not contain all of the information contained in the registration statement and the accompanying exhibits and schedules.

For further information about us and our common stock, we refer you to the registration statement and the accompanying exhibits and schedules. Statements or summaries contained in this prospectus regarding the contents of any contract or any other document to which we refer are not necessarily complete. In each instance, reference is made to the copy of the contract or document filed as an exhibit to the registration statement, and each statement is qualified in all respects by that reference. Copies of the registration statement and the accompanying exhibits and schedules may be inspected without charge at the public reference facilities maintained by the OCC at 400 7th Street, SW, Washington, D.C, 20219. You may also inspect these reports and other information without charge at a website maintained by the OCC. The address of this site is <https://occ.secureocp.com/App/ReadingRoom.aspx>.

Upon completion of this offering, we will become subject to the informational and reporting requirements of the Exchange Act and, in accordance with those requirements, as a national bank, we will file periodic and current reports, proxy statements and other information with the OCC. These periodic and current reports, proxy statements and other information will be available, free of charge, for inspection and copying at the OCC's public reference facilities and the website of the OCC referred to above. You can also obtain reports and proxy statements and other information about us, free of charge, at our website at <https://www.asbhawaii.com>. Information on, or accessible through, our website is not part of this prospectus. We intend to furnish to our stockholders our annual reports containing our audited financial statements certified by an independent registered public accounting firm.

Information that we file with the OCC after the date of this prospectus may supersede the information in this prospectus. You may read these reports and proxy statements and other information and obtain copies of such documents and information as described above.

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American Savings Bank, N.A.
Interim (Unaudited) Condensed Balance Sheets

(dollars in thousands)	June 30, 2026	December 31, 2025
Assets		
Cash and due from banks	\$ 145,718	\$ 112,962
Interest-bearing deposits in other financial institutions	83,168	286,993
Cash and cash equivalents	228,886	399,955
Investment securities		
Available-for-sale, at fair value (amortized cost of \$910,075 and \$794,860 at June 30, 2026 and December 31, 2025, respectively)	865,754	755,884
Held-to-maturity, at amortized cost (fair value of \$995,615 and \$1,030,890 at June 30, 2026 and December 31, 2025, respectively)	1,076,007	1,101,853
Federal Home Loan Bank and Federal Reserve Bank stock, at cost	16,179	16,366
Loans held for sale, at lower of cost or fair value	4,485	4,723
Loans held for investment	6,238,473	6,083,247
Allowance for credit losses	(61,535)	(57,557)
Net loans held for investment	6,176,938	6,025,690
Premises and equipment, net	172,404	174,956
Bank-owned life insurance	218,567	210,340
Accrued interest receivable	30,261	29,435
Mortgage servicing rights, net	6,183	6,579
Deferred tax asset	115,919	111,415
Other assets	137,577	142,290
Total assets	\$ 9,049,160	\$ 8,979,486
Liabilities and stockholders' equity		
Deposits		
Noninterest-bearing	\$ 2,524,356	\$ 2,498,000
Interest-bearing	5,667,132	5,639,022
Total deposits	8,191,488	8,137,022
Other liabilities	165,176	172,588
Total liabilities	8,356,664	8,309,610
Commitments and contingencies (Note 10)		
Stockholders' equity		
Preferred stock, Series A, no par value, liquidation preference \$1,000 per share. Authorized 30 shares. Issued and outstanding: 5 shares	5	5
Common stock, \$1 par value. Authorized, issued, and outstanding: 9,000 shares	9	9
Additional paid-in capital	359,704	359,704
Accumulated other comprehensive loss, net of taxes	(134,118)	(136,020)
Retained earnings	466,896	446,178
Total stockholders' equity	692,496	669,876
Total liabilities and stockholders' equity	\$ 9,049,160	\$ 8,979,486

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

American Savings Bank, N.A.
Interim (Unaudited) Condensed Statements of Income (Loss)

(dollars and shares in thousands)	Six months ended June 30,	
	2026	2025
Interest income		
Loans	\$ 150,221	\$ 148,932
Investment securities	24,156	20,311
Other	2,960	8,005
Total interest income	177,337	177,248
Interest expense		
Deposits	27,855	33,160
Other borrowings	21	6,689
Total interest expense	27,876	39,849
Net interest income	149,461	137,399
Provision for credit losses	4,347	5,079
Net interest income after provision for credit losses	145,114	132,320
Noninterest income		
Service charges on deposit accounts	9,706	9,554
Other service charges and fees	16,500	15,589
Income from investment services	7,681	6,663
Mortgage banking income	393	407
Bank-owned life insurance	8,227	2,920
Loss on sale of investment securities, net	—	(149,869)
Other income, net	1,423	1,479
Total noninterest income	43,930	(113,257)
Noninterest expense		
Salaries and employee benefits	69,172	60,250
Occupancy	10,884	10,712
Data processing	11,160	10,860
Services	5,163	5,352
Equipment	4,560	4,711
FDIC insurance	2,155	3,378
Marketing	1,714	1,962
Office supplies, printing and postage	2,281	2,089
Pension plan settlement charge	(717)	—
Other expense	11,590	8,453
Total noninterest expense	117,962	107,767
Income (loss) before income taxes	71,082	(88,704)
Income tax expense (benefit)	15,354	(27,196)
Net income (loss)	\$ 55,728	\$ (61,508)
Basic earnings (loss) per common share	\$ 6,192	\$ (6,834)
Basic weighted average common shares outstanding	9	9

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

American Savings Bank, N.A.
Interim (Unaudited) Condensed Statements of Comprehensive Income

(dollars in thousands)	Six months ended June 30,	
	2026	2025
Net income (loss)	\$ 55,728	\$ (61,508)
Other comprehensive income (loss), net of taxes		
Net unrealized gains (losses) on available-for-sale investment securities:		
Net unrealized gain (losses) on available-for-sale investment securities arising during the period	(3,912)	17,957
Reclassification adjustment for net realized losses included in net income	—	109,708
Amortization of unrealized holding losses on held-to-maturity investment securities	5,814	5,998
Retirement benefit plans:		
Adjustment for amortization of prior service credit and net benefits recognized during the period in net periodic benefit cost	—	(1,647)
Other comprehensive income, net of tax benefits	1,902	132,016
Comprehensive income	\$ 57,630	\$ 70,508

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

American Savings Bank, N.A.
Interim (Unaudited) Condensed Statements of Changes in Stockholders' Equity

(dollars in thousands)	Preferred stock	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income (loss)	Total
Balance, December 31, 2024	\$ —	\$ 9	\$ 359,704	\$ 476,372	\$ (289,627)	\$ 546,458
Net loss	—	—	—	(61,508)	—	(61,508)
Other comprehensive income, net of taxes	—	—	—	—	132,016	132,016
Balance, June 30, 2025	\$ —	\$ 9	\$ 359,704	\$ 414,864	\$ (157,611)	\$ 616,966
Balance, December 31, 2025	\$ 5	\$ 9	\$ 359,704	\$ 446,178	\$ (136,020)	\$ 669,876
Net income	—	—	—	55,728	—	55,728
Other comprehensive income, net of taxes	—	—	—	—	1,902	1,902
Common stock dividends paid (\$1,945 per share)	—	—	—	(35,010)	—	(35,010)
Balance, June 30, 2026	\$ 5	\$ 9	\$ 359,704	\$ 466,896	\$ (134,118)	\$ 692,496

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

American Savings Bank, N.A.
Interim (Unaudited) Condensed Statements of Cash Flows

(dollars in thousands)	Six months ended June 30,	
	2026	2025
Cash flows from operating activities		
Net income (loss)	\$ 55,728	\$ (61,508)
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Depreciation of premises and equipment	4,833	4,953
Net amortization of discounts and premiums	9,748	8,720
Deferred income taxes	(5,200)	(36,613)
Provision for credit losses	4,347	5,079
Loss on sale of investment securities, net	—	149,869
Proceeds from sale of loans, held for sale	29,484	30,591
Loans originated, held for sale	(29,022)	(28,563)
Gain on sale of loans	(393)	(407)
Pension plan settlement charge	(717)	—
Net loss on sale or disposal of premises and equipment	—	2
Changes in assets and liabilities		
Decrease (increase) in accrued interest receivable	(826)	(9)
Increase (decrease) in accrued interest payable	(157)	(1,272)
Increase (decrease) in federal and state income taxes, net	(2,722)	727
Net changes in other assets and liabilities	(12,465)	(13,489)
Net cash provided by operating activities	52,638	58,080
Cash flows from investing activities		
Investment securities available-for-sale		
Purchases	(273,111)	(265,316)
Proceeds from sales	—	585,429
Proceeds from principal repayments and maturities	157,301	48,946
Investment securities held-to-maturity		
Proceeds from principal repayments and maturities	32,497	28,388
Purchase of Federal Home Loan Bank and Federal Reserve Bank stock	(8,662)	—
Redemption of Federal Home Loan Bank stock	8,849	23,629
Net decrease (increase) in loans held for investment	(154,553)	20,617
Additions to premises and equipment, net	(2,544)	(2,182)
Contributions to low-income housing investments	(4,118)	(3,552)
Net cash provided by (used in) investing activities	(244,341)	435,959

American Savings Bank, N.A.
Interim (Unaudited) Condensed Statements of Cash Flows

(dollars in thousands)	Six months ended June 30,	
	2026	2025
Cash flows from financing activities		
Net increase (decrease) in deposits	54,466	(28,073)
Repayment of other borrowings	—	(520,000)
Common stock dividends paid	(35,010)	—
Net increase (decrease) in borrowers' mortgage escrow accounts	1,178	1,154
Net cash provided by (used in) financing activities	20,634	(546,919)
Net increase (decrease) in cash and cash equivalents	(171,069)	(52,880)
Cash and cash equivalents, January 1	399,955	352,225
Cash and cash equivalents, June 30	\$ 228,886	\$ 299,345

Supplemental disclosures of cash flow information

Noncash activities

Obligations to fund low-income housing investments	\$ —	\$ 8,563
Unpaid invoices and accruals for premises and equipment	317	70
Right-of-use assets obtained in exchange for operating lease obligations	711	4,294

Cash paid for

Interest	28,033	41,121
Income taxes, net	14,938	1,020

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

Notes to Condensed Financial Statements (Unaudited)

1 • Basis of Presentation and Accounting Policies

American Savings Bank, N.A. (the “Bank,” or “ASB”) provides a broad range of banking services to individual and business customers through its branch system in Hawaii. The Bank operates as one operating and reportable segment: community banking.

The Bank's earnings depend primarily on net interest income, which is the difference between interest earned on earning assets (loans and investment securities) and interest paid on costing liabilities (deposits and borrowings). Deposits continue to be the largest source of funds for the Bank for use in lending, meeting liquidity requirements, and making investments.

Effective January 1, 2026, the Bank converted from a federal savings bank to a national banking association.

Basis of Presentation

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information. Accordingly, the financial statements do not include all of the information and footnotes required by GAAP for complete financial statements and should be read in conjunction with the Bank's audited financial statements and notes thereto. The accompanying financial statements in this report have not been audited by an independent registered public accounting firm, but in the opinion of management, all adjustments necessary to present fairly the financial position and the results of operations for the interim periods have been made and subsequent events have been evaluated for potential recognition or disclosure.

The results of operations for the six months ended June 30, 2026 are not necessarily indicative of results to be attained for the full year or any other interim period. In preparing the financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Actual results could differ significantly from those estimates.

The Bank's significant accounting policies are described in Note 2 of the Notes to Financial Statements for the year ended December 31, 2025. There were no new accounting policies or changes to existing policies adopted during the six months ended June 30, 2026 which had a significant effect on the Bank's statements of income (loss) or balance sheet. For interim reporting purposes, the Bank follows the same basic accounting policies and considers each interim period as an integral part of an annual period.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period's presentation. These reclassifications had no impact on previously reported total assets, total liabilities, net income or cash flows. The changes were made to improve comparability and align with our updated financial statement presentation.

2 • Investment Securities

The major components of investment securities were as follows:

(dollars in thousands)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
June 30, 2026				
Available-for-sale				
U.S. Treasury and federal agency obligations	\$ 121,297	\$ 15	\$ (321)	\$ 120,991
Residential mortgage-backed securities*	600,425	289	(39,034)	561,680
Commercial mortgage-backed securities*	149,040	68	(5,170)	143,938
Corporate bonds	26,412	34	(202)	26,244
Mortgage revenue bonds	12,901	—	—	12,901
Total	\$ 910,075	\$ 406	\$ (44,727)	\$ 865,754
Held-to-maturity				
U.S. Treasury and federal agency obligations	\$ 59,977	\$ —	\$ (4,560)	\$ 55,417
Residential mortgage-backed securities*	524,545	702	(15,652)	509,595
Commercial mortgage-backed securities*	491,485	—	(60,882)	430,603
Total	\$ 1,076,007	\$ 702	\$ (81,094)	\$ 995,615
December 31, 2025				
Available-for-sale				
U.S. Treasury and federal agency obligations	\$ 153,679	\$ 199	\$ (105)	\$ 153,773
Residential mortgage-backed securities*	501,863	1,339	(35,365)	467,837
Commercial mortgage-backed securities*	91,147	59	(4,758)	86,448
Corporate bonds	34,965	—	(345)	34,620
Mortgage revenue bonds	13,206	—	—	13,206
Total	\$ 794,860	\$ 1,597	\$ (40,573)	\$ 755,884
Held-to-maturity				
U.S. Treasury and federal agency obligations	\$ 59,965	\$ —	\$ (4,274)	\$ 55,691
Residential mortgage-backed securities*	543,814	2,572	(9,544)	536,842
Commercial mortgage-backed securities*	498,074	191	(59,908)	438,357
Total	\$ 1,101,853	\$ 2,763	\$ (73,726)	\$ 1,030,890

* Issued or guaranteed by U.S. Government agencies or sponsored enterprises

U.S. Treasury, federal agency obligations, corporate bonds, and mortgage revenue bonds have contractual terms to maturity. Mortgage-backed securities have contractual terms to maturity, but require periodic payments to reduce principal. In addition, expected maturities will differ from contractual maturities because borrowers have the right to prepay the underlying mortgages.

The contractual maturities of investment securities were as follows:

(dollars in thousands)	Amortized cost	Fair value
June 30, 2026		
Available-for-sale		
Due in one year or less	\$ 25,032	\$ 25,019
Due after one year through five years	26,412	26,244
Due after five years through ten years	109,166	108,873
Due after ten years	—	—
Mortgage-backed securities*	749,465	705,618
Total available-for-sale securities	\$ 910,075	\$ 865,754
Held-to-maturity		
Due in one year or less	\$ —	\$ —
Due after one year through five years	59,977	55,417
Due after five years through ten years	—	—
Due after ten years	—	—
Mortgage-backed securities*	1,016,030	940,198
Total held-to-maturity securities	\$ 1,076,007	\$ 995,615

*Issued or guaranteed by U.S. Government agencies or sponsored enterprises

Proceeds, gross gains and gross losses realized from sales of available-for-sale securities were as follows:

(dollars in thousands)	Six months ended June 30,	
	2026	2025
Proceeds	\$ —	\$ 585,429
Gross gains	—	—
Gross losses	—	(118,522)

Interest income from taxable and non-taxable investment securities were as follows:

(dollars in thousands)	Six months ended June 30,	
	2026	2025
Taxable	\$ 23,461	\$ 19,565
Non-taxable	695	746
Total interest on investment securities	\$ 24,156	\$ 20,311

The Bank pledged securities with a carrying value of approximately \$0.8 billion as of June 30, 2026 and December 31, 2025, as collateral for public funds and other deposits, mortgage pipeline hedge margin, automated clearinghouse transactions, the Federal Reserve Bank of San Francisco discount window and bankruptcy account, the Federal Home Loan Bank of Des Moines advance line and to secure other borrowing capacity.

Investment securities by category and length of time in a continuous unrealized loss position were as follows:

(dollars in thousands)	Less than 12 months			12 months or longer			Total		
	Fair value	Gross unrealized losses	Count	Fair value	Gross unrealized losses	Count	Fair value	Gross unrealized losses	Count
June 30, 2026									
Available-for-sale									
U.S. Treasury and federal agency obligations	\$ 84,143	\$ (303)	13	\$ 1,047	\$ (18)	2	\$ 85,190	\$ (321)	15
Residential mortgage-backed securities*	216,067	(5,078)	35	266,856	(33,956)	32	482,923	(39,034)	67
Commercial mortgage-backed securities*	73,332	(212)	12	36,848	(4,958)	7	110,180	(5,170)	19
Corporate bonds	—	—	—	11,857	(202)	1	11,857	(202)	1
Total	\$ 373,542	\$ (5,593)	60	\$ 316,608	\$ (39,134)	42	\$ 690,150	\$ (44,727)	102
Held-to-maturity									
U.S. Treasury and federal agency obligations	\$ —	\$ —	—	\$ 55,418	\$ (4,560)	3	\$ 55,418	\$ (4,560)	3
Residential mortgage-backed securities*	262,586	(7,688)	28	167,736	(7,964)	24	430,322	(15,652)	52
Commercial mortgage-backed securities*	31,529	(392)	5	399,074	(60,490)	35	430,603	(60,882)	40
Total	\$ 294,115	\$ (8,080)	33	\$ 622,228	\$ (73,014)	62	\$ 916,343	\$ (81,094)	95
December 31, 2025									
Available-for-sale									
U.S. Treasury and federal agency obligations	\$ 36,737	\$ (70)	6	\$ 2,935	\$ (35)	5	\$ 39,672	\$ (105)	11
Residential mortgage-backed securities*	42,742	(2,522)	9	286,303	(32,843)	32	329,045	(35,365)	41
Commercial mortgage-backed securities*	20,355	(31)	3	38,487	(4,727)	7	58,842	(4,758)	10
Corporate bonds	—	—	—	34,620	(345)	3	34,620	(345)	3
Total	\$ 99,834	\$ (2,623)	18	\$ 362,345	\$ (37,950)	47	\$ 462,179	\$ (40,573)	65
Held-to-maturity									
U.S. Treasury and federal agency obligations	\$ —	\$ —	—	\$ 55,691	\$ (4,274)	3	\$ 55,691	\$ (4,274)	3
Residential mortgage-backed securities*	99,322	(1,541)	11	313,654	(8,003)	37	412,976	(9,544)	48
Commercial mortgage-backed securities*	—	—	—	404,603	(59,908)	35	404,603	(59,908)	35
Total	\$ 99,322	\$ (1,541)	11	\$ 773,948	\$ (72,185)	75	\$ 873,270	\$ (73,726)	86

* Issued or guaranteed by U.S. Government agencies or sponsored enterprises

The Bank does not believe that the investment securities that were in an unrealized loss position as of June 30, 2026, represent a credit loss. Total gross unrealized losses were primarily attributable to changes in market conditions. On a quarterly basis the investment securities are evaluated for changes in financial condition of the issuer. Based upon the Bank's evaluation, all securities held within the investment portfolio continue to be rated investment grade by one or more agencies. The contractual cash flows of the U.S. Treasury, federal agency obligations and agency mortgage-backed securities are backed by the full faith and credit guaranty of the United States government, an agency of the government or a government-sponsored entity. The Bank does not intend to sell the securities before the recovery of its amortized cost basis and there have been no adverse changes in the timing of the contractual cash flows for the securities. The Bank's investment securities portfolio did not require an allowance for credit losses as of June 30, 2026.

3 • Loans

The components of loans were summarized as follows:

(dollars in thousands)	June 30, 2026	December 31, 2025
Real estate loans		
Residential mortgage	\$ 2,745,794	\$ 2,739,266
Commercial real estate	1,586,748	1,484,535
Home equity line of credit	915,405	933,990
Residential land	14,579	14,609
Commercial construction	183,325	195,600
Residential construction	17,981	17,312
Total real estate loans	5,463,832	5,385,312
Commercial & industrial	661,964	591,316
Consumer	121,811	115,742
Total loans	6,247,607	6,092,370
Deferred loan fees and discounts	(9,134)	(9,123)
Total loans, net	6,238,473	6,083,247
Allowance for credit losses (Note 4)	(61,535)	(57,557)
Total loans, net after allowance for credit losses	\$ 6,176,938	\$ 6,025,690

The Bank's policy is to require private mortgage insurance on all real estate loans when the loan-to-value ratio of the property exceeds 80% of the lower of the appraised value or purchase price at origination.

As of June 30, 2026 and December 31, 2025, the Bank had pledged loans with an amortized cost of approximately \$3.2 billion as collateral to secure advances from the Federal Home Loan Bank (FHLB).

4 • Allowance for Credit Losses

Allowance for Credit Losses

The allowance for credit losses (balances and changes) by portfolio were as follows:

(dollars in thousands)	Residential mortgage	Commercial real estate	Home equity line of credit	Residential land	Commercial construction	Residential construction	Commercial & industrial	Consumer	Total
Six months ended June 30, 2026									
Allowance for credit losses									
Beginning balance	\$ 9,769	\$ 15,130	\$ 8,132	\$ 444	\$ 7,107	\$ 33	\$ 6,969	\$ 9,973	\$ 57,557
Charge-offs	—	—	—	—	—	—	(94)	(2,782)	(2,876)
Recoveries	22	—	127	30	—	—	614	1,714	2,507
Net (charge-offs) recoveries	22	—	127	30	—	—	520	(1,068)	(369)
Provision (benefit)	720	3,852	(1,027)	(43)	(2,612)	1	2,793	663	4,347
Ending balance	\$ 10,511	\$ 18,982	\$ 7,232	\$ 431	\$ 4,495	\$ 34	\$ 10,282	\$ 9,568	\$ 61,535
Six months ended June 30, 2025									
Allowance for credit losses									
Beginning balance	\$ 5,666	\$ 17,743	\$ 6,961	\$ 529	\$ 3,088	\$ 40	\$ 8,307	\$ 21,897	\$ 64,231
Charge-offs	—	—	—	—	—	—	(533)	(5,270)	(5,803)
Recoveries	6	—	93	120	—	—	765	1,437	2,421
Net (charge-offs) recoveries	6	—	93	120	—	—	232	(3,833)	(3,382)
Provision (benefit)	799	(3,391)	(668)	(176)	184	(10)	3,023	4,918	4,679
Ending balance	\$ 6,471	\$ 14,352	\$ 6,386	\$ 473	\$ 3,272	\$ 30	\$ 11,562	\$ 22,982	\$ 65,528

Allowance for Loan Commitments

The allowance for loan commitments by portfolio were as follows:

(dollars in thousands)	Home equity line of credit	Commercial construction	Commercial & industrial	Total
Six months ended June 30, 2026				
Allowance for loan commitments				
Beginning balance	\$ 600	\$ 3,100	\$ 1,500	\$ 5,200
Provision (benefit)	—	500	(500)	—
Ending balance	\$ 600	\$ 3,600	\$ 1,000	\$ 5,200
Six months ended June 30, 2025				
Allowance for loan commitments				
Beginning balance	\$ 700	\$ 3,100	\$ 400	\$ 4,200
Provision (benefit)	(100)	(700)	1,200	400
Ending balance	\$ 600	\$ 2,400	\$ 1,600	\$ 4,600

Credit Quality

The Bank performs an internal loan review and grading on an ongoing basis. The review provides management with periodic information as to the quality of the loan portfolio and effectiveness of its lending policies and procedures. The objectives of the loan review and grading procedures are to identify, in a timely manner, existing or emerging credit trends so that appropriate steps can be initiated to manage risk and avoid or minimize future losses. Loans subject to grading include commercial & industrial, commercial real estate and commercial construction loans.

Each commercial & industrial and commercial real estate loan is assigned an Asset Quality Rating (“AQR”) reflecting the likelihood of repayment or orderly liquidation of that loan transaction pursuant to regulatory credit classifications: Pass, Special Mention, Substandard, Doubtful, and Loss. Pass exposures generally are well protected by the current net worth and paying capacity of the obligor or by the value of the asset or underlying collateral. Special Mention loans have potential weaknesses that, if left uncorrected, could jeopardize the liquidation of the debt. Substandard loans have well-defined weaknesses that jeopardize the liquidation of the debt and are characterized by the distinct possibility that the Bank may sustain some loss. An asset classified Doubtful has the weaknesses of those classified Substandard, with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently existing facts, conditions, and values, highly questionable and improbable. An asset classified Loss is considered uncollectible and has such little value that its continuance as a bankable asset is not warranted.

The credit risk profile by vintage date based on payment activity or internally assigned grade for loans was as follows:

	Term Loans by Origination Year						Revolving Loans		
(dollars in thousands)	2026	2025	2024	2023	2022	Prior	Revolving loans	Converted to term loans	Total
June 30, 2026									
Residential mortgage									
Current	\$ 124,858	\$ 305,017	\$ 152,642	\$ 211,992	\$ 357,130	\$1,584,201	\$ —	\$ —	\$2,735,840
30-59 days past due	—	—	—	699	—	3,804	—	—	4,503
60-89 days past due	—	—	—	358	—	135	—	—	493
Greater than 89 days past due	—	734	—	—	691	3,533	—	—	4,958
Total residential mortgage	124,858	305,751	152,642	213,049	357,821	1,591,673	—	—	2,745,794
Home equity line of credit									
Current	—	—	—	—	—	—	829,445	80,941	910,386
30-59 days past due	—	—	—	—	—	—	1,215	480	1,695
60-89 days past due	—	—	—	—	—	—	892	21	913
Greater than 89 days past due	—	—	—	—	—	—	1,284	1,127	2,411
Total home equity line of credit	—	—	—	—	—	—	832,836	82,569	915,405
Residential land									
Current	1,580	6,030	5,022	1,947	—	—	—	—	14,579
30-59 days past due	—	—	—	—	—	—	—	—	—
60-89 days past due	—	—	—	—	—	—	—	—	—
Greater than 89 days past due	—	—	—	—	—	—	—	—	—
Total residential land	1,580	6,030	5,022	1,947	—	—	—	—	14,579
Residential construction									
Current	2,641	11,866	2,887	—	587	—	—	—	17,981
30-59 days past due	—	—	—	—	—	—	—	—	—
60-89 days past due	—	—	—	—	—	—	—	—	—
Greater than 89 days past due	—	—	—	—	—	—	—	—	—
Total residential construction	2,641	11,866	2,887	—	587	—	—	—	17,981
Consumer									
Current	38,203	42,780	17,966	9,645	3,049	1,049	4,883	2,480	120,055
30-59 days past due	259	182	148	94	41	—	15	63	802
60-89 days past due	89	225	44	99	44	—	14	13	528
Greater than 89 days past due	4	149	129	26	35	—	49	34	426
Total consumer	38,555	43,336	18,287	9,864	3,169	1,049	4,961	2,590	121,811
Commercial real estate									
Pass	144,838	148,036	105,073	98,793	327,032	653,389	24,303	—	1,501,464
Special Mention	—	—	—	23,918	2,594	4,612	—	—	31,124
Substandard	—	—	—	—	17,500	36,660	—	—	54,160
Doubtful	—	—	—	—	—	—	—	—	—
Total commercial real estate	144,838	148,036	105,073	122,711	347,126	694,661	24,303	—	1,586,748
Commercial construction									
Pass	6,029	42,018	19,367	7,460	15,637	—	43,636	2,970	137,117
Special Mention	—	—	—	—	14,937	—	—	—	14,937
Substandard	—	—	6,271	19,700	—	—	5,300	—	31,271
Doubtful	—	—	—	—	—	—	—	—	—
Total commercial construction	6,029	42,018	25,638	27,160	30,574	—	48,936	2,970	183,325
Commercial & industrial									
Pass	112,737	99,626	103,515	39,338	95,864	111,566	89,318	8,466	660,430
Special Mention	—	—	—	117	—	—	—	—	117
Substandard	—	—	—	—	—	1,289	—	128	1,417
Doubtful	—	—	—	—	—	—	—	—	—
Total commercial & industrial	112,737	99,626	103,515	39,455	95,864	112,855	89,318	8,594	661,964
Total loans	\$ 431,238	\$ 656,663	\$ 413,064	\$ 414,186	\$ 835,141	\$2,400,238	\$1,000,354	\$ 96,723	\$6,247,607

	Term Loans by Origination Year						Revolving Loans		
(dollars in thousands)	2025	2024	2023	2022	2021	Prior	Revolving Loans	Converted to Term Loans	Total
December 31, 2025									
Residential mortgage									
Current	\$ 319,548	\$ 165,551	\$ 224,614	\$ 364,875	\$ 656,720	\$ 993,335	\$ —	\$ —	\$2,724,643
30-59 days past due	284	—	728	1,711	4,183	3,093	—	—	9,999
60-89 days past due	—	—	—	691	—	—	—	—	691
Greater than 89 days past due	734	—	—	—	1,723	1,476	—	—	3,933
Total residential mortgage	320,566	165,551	225,342	367,277	662,626	997,904	—	—	2,739,266
Home equity line of credit									
Current	—	—	—	—	—	—	853,621	74,805	928,426
30-59 days past due	—	—	—	—	—	—	1,252	283	1,535
60-89 days past due	—	—	—	—	—	—	1,211	139	1,350
Greater than 89 days past due	—	—	—	—	—	—	2,025	654	2,679
Total home equity line of credit	—	—	—	—	—	—	858,109	75,881	933,990
Residential land									
Current	6,054	5,332	2,772	263	188	—	—	—	14,609
30-59 days past due	—	—	—	—	—	—	—	—	—
60-89 days past due	—	—	—	—	—	—	—	—	—
Greater than 89 days past due	—	—	—	—	—	—	—	—	—
Total residential land	6,054	5,332	2,772	263	188	—	—	—	14,609
Residential construction									
Current	9,187	6,595	937	593	—	—	—	—	17,312
30-59 days past due	—	—	—	—	—	—	—	—	—
60-89 days past due	—	—	—	—	—	—	—	—	—
Greater than 89 days past due	—	—	—	—	—	—	—	—	—
Total residential construction	9,187	6,595	937	593	—	—	—	—	17,312
Consumer									
Current	55,689	25,227	15,055	7,102	971	418	6,400	2,537	113,399
30-59 days past due	396	205	199	145	1	—	51	38	1,035
60-89 days past due	160	206	142	79	—	—	7	40	634
Greater than 89 days past due	140	217	85	147	—	—	59	26	674
Total consumer	56,385	25,855	15,481	7,473	972	418	6,517	2,641	115,742
Commercial real estate									
Pass	161,132	107,025	120,937	334,835	167,665	526,367	24,303	—	1,442,264
Special Mention	—	—	923	2,614	—	—	—	—	3,537
Substandard	—	—	—	17,500	20,640	594	—	—	38,734
Doubtful	—	—	—	—	—	—	—	—	—
Total commercial real estate	161,132	107,025	121,860	354,949	188,305	526,961	24,303	—	1,484,535
Commercial construction									
Pass	31,581	19,408	26,834	40,613	—	—	59,217	2,985	180,638
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	10,383	—	—	—	—	—	10,383
Doubtful	—	—	4,579	—	—	—	—	—	4,579
Total commercial construction	31,581	19,408	41,796	40,613	—	—	59,217	2,985	195,600
Commercial & industrial									
Pass	125,115	101,538	62,883	109,449	38,854	80,882	64,252	6,807	589,780
Special Mention	—	—	127	—	—	—	—	—	127
Substandard	—	—	—	—	—	1,289	—	120	1,409
Doubtful	—	—	—	—	—	—	—	—	—
Total commercial & industrial	125,115	101,538	63,010	109,449	38,854	82,171	64,252	6,927	591,316
Total loans	\$ 710,020	\$ 431,304	\$ 471,198	\$ 880,617	\$ 890,945	\$1,607,454	\$1,012,398	\$ 88,434	\$6,092,370

Gross charge-offs by portfolio and vintage were as follows:

(dollars in thousands)	2026	2025	2024	2023	2022	Prior	Total
Six months ended June 30, 2026							
Residential mortgage	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Commercial real estate	—	—	—	—	—	—	—
Home equity line of credit	—	—	—	—	—	—	—
Residential land	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—
Residential construction	—	—	—	—	—	—	—
Commercial & industrial	—	25	50	—	10	9	94
Consumer	487	993	649	345	241	67	2,782
Total	\$ 487	\$ 1,018	\$ 699	\$ 345	\$ 251	\$ 76	\$ 2,876

(dollars in thousands)	2025	2024	2023	2022	2021	Prior	Total
Six months ended June 30, 2025							
Residential mortgage	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Commercial real estate	—	—	—	—	—	—	—
Home equity line of credit	—	—	—	—	—	—	—
Residential land	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—
Residential construction	—	—	—	—	—	—	—
Commercial & industrial	—	—	141	45	61	286	533
Consumer	586	760	1,298	2,277	239	110	5,270
Total	\$ 586	\$ 760	\$ 1,439	\$ 2,322	\$ 300	\$ 396	\$ 5,803

Revolving loans converted to term loans for the six months ended June 30, 2026 in the commercial & industrial, home equity line of credit and consumer portfolios were \$3.0 million, \$13.8 million, and \$0.9 million, respectively.

Revolving loans converted to term loans for the six months ended June 30, 2025 in the commercial & industrial, home equity line of credit and consumer portfolios were \$4.4 million, \$9.9 million, and \$1.0 million, respectively.

The credit risk profile based on payment activity for loans was as follows:

(dollars in thousands)	30-59 days past due	60-89 days past due	90 days or more past due	Total past due	Current	Total loans	Recorded investment > 90 days and accruing
June 30, 2026							
Real estate							
Residential mortgage	\$ 4,503	\$ 493	\$ 4,958	\$ 9,954	\$ 2,735,840	\$ 2,745,794	\$ 3,506
Commercial real estate	—	—	—	—	1,586,748	1,586,748	—
Home equity line of credit	1,695	913	2,411	5,019	910,386	915,405	—
Residential land	—	—	—	—	14,579	14,579	—
Commercial construction	—	25,000	—	25,000	158,325	183,325	—
Residential construction	—	—	—	—	17,981	17,981	—
Commercial & industrial	257	48	48	353	661,611	661,964	—
Consumer	802	528	426	1,756	120,055	121,811	—
Total loans	\$ 7,257	\$ 26,982	\$ 7,843	\$ 42,082	\$ 6,205,525	\$ 6,247,607	\$ 3,506
December 31, 2025							
Real estate							
Residential mortgage	\$ 9,999	\$ 691	\$ 3,933	\$ 14,623	\$ 2,724,643	\$ 2,739,266	\$ 2,481
Commercial real estate	110	—	—	110	1,484,425	1,484,535	—
Home equity line of credit	1,535	1,350	2,679	5,564	928,426	933,990	—
Residential land	—	—	—	—	14,609	14,609	—
Commercial construction	—	—	—	—	195,600	195,600	—
Residential construction	—	—	—	—	17,312	17,312	—
Commercial & industrial	59	10	25	94	591,222	591,316	—
Consumer	1,035	634	674	2,343	113,399	115,742	—
Total loans	\$ 12,738	\$ 2,685	\$ 7,311	\$ 22,734	\$ 6,069,636	\$ 6,092,370	\$ 2,481

The credit risk profile based on nonaccrual loans were as follows:

(dollars in thousands)	June 30, 2026			December 31, 2025		
	With a related ACL	Without a related ACL	Total	With a related ACL	Without a related ACL	Total
Real estate						
Residential mortgage	\$ 745	\$ 1,452	\$ 2,197	\$ 3,965	\$ 1,453	\$ 5,418
Commercial real estate	—	—	—	—	—	—
Home equity line of credit	3,173	1,997	5,170	2,715	1,928	4,643
Residential land	—	—	—	—	—	—
Commercial construction	—	—	—	14,962	—	14,962
Residential construction	—	—	—	—	—	—
Commercial & industrial	129	—	129	120	—	120
Consumer	915	—	915	1,107	—	1,107
Total	\$ 4,962	\$ 3,449	\$ 8,411	\$ 22,869	\$ 3,381	\$ 26,250

ASB did not recognize interest on nonaccrual loans for the six months ended June 30, 2026 and 2025.

Modifications Made to Borrowers Experiencing Financial Difficulty.

The allowance for credit losses incorporates an estimate of lifetime expected credit losses and is recorded on each asset upon origination. The starting point for the estimate of the allowance for credit losses is historical loan information, which includes losses from modifications of receivables to borrowers experiencing financial difficulty. ASB uses a probability of default/loss given default model to determine the allowance for credit losses. An assessment of whether a borrower is experiencing financial difficulty is made at the time of the modification.

Because the effect of most modifications made to borrowers experiencing financial difficulty is already included in the allowance for credit losses, a change to the allowance for credit losses is generally not recorded upon modification.

Modifications may include interest rate reductions, interest only payments for an extended period of time, protracted terms such as amortization and maturity beyond the customary length of time found in the normal marketplace, and other actions intended to minimize economic loss and to provide alternatives to foreclosure or repossession of collateral.

Loan modifications made to borrowers experiencing financial difficulty during the six months ended June 30, 2026 and 2025 were as follows:

(dollars in thousands)	Term extension	Interest rate reduction	Payment delay	Combination term extension & rate reduction	Combination payment delay & term extension	Total	% of total class of loans
Six months ended June 30, 2026							
Real estate loans							
Residential mortgage	\$ 846	\$ —	\$ 4,606	\$ —	\$ —	\$ 5,452	0.20
Commercial real estate	—	—	—	—	—	—	—
Home equity line of credit	115	—	—	—	—	115	0.01
Residential land	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—
Residential construction	—	—	—	—	—	—	—
Commercial & industrial	—	—	—	—	—	—	—
Consumer	—	—	—	—	—	—	—
Total*	\$ 961	\$ —	\$ 4,606	\$ —	\$ —	\$ 5,567	0.09
Six months ended June 30, 2025							
Real estate loans							
Residential mortgage	\$ 794	\$ —	\$ 1,268	\$ —	\$ —	\$ 2,062	0.08
Commercial real estate	—	—	—	—	—	—	—
Home equity line of credit	146	—	—	—	—	146	0.02
Residential land	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—
Residential construction	—	—	—	—	—	—	—
Commercial & industrial	—	—	—	—	—	—	—
Consumer	—	—	—	—	—	—	—
Total*	\$ 940	\$ —	\$ 1,268	\$ —	\$ —	\$ 2,208	0.04

* The period end balances reflect all paydowns and charge-offs since the modification. Loans fully paid off, charged off or foreclosed upon by period end are not included.

Financial effect of loan modifications during the six months ended June 30, 2026 and 2025 for borrowers experiencing financial difficulty were as follows:

	Weighted average		
	Term extension (in months)	Interest rate reduction (in percent)	Payment delay (in months)
Six months ended June 30, 2026			
Real estate loans			
Residential mortgage	199	—	302
Commercial real estate	—	—	—
Home equity line of credit	88	—	—
Residential land	—	—	—
Commercial construction	—	—	—
Residential construction	—	—	—
Commercial & industrial	—	—	—
Consumer	—	—	—
Six months ended June 30, 2025			
Real estate loans			
Residential mortgage	237	—	294
Commercial real estate	—	—	—
Home equity line of credit	3	—	—
Residential land	—	—	—
Commercial construction	—	—	—
Residential construction	—	—	—
Commercial & industrial	—	—	—
Consumer	—	—	—

Credit risk profile based on payment activity for loans modified during the six months ended June 30, 2026 and 2025 were as follows:

(dollars in thousands)	Current	30-59 days past due	60-89 days past due	90 days or more past due	Total
Six months ended June 30, 2026					
Real estate loans					
Residential mortgage	\$ 5,452	\$ —	\$ —	\$ —	\$ 5,452
Commercial real estate	—	—	—	—	—
Home equity line of credit	115	—	—	—	115
Residential land	—	—	—	—	—
Commercial construction	—	—	—	—	—
Residential construction	—	—	—	—	—
Commercial & industrial	—	—	—	—	—
Consumer	—	—	—	—	—
Total	\$ 5,567	\$ —	\$ —	\$ —	\$ 5,567
Six months ended June 30, 2025					
Real estate loans					
Residential mortgage	\$ 2,062	\$ —	\$ —	\$ —	\$ 2,062
Commercial real estate	—	—	—	—	—
Home equity line of credit	146	—	—	—	146
Residential land	—	—	—	—	—
Commercial construction	—	—	—	—	—
Residential construction	—	—	—	—	—
Commercial & industrial	—	—	—	—	—
Consumer	—	—	—	—	—
Total	\$ 2,208	\$ —	\$ —	\$ —	\$ 2,208

During the six months ended June 30, 2026 and 2025, there were no loan modifications made to borrowers experiencing financial difficulty that defaulted.

Collateral-dependent loans. A loan is considered collateral-dependent when the borrower is experiencing financial difficulty and repayment of the loan is expected to be provided substantially through the operation or sale of the collateral.

Loans considered collateral-dependent were as follows:

(dollars in thousands)	Amortized cost		Collateral type
	June 30, 2026	December 31, 2025	
Real estate loans			
Residential mortgage	\$ 5,507	\$ 3,438	Residential real estate property
Home equity line of credit	2,076	1,928	Residential real estate property
Commercial construction	—	14,962	Commercial real estate property
Total real estate	7,583	20,328	
Commercial & industrial	—	—	Business assets
Total loans	\$ 7,583	\$ 20,328	

The Bank had \$3.1 million and \$2.6 million of consumer mortgage loans collateralized by residential real estate property that were in the process of foreclosure as of June 30, 2026 and December 31, 2025, respectively.

5 • Other Assets

Low-Income Housing Tax Credit Investments (LIHTC)

As of June 30, 2026 and December 31, 2025, the carrying amount of LIHTC investments was \$87.5 million and \$95.8 million, respectively, and included in other assets in the balance sheets.

The Bank's unfunded commitments to fund its LIHTC investment partnerships were \$26.9 million and \$31.0 million as of June 30, 2026 and December 31, 2025, respectively. These unfunded commitments are unconditional and legally binding and are recorded in other liabilities with a corresponding increase in other assets in the balance sheets.

The table below summarizes the amounts in income tax expense related to the Bank's LIHTC investments:

(dollars in millions)	Six months ended June 30,	
	2026	2025
Amounts in income taxes related to low-income housing tax credit investments		
Amortization recognized in the provision for income taxes	\$ (8.3)	\$ (7.7)
Tax credits and other tax benefits recognized in the provision for income taxes	10.4	10.0
Net benefit to income tax expense	\$ 2.1	\$ 2.3

Mortgage Servicing Rights (MSRs)

In its mortgage banking business, the Bank sells residential mortgage loans to government-sponsored entities and other parties, who may issue securities backed by pools of such loans. The Bank retains no beneficial interests in these loans other than the servicing rights of certain loans sold.

The Bank received \$29.5 million and \$30.6 million of proceeds from the sale of residential mortgages for the six months ended June 30, 2026 and 2025, respectively, and recognized gains on such sales of \$0.4 million and \$0.4 million for the six months ended June 30, 2026 and 2025, respectively.

There were no repurchased mortgage loans for the six months ended June 30, 2026 and 2025. The Bank believes that the current unpaid principal balance of loans sold to date represents the maximum exposure to repurchase and has established a repurchase reserve of \$0.1 million as of June 30, 2026 and December 31, 2025, to estimate its probable exposure to repurchases.

The Bank services real estate loans for investors (principal balance of \$1.3 billion as of June 30, 2026 and December 31, 2025), which are not included in the accompanying balance sheets. The Bank reports fees earned for servicing such loans as income when the related mortgage loan payments are collected and charges loan servicing cost to expense as incurred. Mortgage servicing fees, a component of other income, net, were \$1.6 million and \$1.7 million for the six months ended June 30, 2026 and 2025, respectively.

Changes in the carrying value of MSRs were as follows:

(dollars in thousands)	Gross carrying amount	Accumulated amortization	Valuation allowance	Net carrying amount
June 30, 2026	\$ 17,721	(11,538)	—	\$ 6,183
December 31, 2025	18,220	(11,641)	—	6,579

Changes related to MSRs were as follows:

(dollars in thousands)	Six months ended June 30,	
	2026	2025
Mortgage servicing rights		
Beginning balance	\$ 6,579	\$ 7,535
Amount capitalized	184	191
Amortization	(580)	(675)
Other-than-temporary impairment	—	—
Carrying amount before valuation allowance	6,183	7,051
Valuation allowance for mortgage servicing rights		
Beginning balance	—	—
Provision	—	—
Other-than-temporary impairment	—	—
Ending balance	—	—
Net carrying value of mortgage servicing rights	\$ 6,183	\$ 7,051

The Bank capitalizes MSRs acquired upon the sale of mortgage loans with servicing rights retained. On a monthly basis, the Bank compares the net carrying value of the MSRs to its fair value to determine if there are any changes to the valuation allowance and/or other-than-temporary impairment for the MSRs.

Key assumptions used in estimating the fair value of the Bank's MSRs used in the impairment analysis were as follows:

(dollars in thousands)	June 30, 2026	December 31, 2025
Unpaid principal balance	\$ 1,302,536	\$ 1,335,360
Weighted-average note rate	3.74%	3.72%
Weighted-average discount rate	10.00%	10.00%
Weighted-average prepayment speed	6.49%	8.02%

The sensitivity analysis of fair value of MSRs to hypothetical adverse changes of 25 and 50 basis points in certain key assumptions was as follows:

(dollars in thousands)	June 30, 2026	December 31, 2025
Prepayment rate:		
25 basis points adverse rate change	\$ (282)	\$ (372)
50 basis points adverse rate change	(607)	(768)
Discount rate:		
25 basis points adverse rate change	(255)	(154)
50 basis points adverse rate change	(416)	(306)

The effect of a variation in certain assumptions on fair value is calculated without changing any other assumptions. This analysis typically cannot be extrapolated because the relationship of a change in one key assumption to the changes in the fair value of MSRs typically is not linear.

6 • Deposits

The components of deposits were summarized as follows:

(dollars in thousands)	June 30, 2026		December 31, 2025	
	Weighted-average stated rate	Amount	Weighted-average stated rate	Amount
Noninterest-bearing checking	—%	\$ 2,524,356	—%	\$ 2,498,000
Interest-bearing checking	0.91	1,682,538	0.77	1,664,668
Savings	0.56	2,817,266	0.52	2,775,842
Money market	2.41	550,532	2.46	523,870
Time certificates	2.20	616,796	2.40	674,642
Total deposits	0.71%	\$ 8,191,488	0.69%	\$ 8,137,022

7 • Other Borrowings

Advances from Federal Home Loan Bank

The Bank and the FHLB are parties to an Advances, Pledge and Security Agreement (“Advances Agreement”), which applies to currently outstanding and future advances, and governs the terms and conditions under which the Bank borrows and the FHLB makes loans or advances from time to time. Under the Advances Agreement, the Bank agrees to abide by the FHLB’s credit policies, and makes certain warranties and representations to the FHLB. Upon the occurrence of and during the continuation of an “Event of Default” (which term includes any event of nonpayment of interest or principal of any advance when due or failure to perform any promise or obligation under the Advances Agreement or other credit arrangements between the parties), the FHLB may, at its option, declare all indebtedness and accrued interest thereon, including any prepayment fees or charges, to be immediately due and payable. The Bank was in compliance with all Advances Agreement requirements as of June 30, 2026 and December 31, 2025.

Advances from the FHLB are collateralized by loans, investment securities and FHLB stock. As of June 30, 2026 and December 31, 2025, the Bank's available FHLB borrowing capacity was \$2.6 billion and \$2.5 billion, respectively.

The Bank had \$520 million in FHLB advances at a weighted average fixed rate of 4.82% which matured in March and May 2025. There were no outstanding FHLB advances as of June 30, 2026 and December 31, 2025.

8 • Revenues

In accordance with ASC Topic 606, Revenue from Contracts with Customers, revenue is recognized when control of promised goods or services is transferred to customers in an amount that reflects the consideration to which the Bank expects to be entitled in exchange for those goods or services. Revenue from financial instruments, including revenue from loans and investment securities, is not included within this guidance. Noninterest revenue items that are subject to this guidance mainly include fees from bank cards, deposit account services and investment services.

Revenue disaggregation. The following tables disaggregate revenues by major source and timing of revenue recognition.

(dollars in thousands)	Six months ended June 30,	
	2026	2025
Revenues from contracts with customers		
Service charges on deposit accounts	\$ 9,706	\$ 9,554
Other service charges and fees	16,500	15,589
Income from investment services	7,681	6,663
Total revenues from contracts with customers	33,887	31,806
Revenues from other sources		
Interest income	177,337	177,248
Other noninterest income	10,043	(145,063)
Total revenues from other sources	187,380	32,185
Total revenues	\$ 221,267	\$ 63,991
Timing of revenue recognition		
Services/goods transferred at a point in time	\$ 33,887	\$ 31,806
Services/goods transferred over time	—	—
Total revenues from contracts with customers	\$ 33,887	\$ 31,806

There are no material contract assets or liabilities associated with revenues from contracts with customers existing as of June 30, 2026 and December 31, 2025.

9 • Derivative Financial Instruments

The Bank enters into interest rate lock commitments (IRLCs) with borrowers, and forward commitments to sell loans or TBA mortgage-backed securities to investors to hedge against the inherent interest rate and pricing risks associated with selling loans.

The Bank enters into IRLCs for residential mortgage loans, which commit the Bank to lend funds to a potential borrower at a specific interest rate and within a specified period of time. IRLCs that relate to the origination of mortgage loans that will be held for sale are considered derivative financial instruments under applicable accounting guidance. Outstanding IRLCs expose the Bank to the risk that the price of the mortgage loans underlying the commitments may decline due to increases in mortgage interest rates from inception of the rate lock to the funding of the loan. The IRLCs are free-standing derivatives which are carried at fair value with changes recorded in mortgage banking income.

The Bank enters into forward commitments to hedge the interest rate risk for rate locked mortgage applications in process and closed mortgage loans held for sale. These commitments are primarily forward sales of TBA mortgage-backed securities. Generally, when mortgage loans are closed, the forward commitment is liquidated and replaced with a mandatory delivery forward sale of the mortgage to a secondary market investor. In some cases, a best-efforts forward sale agreement is utilized as the forward commitment. These commitments are free-standing derivatives which are carried at fair value with changes recorded in mortgage banking income.

Changes in the fair value of IRLCs and forward commitments subsequent to inception are based on changes in the fair value of the underlying loan resulting from the fulfillment of the commitment and changes in the probability that the loan will fund within the terms of the commitment, which is affected primarily by changes in interest rates and the passage of time.

The notional amount and fair value of the Bank's derivative financial instruments were as follows:

(dollars in thousands)	June 30, 2026		December 31, 2025	
	Notional amount	Fair value	Notional amount	Fair value
Interest rate lock commitments	\$ 2,360	\$ 10	\$ 1,651	\$ 21
Forward commitments	2,500	(3)	1,500	(1)

The Bank's derivative financial instruments, their fair values, and balance sheet location were as follows:

Derivative Financial Instruments Not Designated as Hedging Instruments ¹

(dollars in thousands)	June 30, 2026		December 31, 2025	
	Asset derivatives	Liability derivatives	Asset derivatives	Liability derivatives
Interest rate lock commitments	\$ 18	\$ 8	\$ 21	\$ —
Forward commitments	3	6	2	3
Total	\$ 21	\$ 14	\$ 23	\$ 3

¹ Asset derivatives are included in other assets and liability derivatives are included in other liabilities in the balance sheets.

The following table presents the Bank's derivative financial instruments and the amount and location of the net gains or losses recognized in the statements of income (loss):

Derivative Financial Instruments Not Designated as Hedging Instruments (dollars in thousands)	Location of net gains (losses) recognized in the Statements of Income (Loss)	Six months ended June 30,	
		2026	2025
Interest rate lock commitments	Mortgage banking income	\$ (11)	\$ 49
Forward commitments	Mortgage banking income	(2)	(13)
Total		\$ (13)	\$ 36

10 • Commitments and Contingencies

Commitments

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the commitments. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since certain commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The Bank minimizes its exposure to loss under these commitments by requiring that customers meet certain conditions prior to disbursing funds. The amount of collateral, if any, is based on a credit evaluation of the borrower and may include residential real estate, accounts receivable, inventory and property, plant and equipment.

Letters of credit are conditional commitments issued by the Bank to guarantee payment and performance of a customer to a third party. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. The Bank holds collateral supporting those commitments for which collateral is deemed necessary.

The following is a summary of outstanding off-balance sheet arrangements:

(dollars in thousands)	June 30, 2026	December 31, 2025
Unfunded commitments to extend credit		
Home equity line of credit	\$ 1,001,207	\$ 1,027,777
Commercial & industrial and commercial real estate	654,439	686,016
Consumer	43,579	46,933
Residential mortgage	25,669	21,236
Commercial and financial standby letters of credit	9,828	14,030
Total	\$ 1,734,722	\$ 1,795,992

Contingencies

The Bank is subject in the normal course of business to pending and threatened legal proceedings. Management does not anticipate that the aggregate ultimate liability arising out of these pending or threatened legal proceedings will be material to its financial position. However, the Bank cannot rule out the possibility that such outcomes could have a material adverse effect on the results of operations or liquidity for a particular reporting period in the future.

11 • Fair Value of Financial Assets and Financial Liabilities

Fair Value Measurement and Disclosure Valuation Methodology

The valuation methodologies for assets and liabilities measured at fair value on a recurring and non-recurring basis are described in Note 17, “Fair Value of Financial Assets and Financial Liabilities” to the Bank's audited financial statements. There have been no significant changes to these methodologies since then.

The following table presents the carrying or notional amount, fair value, and placement in the fair value hierarchy of the Bank's financial instruments.

(dollars in thousands)	Carrying or notional amount	Estimated fair value			Total
		Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
June 30, 2026					
Financial assets					
Available-for-sale investment securities	\$ 865,754	\$ —	\$ 852,853	\$ 12,901	\$ 865,754
Held-to-maturity investment securities	1,076,007	—	995,615	—	995,615
Loans, net	6,181,423	—	4,485	5,864,034	5,868,519
Derivative assets	2,296	3	18	—	21
Mortgage servicing rights	6,183	—	—	16,137	16,137
Financial liabilities					
Deposits - time certificates	616,796	—	609,426	—	609,426
Derivative liabilities	2,564	6	8	—	14
December 31, 2025					
Financial assets					
Available-for-sale investment securities	\$ 755,884	\$ —	\$ 742,678	\$ 13,206	\$ 755,884
Held-to-maturity investment securities	1,101,853	—	1,030,890	—	1,030,890
Loans, net	6,030,413	—	4,723	5,757,755	5,762,478
Derivative assets	2,401	2	21	—	23
Mortgage servicing rights	6,579	—	—	15,681	15,681
Financial liabilities					
Deposits - time certificates	674,642	—	667,991	—	667,991
Derivative liabilities	750	3	—	—	3

Fair Value Measurements on a Recurring Basis

Assets and liabilities measured at fair value on a recurring basis were as follows:

(dollars in thousands)	June 30, 2026			December 31, 2025		
	Fair value measurements using			Fair value measurements using		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Available-for-sale investment securities						
U.S. Treasury and federal agency obligations	\$ —	\$ 120,991	\$ —	\$ —	\$ 153,773	\$ —
Residential mortgage-backed securities*	—	561,680	—	—	467,837	—
Commercial mortgage-backed securities*	—	143,938	—	—	86,448	—
Corporate bonds	—	26,244	—	—	34,620	—
Mortgage revenue bonds	—	—	12,901	—	—	13,206
Total	\$ —	\$ 852,853	\$ 12,901	\$ —	\$ 742,678	\$ 13,206
Derivative assets ¹						
Interest rate lock commitments	\$ —	\$ 18	\$ —	\$ —	\$ 21	\$ —
Forward commitments	3	—	—	2	—	—
Total derivative assets	\$ 3	\$ 18	\$ —	\$ 2	\$ 21	\$ —
Derivative liabilities ¹						
Interest rate lock commitments	\$ —	\$ 8	\$ —	\$ —	\$ —	\$ —
Forward commitments	6	—	—	3	—	—
Total derivative liabilities	\$ 6	\$ 8	\$ —	\$ 3	\$ —	\$ —

* Issued or guaranteed by U.S. Government agencies or sponsored enterprises

¹ Derivatives are carried at fair value in other assets and other liabilities in the balance sheets with changes in value included in mortgage banking income in the statements of income (loss).

There were no transfers of financial assets and liabilities between Level 1 and Level 2 of the fair value hierarchy during the six months ended June 30, 2026 and 2025.

The changes in Level 3 assets and liabilities measured at fair value on a recurring basis were as follows:

Mortgage revenue bonds	Six months ended June 30,	
(dollars in thousands)	2026	2025
Beginning balance	\$ 13,206	\$ 13,794
Principal payments received	(305)	(294)
Purchases	—	—
Unrealized gain (loss) included in other comprehensive income	—	—
Ending balance	\$ 12,901	\$ 13,500

The Bank holds a mortgage revenue bond issued by the Department of Budget and Finance of the State of Hawaii. The Bank estimates the fair value by using a discounted cash flow model to calculate the present value of estimated future principal and interest payments. The unobservable input used in the fair value measurement is the weighted-average discount rate. As of June 30, 2026 the weighted average discount rate was 4.51% which was derived by incorporating a credit spread over the one month term secured overnight financing rate. Significant increases (decreases) in the weighted average discount rate could result in a significantly lower (higher) fair value measurement.

Fair Value Measurements on a Nonrecurring Basis

Certain assets and liabilities are measured at fair value on a nonrecurring basis and therefore are not included in the tables above. These measurements primarily result from assets carried at the lower of cost or fair value or from impairment of individual assets. As of June 30, 2026 and 2025, there were no financial instruments measured at fair value on a nonrecurring basis.

For the six months ended June 30, 2026 and 2025, there were no adjustments to fair value for ASB's loans held for sale.

12 · Regulatory Compliance and Stockholders' Equity

The Bank is regulated and supervised by the Office of the Comptroller of the Currency ("OCC"). Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of the Bank's assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

The ability of the Bank to make capital distributions is restricted under federal law. Subject to a limited exception for stock redemptions that do not result in any decrease in the Bank's capital and would improve the Bank's financial condition, the Bank is prohibited from declaring any dividends or making any other capital distributions if, following the distribution or payment, the Bank would be deemed to be undercapitalized, significantly undercapitalized or critically undercapitalized. The Bank is required to notify the OCC prior to making any capital distribution and must receive notification from the OCC communicating the agencies' non-objection to the payment of any dividends the Bank proposes to declare and pay to stockholders of the Bank.

The prompt corrective action provisions impose certain restrictions on institutions that are undercapitalized. The restrictions imposed become increasingly more severe as an institution's capital category declines from "undercapitalized" to "critically undercapitalized." The regulators have substantial discretion in the corrective actions they might direct and could include restrictions on dividends and other distributions that the Bank may have made and the requirement that the Bank develop and implement a plan to restore its capital.

To be categorized as "well capitalized," the Bank must maintain minimum total capital, Tier 1 capital, and Tier 1 leverage ratios as set forth in the table below.

As of June 30, 2026 and December 31, 2025, the Bank was in compliance with the minimum capital requirements under OCC regulations and was categorized as "well capitalized" under the regulatory framework for prompt corrective action. There are no conditions or events that management believes have changed the institution's category under the capital guidelines.

The tables below set forth actual, minimum required and well capitalized capital amounts and ratios:

(dollars in thousands)	Actual		Minimum required		Required to be well capitalized	
	Capital	Ratio	Capital	Ratio	Capital	Ratio
June 30, 2026						
Tier 1 leverage	\$ 822,546	9.10%	\$ 361,385	4.00%	\$ 451,732	5.00%
Common equity tier 1 capital	822,541	13.49%	274,311	4.50%	396,227	6.50%
Tier 1 capital	822,546	13.49%	365,748	6.00%	487,664	8.00%
Total capital	889,281	14.59%	487,664	8.00%	609,579	10.00%
December 31, 2025						
Tier 1 leverage	\$ 801,828	9.00%	\$ 356,543	4.00%	\$ 445,678	5.00%
Common equity tier 1 capital	801,823	13.46%	268,026	4.50%	387,148	6.50%
Tier 1 capital	801,828	13.46%	357,368	6.00%	476,490	8.00%
Total capital	864,585	14.52%	476,490	8.00%	595,613	10.00%

Accumulated other comprehensive income/(loss).

Components of other comprehensive income for the six months ended June 30, 2026 and 2025 were as follows:

(dollars in thousands)	Before tax	Tax effect	Net of tax
Six months ended June 30, 2026			
Net unrealized gains (losses) on available-for-sale investment securities			
Net unrealized gain (losses) on available-for-sale investment securities arising during the period	\$ (5,344)	\$ (1,432)	\$ (3,912)
Reclassification adjustment for net realized losses included in net income	—	—	—
Amortization of unrealized holding losses on held-to-maturity investment securities	7,942	2,128	5,814
Other Comprehensive Income	\$ 2,598	\$ 696	\$ 1,902
Six months ended June 30, 2025			
Net unrealized gains (losses) on available-for-sale investment securities			
Net unrealized gain (losses) on available-for-sale investment securities arising during the period	\$ 24,530	\$ 6,573	\$ 17,957
Reclassification adjustment for net realized losses included in net income	149,869	40,161	109,708
Amortization of unrealized holding losses on held-to-maturity investment securities	8,194	2,196	5,998
Retirement benefit plans			
Adjustment for amortization of prior service credit and net benefits recognized during the period in net periodic benefit cost	(2,250)	(603)	(1,647)
Other Comprehensive Income	\$ 180,343	\$ 48,327	\$ 132,016

Changes in the balances of each component of accumulated other comprehensive income/(loss) (AOCI) were as follows:

(dollars in thousands)	Net unrealized gains (losses) on securities	Retirement benefits plans	Total AOCI
Balance, December 31, 2025	\$ (136,020)	\$ —	\$ (136,020)
Current period other comprehensive income	1,902	—	1,902
Balance, June 30, 2026	\$ (134,118)	\$ —	\$ (134,118)
Balance, December 31, 2024	\$ (281,178)	\$ (8,449)	\$ (289,627)
Current period other comprehensive income	133,663	(1,647)	132,016
Balance, June 30, 2025	\$ (147,515)	\$ (10,096)	\$ (157,611)

Reclassifications out of AOCI were as follows:

(dollars in thousands)	Amount reclassified from AOCI		Affected line item in the Statements of Income
	Six months ended June 30,		
	2026	2025	
Available-for sale investment securities			
Net realized losses on securities included in net income	\$ —	\$ 109,708	Loss on sale of investment securities, net
Amortization of unrealized holding losses on held-to-maturity securities	5,814	5,998	Interest income on investment securities
Retirement benefit plan			
Amortization of prior service credit and net benefits recognized during the period in net periodic benefit cost	—	(1,647)	Other expense
Total reclassifications	\$ 5,814	\$ 114,059	

13 · Earnings per Common Share

Presented below are the computations of basic earnings per common share. There are no potentially dilutive common stock equivalents for the six months ended June 30, 2026 and 2025.

(dollars and shares in thousands)	Six months ended June 30,	
	2026	2025
Net income (loss)	\$ 55,728	\$ (61,508)
Weighted average shares outstanding for basic earnings per share	9	9
Basic earnings (loss) per common share	\$ 6,192	\$ (6,834)

14 · Subsequent Events

On July 29, 2026, the Bank's Board of Directors declared a common stock cash dividend of \$1,945 per share, totaling \$17.505 million. The dividend was paid on August 7, 2026 to stockholders of record as of July 29, 2026.

The Bank has evaluated subsequent events from the balance sheet date through August 24, 2026, the date at which the financial statements were available to be issued, and determined there are no other items to disclose.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of
American Savings Bank, F.S.B.:

Opinion on the Financial Statements

We have audited the accompanying balance sheets of American Savings Bank, F.S.B. (the “Company”) as of December 31, 2025 and 2024, the related statements of income (loss), comprehensive income, changes in stockholders’ equity, and cash flows, for each of the two years in the period ended December 31, 2025, and the related notes (collectively referred to as the “financial statements”).

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

Honolulu, Hawaii
March 13, 2026

We have served as the Company’s auditor since 2017.

American Savings Bank, F.S.B
Balance Sheets

December 31	2025	2024
<i>(dollars in thousands)</i>		
Assets		
Cash and due from banks	\$ 112,962	\$ 109,476
Interest-bearing deposits in other financial institutions	286,993	242,749
Cash and cash equivalents	399,955	352,225
Investment securities		
Available-for-sale, at fair value	755,884	1,013,250
Held-to-maturity, at amortized cost (fair value of \$1,030,890 and \$1,024,283 at December 31, 2025 and 2024, respectively)	1,101,853	1,147,707
Federal Home Loan Bank and Federal Reserve Bank stock, at cost	16,366	29,204
Loans held for sale, at lower of cost or fair value	4,723	6,065
Loans held for investment	6,083,247	6,114,721
Allowance for credit losses	(57,557)	(64,231)
Net loans held for investment	6,025,690	6,050,490
Premises and equipment, net	174,956	179,381
Bank-owned life insurance	210,340	204,009
Accrued interest receivable	29,435	28,012
Mortgage servicing rights, net	6,579	7,535
Deferred tax asset	111,415	121,271
Other assets	142,290	151,797
Total assets	\$ 8,979,486	\$ 9,290,946
Liabilities and stockholders' equity		
Deposits		
Noninterest-bearing	\$ 2,498,000	\$ 2,470,694
Interest-bearing	5,639,022	5,561,713
Total deposits	8,137,022	8,032,407
Other borrowings	—	520,000
Federal and state income taxes payable	4,330	—
Other liabilities	168,258	192,081
Total liabilities	8,309,610	8,744,488
Commitments and contingencies (Note 15)		
Stockholders' equity		
Preferred stock, Series A, no par value, liquidation preference \$1,000 per share. Authorized 30 shares. Issued and outstanding: 5 shares at December 31, 2025	5	—
Common stock, \$1 par value. Authorized, issued, and outstanding: 9,000 shares	9	9
Additional paid-in capital	359,704	359,704
Accumulated other comprehensive loss, net of tax benefits	(136,020)	(289,627)
Retained earnings	446,178	476,372
Total stockholders' equity	669,876	546,458
Total liabilities and stockholders' equity	\$ 8,979,486	\$ 9,290,946

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

American Savings Bank, F.S.B.
Statements of Income (Loss)

Years ended December 31,	2025	2024
(dollars and shares in thousands)		
Interest income		
Interest and fees on loans	\$ 300,117	\$ 293,100
Interest and dividends on investment securities	41,888	47,093
Interest on deposits in other financial institutions	11,028	8,851
Total interest income	353,033	349,044
Interest expense		
Deposits	63,214	72,727
Other borrowings	6,690	27,442
Total interest expense	69,904	100,169
Net interest income	283,129	248,875
Provision for credit losses	(834)	(1,963)
Net interest income after provision for credit losses	283,963	250,838
Noninterest income		
Service charges on deposit accounts	19,975	19,900
Other service charges and fees	32,308	20,797
Income from investment services	14,251	11,798
Mortgage banking income	748	1,419
Bank-owned life insurance	11,614	13,079
Loss on sale of investment securities, net	(149,869)	—
Loss on sale of consumer loans	(19,918)	—
Other income, net	2,912	2,535
Total noninterest income	(87,979)	69,528
Noninterest expense		
Salaries and employee benefits	128,098	126,936
Occupancy	22,386	21,382
Data processing	22,173	19,612
Services	11,252	17,485
Equipment	9,256	9,914
FDIC insurance	6,135	5,992
Marketing	4,438	3,506
Office supplies, printing and postage	4,234	4,085
Goodwill impairment	—	82,190
Pension plan settlement charge	21,275	—
Other expense	17,609	15,907
Total noninterest expense	246,856	307,009
Income (loss) before income taxes	(50,872)	13,357
Income tax expense (benefit)	(20,678)	1,040
Net income (loss)	\$ (30,194)	\$ 12,317
Basic earnings (loss) per common share	\$(3,355)	\$12,052
Basic weighted average common shares outstanding	9.000	1.022

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

American Savings Bank, F.S.B.
Statements of Comprehensive Income

Years ended December 31	2025	2024
<i>(dollars in thousands)</i>		
Net income (loss)	\$ (30,194)	\$ 12,317
Other comprehensive income (loss), net of taxes		
Net unrealized gains (losses) on available-for-sale investment securities:		
Net unrealized gain (losses) on available-for-sale investment securities arising during the period	23,381	(11,227)
Reclassification adjustment for net realized losses included in net income	109,708	—
Amortization of unrealized holding losses on held-to-maturity investment securities	12,069	13,012
Retirement benefit plans:		
Pension plan settlement charge	14,403	—
Adjustment for amortization of prior service credit and net losses (benefits) recognized during the period in net periodic benefit cost	(5,954)	860
Other comprehensive income, net of tax benefits	153,607	2,645
Comprehensive income	\$ 123,413	\$ 14,962

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

American Savings Bank, F.S.B.
Statements of Changes in Stockholders' Equity

<i>(dollars in thousands)</i>	Preferred Stock	Common Stock	Additional Paid-in Capital	Retained earnings	Accumulated other comprehensive income (loss)	Total
Balance, December 31, 2023	—	1	358,067	464,055	(292,272)	529,851
Net income	—	—	—	12,317	—	12,317
Other comprehensive income, net of taxes	—	—	—	—	2,645	2,645
Additional capital contributions from parent	—	—	1,637	—	—	1,637
Common stock issued	—	8	—	—	—	8
Balance, December 31, 2024	—	9	359,704	476,372	(289,627)	546,458
Net loss	—	—	—	(30,194)	—	(30,194)
Other comprehensive income, net of taxes	—	—	—	—	153,607	153,607
Preferred stock issued	5	—	—	—	—	5
Balance, December 31, 2025	\$ 5	\$ 9	\$ 359,704	\$ 446,178	\$ (136,020)	\$ 669,876

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

American Savings Bank, F.S.B.
Statements of Cash Flows

Years ended December 31,	2025	2024
<i>(dollars in thousands)</i>		
Cash flows from operating activities		
Net income (loss)	\$ (30,194)	\$ 12,317
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Depreciation of premises and equipment	9,863	10,561
Net amortization of discounts and premiums	18,224	18,130
Deferred income taxes	(46,376)	(17,947)
Provision for credit losses	(834)	(1,963)
Loss on sale of investment securities, net	149,869	—
Loss on sale of consumer loans	19,918	—
Proceeds from sale of loans, held for sale	58,246	104,987
Loans originated, held for sale	(56,456)	(106,510)
Gain on sale of loans	(748)	(1,419)
Goodwill impairment	—	82,190
Gain on redemption of bank-owned life insurance	(1,151)	—
Pension plan settlement charge	21,275	—
Net loss on sale or disposal of premises and equipment	47	328
Changes in assets and liabilities		
(Increase) decrease in accrued interest receivable	(1,423)	460
Increase (decrease) in accrued interest payable	(1,321)	(20,702)
Increase (decrease) in federal and state income taxes, net	5,138	1,644
Net changes in other assets and liabilities	(14,620)	(13,680)
Net cash provided by operating activities	129,457	68,396
Cash flows from investing activities		
Investment securities available-for-sale		
Purchases	(450,265)	—
Proceeds from sales	585,429	—
Proceeds from prepayments and maturities	153,492	105,258
Investment securities held-to-maturity		
Proceeds from prepayments and maturities	59,575	68,376
Purchase of Federal Home Loan Bank and Federal Reserve Bank stock	(10,836)	(36,526)
Redemption of Federal Home Loan Bank stock	23,674	22,050
Net decrease (increase) in loans held for investment	(57,494)	32,030
Proceeds from sale of consumer loans	67,211	—
Proceeds from sale of commercial loans	—	40,186
Proceeds from redemption of bank-owned life insurance	5,300	972
Purchase of bank-owned life insurance	—	(4,000)
Additions to premises and equipment, net	(5,178)	(3,282)
Contributions to low-income housing investments	(38,623)	(33,870)
Other	—	25
Net cash provided by investing activities	332,285	191,219

American Savings Bank, F.S.B.
Statements of Cash Flows

Years ended December 31,	2025	2024
<i>(dollars in thousands)</i>		
Cash flows from financing activities		
Net increase (decrease) in deposits	104,615	(113,371)
Proceeds from issuance of other borrowings	—	320,000
Repayment of other borrowings	(520,000)	(550,000)
Proceeds from issuance of preferred stock	5	—
Proceeds from issuance of common stock	—	8
Net increase in borrowers' mortgage escrow accounts	1,368	518
Net cash used in financing activities	(414,012)	(342,845)
Net increase (decrease) in cash and cash equivalents	47,730	(83,230)
Cash and cash equivalents, January 1	352,225	435,455
Cash and cash equivalents, December 31	\$ 399,955	\$ 352,225

Supplemental disclosures of cash flow information

Noncash activity		
Loans transferred from held for investment to held for sale	\$ 87,550	\$ 28,919
Capital contribution converted from liabilities	—	1,637
Obligations to fund low-income housing investments	12,543	—
Unpaid invoices and accruals for premises and equipment	594	315
Right-of-use assets obtained in exchange for operating lease obligations	4,294	4,693
Cash paid		
Cash paid for interest	71,225	120,870
Cash paid for income taxes, net	4,056	1,896

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

1 • Description of Business

American Savings Bank, F.S.B. (the “Bank,” or “ASB”) provides a broad range of banking services to individual and business customers through its branch system in Hawaii. The Bank’s earnings depend primarily on net interest income, which is the difference between interest earned on earning assets (loans and investment securities) and interest paid on costing liabilities (deposits and borrowings). Deposits continue to be the largest source of funds for the Bank for use in lending, meeting liquidity requirements, and making investments. The Bank also derives funds from receipt of interest and principal on outstanding loans and investment securities, borrowings from the Federal Home Loan Bank (“FHLB”) and the Federal Reserve Bank (“FRB”), and securities sold under agreements to repurchase.

Prior to December 31, 2024, the Bank was a wholly-owned subsidiary of ASB Hawaii, Inc. (“ASB Hawaii”), formerly known as American Savings Holdings, Inc. ASB Hawaii is a wholly owned subsidiary of Hawaiian Electric Industries, Inc. (“HEI”). On December 30, 2024, HEI, ASB, and ASB Hawaii, entered into investment agreements to sell 90.1% of the common stock of ASB to various investors, including certain ASB officers and directors of ASB while retaining a 9.9% noncontrolling ownership position (“the Separation”). The sale transaction closed on December 31, 2024 and no investor acquired more than 9.9% of the common stock of ASB.

Effective January 1, 2026, the Bank converted from a federal savings bank to a national banking association.

2 • Summary of Significant Accounting Policies

Basis of Presentation

In preparing the financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”), management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenues and expenses. Actual results could differ significantly from those estimates.

Material Estimates

Material estimates that are particularly susceptible to significant change include the amounts reported as fair value for investment securities, the allowance for credit losses and income taxes.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Bank considers cash and cash equivalents to include cash and due from banks, interest-bearing deposits, federal funds sold and securities purchased under resale agreements with original maturities of three months or less.

Investment Securities

Investments in debt securities are classified as held-to-maturity (“HTM”), trading or available-for-sale (“AFS”). The Bank determines the appropriate classification at the time of purchase. Debt securities that the Bank intends to and has the ability to hold to maturity are classified as HTM securities and reported at amortized cost. Marketable debt securities that are bought and held principally for the purpose of selling them in the near term are classified as trading securities and reported at fair value, with unrealized gains and losses included in earnings. Marketable debt securities not classified as either HTM or trading securities are classified as AFS and reported at fair value. Unrealized gains and losses for AFS securities are excluded from earnings and reported on a net basis in accumulated other comprehensive income / (loss) (“AOCI”) until realized. Transfers of debt securities from the available-for-sale classification to the held-to-maturity classification are made at fair value at the date of transfer. The unrealized holding gain or loss at the date of transfer remains in AOCI and in the carrying value of the held-to-maturity investment security. Unrealized holding gains or losses that remain in AOCI are amortized or accreted over the expected life of the security as an adjustment of yield, offsetting the related amortization of the premium or accretion of the discount.

Interest income is recorded on an accrual basis. Discounts and premiums on securities are accreted or amortized into interest income using the interest method over the remaining contractual lives of the agency obligation securities and the estimated lives of the mortgage-backed securities adjusted for anticipated prepayments. The Bank uses actual prepayment experience and estimates of future prepayments to determine the constant effective yield necessary to apply the interest method of income recognition. The discounts and premiums on U.S. Treasury and federal agency obligations are accreted or amortized on a prospective basis using expected contractual cash flows. The discounts and premiums on the mortgage-backed securities portfolio are accreted or amortized on a retrospective basis using changes in anticipated prepayments. This method requires a retrospective adjustment of the effective yield each time the Bank changes the estimated life as if the new estimate had been known since the original acquisition date of the securities. Estimates of future prepayments are based on the underlying collateral characteristics and historic or projected prepayment behavior of each security. The specific identification method is used in determining realized gains and losses on the sales of securities.

AFS debt securities with unrealized losses are reviewed quarterly. The Bank will first assess whether it intends to sell, or it is more likely than not that it will be required to sell the security before recovery of its amortized cost basis. If either criteria is met, the security's amortized cost basis is written down to fair value through income. For AFS securities that do not meet the aforementioned criteria, the Bank evaluates whether the decline in fair value is the result of a credit loss or other factors. The determination of whether or not a credit loss exists is based on consideration of the cash flows expected to be collected from the debt security. The Bank develops these expectations after considering various factors such as agency ratings, the financial condition of the issuer, payment history, payment structure of the security, industry and market conditions, underlying collateral and other factors which may be relevant based on the facts and circumstances pertaining to individual securities. If this assessment indicates that a credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security. If the present value of cash flows expected to be collected is less than the amortized cost basis, a credit loss exists and an allowance for credit losses is recorded for the credit loss, limited by the amount that the fair value is less than the amortized cost basis. Any impairment that has not been recorded through an allowance for credit losses is recognized in other comprehensive income. Changes in the allowance for credit losses are recorded as a provision for (or reversal of) credit losses. Losses are charged against the allowance when management believes the uncollectibility of an AFS security is confirmed or when either of the criteria regarding intent or requirement to sell is met. As of December 31, 2025 and 2024, there was no indicated impairment as the Bank expects to collect the contractual cash flows for these investments.

HTM debt securities are assessed periodically to determine if a valuation allowance is necessary to absorb credit losses expected to occur over the remaining contractual life of the securities. The carrying amount of held-to-maturity debt securities is presented net of the valuation allowance for credit losses when such an allowance is deemed necessary.

FHLB stock

The Bank is required to obtain and hold a specific number of shares of capital stock of the FHLB. FHLB stock is carried at cost because it can only be redeemed at par and it is a required investment based on measurements of the Bank's capital, assets and borrowing levels. The investment is reviewed at least quarterly for impairment, with valuation adjustments recognized in noninterest income.

The Bank evaluated its investment in FHLB stock for credit losses as of December 31, 2025, consistent with its accounting policy. The Bank did not recognize any credit losses for 2025 and 2024 based on its evaluation of the underlying investment.

Future deterioration in the FHLB's financial position and/or negative developments in any of the factors considered in the Bank's impairment evaluation may result in future impairment losses.

FRB stock

Effective January 1, 2026, the Bank converted from a federal savings bank to a national banking association. As part of the conversion, the Bank was required to subscribe to Federal Reserve Bank stock in an amount equivalent to 6% of its capital and surplus. By regulation, the Bank paid for one-half of this subscription on the date that the Federal Reserve Bank approved its application for capital stock, while the remaining half of the subscription shall be subject to call by the Federal Reserve Bank. On December 16, 2025 the Bank purchased 215,828 shares of FRB Stock for \$10.8 million.

Loans

The Bank carries loans at amortized cost less the allowance for credit losses, loan origination fees (net of direct loan origination costs), commitment fees and purchase premiums and discounts. Interest on loans is credited to income as it is earned. Discounts and premiums are accreted or amortized over the life of the loans using the interest method.

Loan origination fees (net of direct loan origination costs) are deferred and recognized as an adjustment in yield over periods not exceeding the contractual life of the loan using the interest method or taken into income when the loan is paid off or sold. Nonrefundable commitment fees (net of direct loan origination costs, if applicable) received for commitments to originate or purchase loans are deferred and, if the commitment is exercised, recognized as an adjustment of yield over the life of the loan using the interest method. Nonrefundable commitment fees received for which the commitment expires unexercised are recognized as income upon expiration of the commitment.

Loans held for sale are stated at the lower of cost or estimated fair value on an aggregate basis. Premiums, discounts and net deferred loan fees are not amortized while a loan is classified as held for sale. A sale is recognized only when the consideration received is other than beneficial interests in the assets sold and control over the assets is transferred irrevocably to the buyer. Gains or losses on sales of loans are recognized at the time of sale and are determined by the difference between the net sales proceeds and the allocated basis of the loans sold.

Allowance for Credit Losses

The allowance for credit losses (“ACL”) represents management’s estimate of expected credit losses over the expected contractual life of the related loans as of the balance sheet date. Contractual terms are adjusted for expected prepayments but are not extended for expected extensions, renewals or modifications except in circumstances where certain extension or renewal options are embedded in the original contract and not unconditionally cancelable by the Bank.

Accrued interest receivables on loans are presented in the balance sheets as a component of accrued interest receivable. When accrued interest is deemed to be uncollectible (typically when a loan is placed on nonaccrual status), accrued interest income is reversed against interest income on loans. The Bank follows established policies for placing loans on nonaccrual status, so uncollectible accrued interest receivable is reversed in a timely manner. As a result, the Bank has elected not to measure an allowance for credit losses for accrued interest receivables.

Credit losses are charged and recoveries are credited to the ACL. The ACL is maintained at a level the Bank considers to be adequate and is based on ongoing assessments and evaluations of the collectability of loans. The Bank’s expected credit loss models consider historical credit loss experience, current market and economic conditions, and forecasted changes in market and economic conditions if such forecasts are considered reasonable and supportable. Generally, the Bank considers its forecasts to be reasonable and supportable for a period of up to a year from the estimation date. For periods beyond the reasonable and supportable forecast period, expected credit losses are estimated by reverting to historical loss information without adjustment for changes in economic conditions. The Bank evaluates the length of its reasonable and supportable forecast period, its reversion period and reversion methodology at least annually, or more often if warranted by economic conditions or other circumstances.

The Bank's methodology for determining the ACL includes an estimate of expected credit losses on a collective basis for groups of loans with similar risk characteristics and specific allowances for loans which are individually evaluated.

The Bank disaggregates its loans by portfolio for purposes of determining the allowance for credit losses. Commercial & industrial, commercial real estate, and commercial construction loans are defined as non-homogeneous loans. Non-homogeneous loans are categorized into the regulatory asset quality classifications-Pass, Special Mention, Substandard, Doubtful, and Loss based on credit quality. The Bank utilizes a "Probability of Default Model" that takes into consideration fiscal year-end financial information of the borrower. Additionally, the model incorporates macroeconomic factors to improve its overall predictive reliability. These elements collectively demonstrate a strong correlation with default to assign default probabilities at the borrower level. A loss given default ("LGD") value is also assigned to each loan to measure loss in the event of default based on loan specific features such as collateral that mitigates the amount of loss in the event of default.

Residential, consumer and credit scored business loans are considered homogeneous loans, which are typically underwritten based on common, uniform standards. For the homogeneous portfolio, the quality of the loan is best indicated by the repayment performance of an individual borrower. The Bank supplements performance data with external credit bureau data and credit scores such as the Fair Isaac Corporation ("FICO") score on a quarterly basis. The Bank has built portfolio loss models for each major portfolio based on the combination of internal and external data to predict the probability of default at the loan level. A LGD value is assigned to measure loss in the event of default based on the Bank's specific loss and recovery experience for each major portfolio.

The Bank also considers qualitative factors in determining the ACL. Qualitative factors are used to capture characteristics in the portfolio that impact expected credit losses but are not fully captured within the Bank's expected credit loss models. These include, but are not limited to, adjustments for changes in policies or procedures in underwriting, monitoring or collections, economic conditions, portfolio mix, lending and risk management personnel, results of internal audit and quality control reviews, collateral values and any concentrations of credit.

The reserve for unfunded commitments is maintained at a level believed by management to cover expected losses related to unfunded credit facilities and is included in other liabilities in the balance sheets. The determination of the adequacy of the reserve is based upon an evaluation of the unfunded credit facilities, including an assessment of historical commitment utilization experience, credit risk grading and historical loss rates. This process takes into consideration the same risk elements that are analyzed in the determination of the adequacy of the allowance for credit losses, as discussed above. Net adjustments to the reserve for unfunded commitments are included in the provision for credit losses in the statements of income (loss).

The allowance for credit losses is based on currently available information and historical experience, and future adjustments may be required from time to time to the allowance for credit losses based on new information and changes that occur (e.g., due to changes in economic conditions, particularly in Hawaii). Actual losses could differ from management's estimates, and these differences and subsequent adjustments could be material.

Nonperforming Loans

Loans are generally placed on nonaccrual status when contractually past due 90 days or more, or earlier if the probability of collection is insufficient to warrant further accrual. All interest that is accrued but not collected is reversed. A loan may be returned to accrual status if (i) principal and interest payments have been brought current and repayment of the remaining contractual principal and interest is expected to be made, (ii) the loan has otherwise become well-secured and in the process of collection, or (iii) the borrower has been making regularly scheduled payments in full for the prior six months and it is reasonably assured that the loan will be brought fully current within a reasonable period. Cash receipts on nonaccruing loans are generally applied to reduce the unpaid principal balance.

Loans considered to be uncollectible are charged-off against the allowance for credit losses. The amount and timing of charge-offs on loans includes consideration of the loan type, length of delinquency, insufficiency of collateral value, lien priority and the overall financial condition of the borrower. Recoveries on loans previously charged-off are credited back to the allowance for credit losses. Loans that have been charged-off against the allowance for credit losses are periodically monitored to evaluate whether further adjustments to the allowance are necessary.

Loans in the commercial & industrial and commercial real estate portfolio are generally charged-off when the loan is risk rated “Doubtful” or “Loss.” The loan or a portion thereof is determined to be uncollectible after considering the borrower’s overall financial condition and collateral deficiency. A commercial & industrial or commercial real estate loan is considered uncollectible when: (i) the borrower is delinquent in principal or interest 90 days or more; (ii) significant improvement in the borrower’s repayment capacity is doubtful; and/or (iii) collateral value is insufficient to cover outstanding indebtedness and no other viable assets or repayment sources exist.

Loans in the residential mortgage and home equity portfolios are charged-off when the loan or a portion thereof is determined to be uncollectible after considering the borrower’s overall financial condition and collateral deficiency. Such loan is generally considered uncollectible when: (i) the borrower is delinquent in principal or interest 180 days or more; (ii) it is probable that collateral value is insufficient to cover outstanding indebtedness and no other viable assets or repayment sources exist; (iii) notification of the borrower’s bankruptcy is received or the borrower’s debt is discharged in bankruptcy and the loan is not reaffirmed; or (iv) in cases where the Bank is in a subordinate position to other debt, the senior lien holder has foreclosed and the Bank’s junior lien is extinguished.

Other consumer loans are generally charged-off when the balance becomes 120 days delinquent.

Real Estate Acquired in Settlement of Loans

The Bank records real estate acquired in settlement of loans at fair value, less estimated selling expenses. The Bank obtains appraisals based on recent comparable sales to assist management in estimating the fair value of real estate acquired in settlement of loans. Subsequent declines in value are charged to expense through a valuation allowance. Costs related to holding real estate are charged to operations as incurred.

Premises and Equipment

Land and construction in progress are carried at cost. Construction in progress represents partial payments on buildings, furniture, equipment and leasehold improvements. Construction in progress assets are transferred to building, leasehold improvements or furniture, fixtures and equipment when the asset is fully paid for and placed in service. Buildings, furniture, equipment, and leasehold improvements are stated at cost, less accumulated depreciation or amortization. Depreciation of premises and equipment is computed on a straight-line basis over the estimated useful lives of the respective assets (maximum of 39 years for buildings and 12 years for furniture and equipment). Leasehold improvements are depreciated on a straight-line basis over the terms of the respective leases or estimated useful lives, whichever is shorter. Depreciation begins when an asset is fully paid for and placed in service. Upon sale or other disposal of an asset, the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss is recognized. The Bank evaluates premises and equipment for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If it is determined that the carrying amount of the asset is not recoverable, an impairment loss is recognized equal to the amount by which the carrying amount for an asset exceeds its fair market value.

Securities Sold Under Agreements to Repurchase

The Bank enters into agreements under which it sells securities subject to an obligation to repurchase the same securities. Under these arrangements, the Bank may transfer legal control over the assets but still retain effective control through an agreement that both entitles and obligates the Bank to repurchase the assets. As a result, securities sold under agreements to repurchase are accounted for as collateralized financing arrangements and not as a sale and subsequent repurchase of securities. The obligation to repurchase the securities is reflected as a liability in the Bank's balance sheets, while the securities underlying the securities sold under agreements to repurchase remain in the respective assets accounts and are delivered to and held as collateral by third party trustees.

Fair Value

Fair value estimates are estimates of the price that would be received to sell an asset, or paid upon the transfer of a liability, in an orderly transaction between market participants at the measurement date. The fair value estimates are generally determined based on assumptions that market participants would use in pricing the asset or liability and are based on market data obtained from independent sources. However, in certain cases, the Bank uses its own assumptions about market participant assumptions based on the best information available in the circumstances. These valuations are estimates at a specific point in time, based on relevant market information, information about the financial instrument and judgments regarding future expected loss experience, economic conditions, risk characteristics of various financial instruments and other factors. These estimates do not reflect any premium or discount that could result if the Bank was to sell its entire holdings of a particular financial instrument at one time. Because no active trading market exists for a portion of the Bank's financial instruments, fair value estimates cannot be determined with precision. Changes in the underlying assumptions used, including discount rates and estimates of future cash flows, could significantly affect the estimates. In addition, the tax ramifications related to the realization of the unrealized gains and losses could have a significant effect on fair value estimates, but have not been considered in making such estimates.

Fair Value Measurements

The Bank groups its financial assets measured at fair value in three levels outlined as follows:

Level 1: Inputs to the valuation methodology are quoted prices, unadjusted, for identical assets or liabilities in active markets. A quoted price in an active market provides the most reliable evidence of fair value and is used to measure fair value whenever available.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; inputs to the valuation methodology include quoted prices for identical or similar assets or liabilities in markets that are not active; or inputs to the valuation methodology that are derived principally from or can be corroborated by observable market data by correlation or other means.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Level 3 assets and liabilities include financial instruments whose value is determined using discounted cash flow methodologies, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

Classification in the hierarchy is based upon the lowest level input that is significant to the fair value measurement of the asset or liability. For instruments classified in Level 1 and 2 where inputs are primarily based upon observable market data, there is less judgment applied in arriving at the fair value. For instruments classified in Level 3, management judgment is more significant due to the lack of observable market data.

The Bank reviews and updates the fair value hierarchy classifications on a quarterly basis. Changes from one quarter to the next related to the observability of inputs in fair value measurements may result in a reclassification between the fair value hierarchy levels and are recognized based on period-end balances.

Fair value is also used on a nonrecurring basis to evaluate certain assets for impairment or for disclosure purposes. Examples of nonrecurring uses of fair value include mortgage servicing rights accounted for by the amortization method, loan impairments for certain loans and real estate acquired in settlement of loans.

Goodwill

Goodwill is initially recorded as the excess of the purchase price over the fair value of the net assets acquired in a business combination and is subsequently evaluated at least annually for impairment and whenever events occur or circumstances change that would more-likely-than-not reduce the fair value of a reporting unit below its carrying amount. Examples of these events and circumstances include a significant change in business climate, an adverse action or assessment by a regulator, competition, loss of key personnel, a more-likely-than-not expectation that a reporting unit or a significant portion of a reporting unit will be sold or otherwise disposed of, and other factors.

In 2024, HEI undertook a comprehensive review of strategic options for the Bank and received and accepted a non-binding indication of interest, pending contingencies, in connection with the potential acquisition of ASB. The purchase price was less than the Bank's carrying value. This led to a triggering event where it was more-likely-than-not that there was an expectation of selling the Bank for less than its carrying value. The purchase price contained in the non-binding indication of interest established a specific valuation of ASB resulting in the Bank's goodwill being impaired and the Bank recorded a pretax goodwill impairment charge of \$82.2 million in the second quarter of 2024. The impairment charge is recorded as noninterest expense in the statements of income (loss). The impairment charge was non-cash in nature and did not affect the Bank's current liquidity or cash flows.

Mortgage Banking

Mortgage loans held for sale are stated at the lower of cost or estimated fair value on an aggregate basis. Premiums, discounts and net deferred loan fees are not amortized while a loan is classified as held for sale. A sale is recognized only when the consideration received is other than beneficial interests in the assets sold and control over the assets is transferred irrevocably to the buyer. Gains or losses on sales of loans are recognized at the time of sale and are determined by the difference between the net sales proceeds and the allocated basis of the loans sold. The Bank is obligated to subsequently repurchase a loan if the purchaser discovers a standard representation or warranty violation such as noncompliance with eligibility requirements, customer fraud, or servicing violations. This primarily occurs during a loan file review. The Bank considers and records a reserve for loan repurchases as appropriate.

The Bank recognizes a mortgage servicing asset when a mortgage loan is sold with servicing rights retained. This mortgage servicing right ("MSR") is initially capitalized at its presumed fair value based on market data at the time of sale and accounted for in subsequent periods at the lower of amortized cost or fair value. Mortgage servicing assets or liabilities are included as a component of gain on sale of loans. Under Accounting Standards Codification ("ASC") Topic 860, "Transfers and Servicing," the Bank amortizes the MSRs in proportion to and over the period of estimated net servicing income and assesses for impairment at each reporting date.

The Bank's MSRs are stratified based on predominant risk characteristics of the underlying loans including loan type such as fixed-rate 15 and 30 year mortgages and note rate in bands primarily of 50 to 100 basis points. For each stratum, fair value is calculated by discounting expected net income streams using discount rates that reflect industry pricing for similar assets. Expected net income streams are estimated based on industry assumptions regarding prepayment expectations and income and expenses associated with servicing residential mortgage loans for others.

The Bank uses a present value cash flow model using techniques described above to estimate the fair value of MSRs. Because observable market prices with exact terms and conditions may not be readily available, the Bank

compares the fair value of MSRs to an estimated value calculated by an independent third-party on a semi-annual basis. The third-party relies on both published and unpublished sources of market related assumptions and its own experience and expertise to arrive at a value. The Bank uses the third-party value only to assess the reasonableness of fair value generated by the valuation model.

Impairment is recognized through a valuation allowance for each stratum when the carrying amount exceeds fair value, with any associated provision recorded as a component of loan servicing fees included in other income, net in the statements of income (loss). A direct write-down is recorded when the recoverability of the valuation allowance is deemed to be unrecoverable.

Loan servicing fee income represents income earned for servicing mortgage loans owned by investors. It includes mortgage servicing fees and other ancillary servicing income, net of guaranty fees. Servicing fees are generally calculated on the outstanding principal balances of the loans serviced and are recorded as income when earned.

Bank-Owned Life Insurance

The Bank is the beneficiary of life insurance policies on current and former officers and selected employees of the Bank. Bank-owned life insurance is recorded on the balance sheet at its cash surrender value. Income is recognized as the cash surrender value of the insurance policies increases. The proceeds from the death benefits are offset against the cash surrender value of the insurance policies and any remaining proceeds is recorded as noninterest income in the statements of income (loss).

Tax Credit Investments

The Bank invests in limited liability entities formed to operate qualifying affordable housing projects.

The affordable housing investments provide tax benefits to investors in the form of tax deductions from operating losses and tax credits. As a limited partner, the Bank has no significant influence over the operations. These investments are initially recorded at the initial capital contribution with a liability recognized for the commitment to contribute additional capital over the term of the investment.

The Bank uses the proportional amortization method of accounting for its investments. Under the proportional amortization method, the Bank amortizes the cost of its investments in proportion to the tax credits and other tax benefits it receives. The amortization, tax credits and tax benefits are reported as a component of income tax expense.

For these limited liability entities, the Bank assesses whether it is the primary beneficiary of the limited liability entity, which is a variable interest entity (“VIE”). The primary beneficiary of a VIE is determined to be the party that meets both of the following criteria: (i) has the power to make decisions that most significantly affect the economic performance of the VIE; and (ii) has the obligation to absorb losses or the right to receive benefits that in either case could potentially be significant to the VIE. Generally, the Bank, as a limited partner, is not deemed to be the primary beneficiary as it does not meet the power criterion, i.e., no power to direct the activities of a VIE that most significantly impact the VIE’s economic performance and no direct ability to unilaterally remove the general partner.

All tax credit investments are evaluated for potential impairment at least annually, or more frequently, when events or conditions indicate that it is deemed probable that the Bank will not recover its investment. If an investment is determined to be impaired, it is written down to its estimated fair value and the new cost basis of the investment is not adjusted for subsequent recoveries in value. As of December 31, 2025, the Bank did not have any impairment losses resulting from forfeiture or ineligibility of tax credits or other circumstances related to its low-income housing tax credit (“LIHTC”) investments.

Retirement Benefits

Pension benefit costs (returns) are charged (credited) to expense in the statements of income (loss), and the corresponding prepaid (accrued) pension cost is recorded in other assets or other liabilities in the balance sheets. The Bank's policy is to fund pension costs in amounts not less than the minimum funding requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and will not exceed the maximum tax-deductible amounts. The Bank considers its targeted funded status in determining funding amounts with the assistance of its consulting actuary. The Bank terminated the American Savings Bank Retirement Plan and nonqualified Supplemental Plans effective September 30, 2025. See Note 12 Retirement Benefits.

Derivative Financial Instruments

The Bank enters into interest rate lock commitments ("IRLCs") with borrowers, and forward commitments to sell loans or to-be-announced ("TBA") mortgage-backed securities to investors to hedge against the inherent interest rate and pricing risk associated with selling loans. The commitments to originate mortgage loans held for sale and the related delivery contracts are considered derivatives. None of these residential mortgage related derivatives are designated as hedging instruments for accounting purposes. Rather, they are accounted for as economic hedges and reported at fair value as either assets or liabilities in the balance sheet. The changes in fair value of these derivatives are reported in the current period as a component of mortgage banking income in the statements of income (loss).

Income Taxes

Through December 31, 2024, the Bank was included in the consolidated federal income tax return of HEI and filed a consolidated state franchise tax return. The Bank provided for current and deferred income taxes on a "separate-company" basis for financial statement purposes. As a result of the sale by HEI of ASB on December 31, 2024, the Bank is no longer included in the consolidated federal income tax return of HEI and consolidated state franchise tax return beginning with the tax year 2025.

Deferred income tax assets and liabilities are established for the temporary differences between the financial reporting bases and the tax basis of the Bank's assets and liabilities at federal and state tax rates expected to be in effect when such deferred tax assets or liabilities are realized or settled. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Valuation allowances are established when necessary to reduce deferred income tax assets to the amount expected to be realized.

The Bank recognizes affordable housing investment tax credits as a reduction of income tax expenses as the credits are generated under the tax law.

The Bank will record interest expense and associated penalties, if any, as other expense in the statements of income (loss).

Governmental tax authorities could challenge a tax return position taken by the Bank. The Bank uses a "more-likely-than-not" recognition threshold and measurement standard for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into law in the United States and contains a broad range of tax reform provisions affecting businesses. The Bank does not expect the enactment of OBBBA to have a material impact on the financial statements.

Earnings per Common Share

Basic earnings per common share is computed by dividing net income available to common stockholders by the weighted-average number of common stock outstanding for the period. Diluted earnings per common share is computed by dividing net income available to common stockholders by the weighted-average number of common shares outstanding, assuming conversion of potentially dilutive common stock equivalents. Preferred stock has no impact to the computation of earnings per share as holders of preferred stock are not entitled to receive or participate in any dividends.

Segment Reporting

The Bank provides a wide range of financial services to customers located in Hawaii and operates as one operating and reportable segment, community banking. The Bank's Chief Executive Officer, who is the designated chief operating decision maker ("CODM"), evaluates performance and makes decisions considering bank-wide financial metrics. See Note 20 - Segment Reporting for additional information.

Accounting Pronouncements Adopted

Segment Reporting

The Bank adopted Accounting Standards Update ("ASU") 2023-07, Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures ("ASU 2023-07"). The amendments in this ASU require improved reportable segment information on an annual and interim basis, primarily through enhanced disclosures about significant segment expenses. The adoption of ASU 2023-07 did not have a material impact on the financial statements.

Accounting Pronouncements Pending Adoption

Income Taxes

In December 2023, the FASB issued ASU No. 2023-09 ("ASU 2023-09"), Income Taxes (Topic 740): Improvement to Income Tax Disclosures." The ASU is intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments in this update require additional disclosures primarily related to the rate reconciliation and income taxes paid information. The amendments are effective for fiscal years beginning after December 15, 2025 for non-public entities. The Bank does not expect ASU 2023-09 to have a material impact on the financial statements.

Income Statement Expense Reporting

In November 2024, The FASB issued ASU 2024-03, Income Statement— Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. The amendments in this update apply to all public entities and require new disclosures providing further detail of a bank's income statement expense items. This update is effective for annual periods beginning after December 15, 2026, and interim periods beginning December 15, 2027. Early adoption is permitted. The amendments in this update should be applied on a prospective basis. The Bank is currently assessing the impact ASU 2024-03 will have on its expense disclosures.

Reclassification of Prior Year Amounts

Certain prior year amounts have been reclassified to conform to the current year's presentation. These reclassifications had no impact on previously reported total assets, total liabilities, net income or cash flows. The changes were made to improve comparability and align with our updated financial statement presentation.

3 • Investment Securities

The major components of investment securities were as follows:

<i>(dollars in thousands)</i>	Amortized cost	Gross unrealized gains	Gross unrealized losses	Estimated fair value
December 31, 2025				
Available-for-sale				
U.S. Treasury and federal agency obligations	\$ 153,679	\$ 199	\$ (105)	\$ 153,773
Residential mortgage-backed securities*	501,863	1,339	(35,365)	467,837
Commercial mortgage-backed securities*	91,147	59	(4,758)	86,448
Corporate bonds	34,965	—	(345)	34,620
Mortgage revenue bonds	13,206	—	—	13,206
	\$ 794,860	\$ 1,597	\$ (40,573)	\$ 755,884
Held-to-maturity				
U.S. Treasury and federal agency obligations	\$ 59,965	\$ —	\$ (4,274)	\$ 55,691
Residential mortgage-backed securities*	543,814	2,572	(9,544)	536,842
Commercial mortgage-backed securities*	498,074	191	(59,908)	438,357
	\$ 1,101,853	\$ 2,763	\$ (73,726)	\$ 1,030,890
December 31, 2024				
Available-for-sale				
U.S. Treasury and federal agency obligations	\$ 7,106	\$ —	\$ (176)	\$ 6,930
Residential mortgage-backed securities*	1,087,192	12	(202,314)	884,890
Commercial mortgage-backed securities*	90,841	—	(16,864)	73,977
Corporate bonds	35,102	—	(1,443)	33,659
Mortgage revenue bonds	13,794	—	—	13,794
	\$ 1,234,035	\$ 12	\$ (220,797)	\$ 1,013,250
Held-to-maturity				
U.S. Treasury and federal agency obligations	\$ 59,941	\$ —	\$ (7,180)	\$ 52,761
Residential mortgage-backed securities*	582,465	54	(32,726)	549,793
Commercial mortgage-backed securities*	505,301	—	(83,572)	421,729
	\$ 1,147,707	\$ 54	\$ (123,478)	\$ 1,024,283

* Issued or guaranteed by U.S. Government agencies or sponsored enterprises

U.S. Treasury, federal agency obligations, corporate bonds, and mortgage revenue bonds have contractual terms to maturity. Mortgage-backed securities have contractual terms to maturity, but require periodic payments to reduce principal. In addition, expected maturities will differ from contractual maturities because borrowers have the right to prepay the underlying mortgages.

The contractual maturities of investment securities were as follows:

	Amortized Cost	Fair value
December 31, 2025		
<i>(dollars in thousands)</i>		
Available-for-sale		
Due in one year or less	\$ 105,940	\$ 106,065
Due after one year through five years	27,888	27,552
Due after five years through ten years	58,053	58,029
Due after ten years	9,969	9,953
	201,850	201,599
Mortgage-backed securities — issued or guaranteed by U.S. Government agencies or sponsored	593,010	554,285
Total available-for-sale securities	\$ 794,860	\$ 755,884
Held-to-maturity		
Due in one year or less	\$ —	\$ —
Due after one year through five years	39,902	37,753
Due after five years through ten years	20,063	17,938
Due after ten years	—	—
	59,965	55,691
Mortgage-backed securities — issued or guaranteed by U.S. Government agencies or sponsored	1,041,888	975,199
Total held-to-maturity securities	\$ 1,101,853	\$ 1,030,890

The proceeds, gross losses and tax benefit on realized losses from sales of available-for-sale securities were as follows:

Years ended December 31,	2025	2024
<i>(dollars in thousands)</i>		
Proceeds	\$ 585,429	\$ —
Gross gains	—	—
Gross losses	(118,522)	—
Tax benefit on realized losses	(31,764)	—

Interest income from taxable and non-taxable investment securities were as follows:

Years ended December 31,	2025	2024
<i>(dollars in thousands)</i>		
Taxable	\$ 40,410	\$ 45,483
Non-taxable	1,478	1,610
	\$ 41,888	\$ 47,093

The Bank pledged securities with a carrying value of approximately \$0.8 billion and \$1.3 billion as of December 31, 2025 and 2024, respectively, as collateral for public funds and other deposits, mortgage pipeline hedge margin, automated clearinghouse transactions, the Federal Reserve Bank of San Francisco discount window and bankruptcy account, the Federal Home Loan Bank of Des Moines advance line and to secure other borrowing capacity.

Investment securities by category and length of time in a continuous unrealized loss position were as follows.

(dollars in thousands)	Less than 12 months			12 months or longer			Total		
	Number of issues	Fair value	Amount	Number of issues	Fair value	Amount	Number of issues	Fair value	Amount
December 31, 2025									
Available-for-sale									
U.S. Treasury and federal agency obligations	6	\$ 36,737	\$ (70)	5	\$ 2,935	\$ (35)	11	\$ 39,672	\$ (105)
Residential mortgage-backed securities*	9	42,742	(2,522)	32	286,303	(32,843)	41	329,045	(35,365)
Commercial mortgage-backed securities*	3	20,355	(31)	7	38,487	(4,727)	10	58,842	(4,758)
Corporate bonds	—	—	—	3	34,620	(345)	3	34,620	(345)
Mortgage revenue bonds	—	—	—	—	—	—	—	—	—
	18	\$ 99,834	\$ (2,623)	47	\$ 362,345	\$ (37,950)	65	\$ 462,179	\$ (40,573)
Held-to-maturity									
U.S. Treasury and federal agency obligations	—	\$ —	\$ —	3	\$ 55,691	\$ (4,274)	3	\$ 55,691	\$ (4,274)
Residential mortgage-backed securities*	11	99,322	(1,541)	37	313,654	(8,003)	48	412,976	(9,544)
Commercial mortgage-backed securities*	—	—	—	35	404,603	(59,908)	35	404,603	(59,908)
	11	\$ 99,322	\$ (1,541)	75	\$ 773,948	\$ (72,185)	86	\$ 873,270	\$ (73,726)
December 31, 2024									
Available-for-sale									
U.S. Treasury and federal agency obligations	—	\$ —	\$ —	6	\$ 6,930	\$ (176)	6	\$ 6,930	\$ (176)
Residential mortgage-backed securities*	1	774	(3)	95	882,373	(202,311)	96	883,147	(202,314)
Commercial mortgage-backed securities*	—	—	—	12	73,976	(16,864)	12	73,976	(16,864)
Corporate bonds	—	—	—	3	33,659	(1,443)	3	33,659	(1,443)
Mortgage revenue bonds	—	—	—	—	—	—	—	—	—
	1	\$ 774	\$ (3)	116	\$ 996,938	\$ (220,794)	117	\$ 997,712	\$ (220,797)
Held-to-maturity									
U.S. Treasury and federal agency obligations	—	\$ —	\$ —	3	\$ 52,761	\$ (7,180)	3	\$ 52,761	\$ (7,180)
Residential mortgage-backed securities*	32	315,263	(14,114)	30	228,028	(18,612)	62	543,291	(32,726)
Commercial mortgage-backed securities*	5	33,465	(814)	35	388,263	(82,758)	40	421,728	(83,572)
	37	\$ 348,728	\$ (14,928)	68	\$ 669,052	\$ (108,550)	105	\$ 1,017,780	\$ (123,478)

* Issued or guaranteed by U.S. Government agencies or sponsored enterprises

The Bank does not believe that the investment securities that were in an unrealized loss position as of December 31, 2025, represent a credit loss. Total gross unrealized losses were primarily attributable to changes in market conditions. On a quarterly basis the investment securities are evaluated for changes in financial condition of the issuer. Based upon the Bank's evaluation, all securities held within the investment portfolio continue to be rated investment grade by one or more agencies. The contractual cash flows of the U.S. Treasury, federal agency obligations and agency mortgage-backed securities are backed by the full faith and credit guaranty of the United States government, an agency of the government or a government-sponsored entity. The Bank does not intend to sell the securities before the recovery of its amortized cost basis and there have been no adverse changes in the timing of the contractual cash flows for the securities. The Bank's investment securities portfolio did not require an allowance for credit losses as of December 31, 2025.

4 • Loans

The components of loans were summarized as follows:

December 31	2025	2024
<i>(dollars in thousands)</i>		
Real estate		
Residential mortgage	\$ 2,739,266	\$ 2,622,857
Commercial real estate	1,484,535	1,454,726
Home equity line of credit	933,990	950,406
Residential land	14,609	17,618
Commercial construction	195,600	184,918
Residential construction	17,312	18,902
Total real estate	5,385,312	5,249,427
Commercial & industrial	591,316	657,891
Consumer	115,742	234,441
Total loans	6,092,370	6,141,759
Less: Deferred fees and discounts	(9,123)	(27,038)
Allowance for credit losses (Note 5)	(57,557)	(64,231)
Total loans, net	\$ 6,025,690	\$ 6,050,490

The Bank's policy is to require private mortgage insurance on all real estate loans when the loan-to-value ratio of the property exceeds 80% of the lower of the appraised value or purchase price at origination.

During 2025, the Bank sold \$87.1 million of solar and home improvement loans for \$67.2 million resulting in a pre-tax loss of \$19.9 million

As of December 31, 2025 and 2024, the Bank had pledged loans with an amortized cost of approximately \$3.2 billion and \$3.2 billion, respectively, as collateral to secure advances from the FHLB.

5 • Allowance for Credit Losses

As discussed in Note 2, the Bank must maintain an allowance for credit losses that is adequate to absorb estimated expected credit losses associated with its loan portfolio.

Allowance for Credit Losses

The allowance for credit losses (balances and changes) and financing receivables by portfolio were as follows:

<i>(dollars in thousands)</i>	Residential mortgages	Commercial real estate	Home equity line of credit	Residential land	Commercial construction	Residential construction	Commercial & industrial	Consumer	Total
December 31, 2025									
Allowance for credit losses:									
Beginning balance	\$ 5,666	\$ 17,743	\$ 6,961	\$ 529	\$ 3,088	\$ 40	\$ 8,307	\$ 21,897	\$ 64,231
Charge-offs	—	—	(15)	—	—	—	(771)	(9,009)	(9,795)
Recoveries	14	—	122	120	—	—	1,518	3,181	4,955
Net (charge-offs)	14	—	107	120	—	—	747	(5,828)	(4,840)
Provision	4,089	(2,613)	1,064	(205)	4,019	(7)	(2,085)	(6,096)	(1,834)
Ending balance	\$ 9,769	\$ 15,130	\$ 8,132	\$ 444	\$ 7,107	\$ 33	\$ 6,969	\$ 9,973	\$ 57,557
Average loans outstanding	\$ 2,628,721	\$ 1,452,075	\$ 947,009	\$ 16,306	\$ 203,387	\$ 15,825	\$ 646,503	\$ 181,784	\$ 6,091,610
Net charge-offs (recoveries) to average loans	—%	—%	(0.01)%	(0.74)%	—%	—%	(0.12%)	3.21%	0.08%
December 31, 2024									
Allowance for credit losses:									
Beginning balance	\$ 7,435	\$ 22,185	\$ 7,778	\$ 621	\$ 3,603	\$ 43	\$ 9,122	\$ 23,585	\$ 74,372
Charge-offs	(850)	—	—	—	—	—	(435)	(12,017)	(13,302)
Recoveries	205	—	306	—	—	—	491	3,222	4,224
Net (charge-offs)	(645)	—	306	—	—	—	56	(8,795)	(9,078)
Provision	(1,124)	(4,442)	(1,123)	(92)	(515)	(3)	(871)	7,107	(1,063)
Ending balance	\$ 5,666	\$ 17,743	\$ 6,961	\$ 529	\$ 3,088	\$ 40	\$ 8,307	\$ 21,897	\$ 64,231
Average loans outstanding	\$ 2,595,128	\$ 1,372,433	\$ 981,826	\$ 19,122	\$ 192,111	\$ 17,800	\$ 669,515	\$ 229,284	\$ 6,077,219
Net charge-offs (recoveries) to average loans	0.02 %	—%	(0.03)%	—%	—%	—%	(0.01%)	3.84%	0.15%

Allowance for Loan Commitments

The allowance for loan commitments by portfolio were as follows:

<i>(dollars in thousands)</i>	Home equity line of credit	Commercial construction	Commercial & industrial	Total
<u>Year ended December 31, 2025</u>				
Allowance for loan commitments:				
Beginning balance	\$ 700	\$ 3,100	\$ 400	\$ 4,200
Provision	(100)	—	1,100	1,000
Ending balance	\$ 600	\$ 3,100	\$ 1,500	\$ 5,200
<u>Year ended December 31, 2024</u>				
Allowance for loan commitments:				
Beginning balance	\$ 600	\$ 4,300	\$ 200	\$ 5,100
Provision	100	(1,200)	200	(900)
Ending balance	\$ 700	\$ 3,100	\$ 400	\$ 4,200

Credit Quality

The Bank performs an internal loan review and grading on an ongoing basis. The review provides management with periodic information as to the quality of the loan portfolio and effectiveness of its lending policies and procedures. The objectives of the loan review and grading procedures are to identify, in a timely manner, existing or emerging credit trends so that appropriate steps can be initiated to manage risk and avoid or minimize future losses. Loans subject to grading include commercial & industrial, commercial real estate and commercial construction loans.

Each commercial & industrial and commercial real estate loan is assigned an Asset Quality Rating (“AQR”) reflecting the likelihood of repayment or orderly liquidation of that loan transaction pursuant to regulatory credit classifications: Pass, Special Mention, Substandard, Doubtful, and Loss. Pass exposures generally are well protected by the current net worth and paying capacity of the obligor or by the value of the asset or underlying collateral. Special Mention loans have potential weaknesses that, if left uncorrected, could jeopardize the liquidation of the debt. Substandard loans have well-defined weaknesses that jeopardize the liquidation of the debt and are characterized by the distinct possibility that the Bank may sustain some loss. An asset classified Doubtful has the weaknesses of those classified Substandard, with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently existing facts, conditions, and values, highly questionable and improbable. An asset classified Loss is considered uncollectible and has such little value that its continuance as a bankable asset is not warranted.

The credit risk profile by vintage date based on payment activity or internally assigned grade for loans was as follows:

	Term Loans by Origination Year						Revolving Loans		
(dollars in thousands)	2025	2024	2023	2022	2021	Prior	Revolving Loans	Converted to Term Loans	Total
December 31, 2025									
Residential mortgage									
Current	\$ 319,548	\$ 165,551	\$ 224,614	\$ 364,875	\$ 656,720	\$ 993,335	\$ —	\$ —	\$2,724,643
30-59 days past due	284	—	728	1,711	4,183	3,093	—	—	9,999
60-89 days past due	—	—	—	691	—	—	—	—	691
Greater than 89 days past due	734	—	—	—	1,723	1,476	—	—	3,933
	320,566	165,551	225,342	367,277	662,626	997,904	—	—	2,739,266
Home equity line of credit									
Current	—	—	—	—	—	—	853,621	74,805	928,426
30-59 days past due	—	—	—	—	—	—	1,252	283	1,535
60-89 days past due	—	—	—	—	—	—	1,211	139	1,350
Greater than 89 days past due	—	—	—	—	—	—	2,025	654	2,679
	—	—	—	—	—	—	858,109	75,881	933,990
Residential land									
Current	6,054	5,332	2,772	263	188	—	—	—	14,609
30-59 days past due	—	—	—	—	—	—	—	—	—
60-89 days past due	—	—	—	—	—	—	—	—	—
Greater than 89 days past due	—	—	—	—	—	—	—	—	—
	6,054	5,332	2,772	263	188	—	—	—	14,609
Residential construction									
Current	9,187	6,595	937	593	—	—	—	—	17,312
30-59 days past due	—	—	—	—	—	—	—	—	—
60-89 days past due	—	—	—	—	—	—	—	—	—
Greater than 89 days past due	—	—	—	—	—	—	—	—	—
	9,187	6,595	937	593	—	—	—	—	17,312
Consumer									
Current	55,689	25,227	15,055	7,102	971	418	6,400	2,537	113,399
30-59 days past due	396	205	199	145	1	—	51	38	1,035
60-89 days past due	160	206	142	79	—	—	7	40	634
Greater than 89 days past due	140	217	85	147	—	—	59	26	674
	56,385	25,855	15,481	7,473	972	418	6,517	2,641	115,742
Commercial real estate									
Pass	161,132	107,025	120,937	334,835	167,665	526,367	24,303	—	1,442,264
Special Mention	—	—	923	2,614	—	—	—	—	3,537
Substandard	—	—	—	17,500	20,640	594	—	—	38,734
Doubtful	—	—	—	—	—	—	—	—	—
	161,132	107,025	121,860	354,949	188,305	526,961	24,303	—	1,484,535
Commercial construction									
Pass	31,581	19,408	26,834	40,613	—	—	59,217	2,985	180,638
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	10,383	—	—	—	—	—	10,383
Doubtful	—	—	4,579	—	—	—	—	—	4,579
	31,581	19,408	41,796	40,613	—	—	59,217	2,985	195,600
Commercial & industrial									

Pass	125,115	101,538	62,883	109,449	38,854	80,882	64,252	6,807	589,780
Special Mention	—	—	127	—	—	—	—	—	127
Substandard	—	—	—	—	—	1,289	—	120	1,409
Doubtful	—	—	—	—	—	—	—	—	—
	125,115	101,538	63,010	109,449	38,854	82,171	64,252	6,927	591,316
Total loans	\$ 710,020	\$ 431,304	\$ 471,198	\$ 880,617	\$ 890,945	\$1,607,454	\$1,012,398	\$ 88,434	\$6,092,370

	Term Loans by Origination Year						Revolving Loans		
(dollars in thousands)	2024	2023	2022	2021	2020	Prior	Revolving Loans	Converted to Term Loans	Total
December 31, 2024									
Residential mortgage									
Current	\$ 195,450	\$ 248,577	\$ 391,419	\$ 693,730	\$ 377,515	\$ 708,171	\$ —	\$ —	\$2,614,862
30-59 days past due	—	—	—	—	266	1,940	—	—	2,206
60-89 days past due	—	—	—	—	264	964	—	—	1,228
Greater than 89 days past due	—	—	—	1,296	—	3,265	—	—	4,561
	195,450	248,577	391,419	695,026	378,045	714,340	—	—	2,622,857
Home equity line of credit									
Current	—	—	—	—	—	—	877,529	68,552	946,081
30-59 days past due	—	—	—	—	—	—	1,007	536	1,543
60-89 days past due	—	—	—	—	—	—	1,032	92	1,124
Greater than 89 days past due	—	—	—	—	—	—	1,183	475	1,658
	—	—	—	—	—	—	880,751	69,655	950,406
Residential land									
Current	6,958	3,028	3,598	2,365	1,065	503	—	—	17,517
30-59 days past due	—	—	—	—	—	101	—	—	101
60-89 days past due	—	—	—	—	—	—	—	—	—
Greater than 89 days past due	—	—	—	—	—	—	—	—	—
	6,958	3,028	3,598	2,365	1,065	604	—	—	17,618
Residential construction									
Current	3,304	9,658	5,940	—	—	—	—	—	18,902
30-59 days past due	—	—	—	—	—	—	—	—	—
60-89 days past due	—	—	—	—	—	—	—	—	—
Greater than 89 days past due	—	—	—	—	—	—	—	—	—
	3,304	9,658	5,940	—	—	—	—	—	18,902
Consumer									
Current	44,932	57,509	110,933	3,801	524	253	9,287	1,668	228,907
30-59 days past due	460	929	1,287	16	—	—	66	42	2,800
60-89 days past due	200	324	774	43	—	—	36	49	1,426
Greater than 89 days past due	17	340	647	59	—	—	120	125	1,308
	45,609	59,102	113,641	3,919	524	253	9,509	1,884	234,441
Commercial real estate									
Pass	117,543	122,584	373,629	169,222	254,163	361,193	15,603	—	1,413,937
Special Mention	—	—	1,208	21,016	—	478	—	—	22,702
Substandard	—	—	—	1,493	—	14,537	—	—	16,030
Doubtful	—	—	—	—	—	2,057	—	—	2,057
	117,543	122,584	374,837	191,731	254,163	378,265	15,603	—	1,454,726
Commercial construction									
Pass	3,636	56,183	43,647	13,017	—	—	68,435	—	184,918
Special Mention	—	—	—	—	—	—	—	—	—
Substandard	—	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—	—
	3,636	56,183	43,647	13,017	—	—	68,435	—	184,918
Commercial & industrial									
Pass	103,178	75,358	154,427	75,489	40,269	72,677	106,549	7,119	635,066
Special Mention	—	852	16,519	—	—	—	1,050	—	18,421
Substandard	959	—	1,112	73	—	1,318	861	21	4,344

Doubtful	—	—	—	—	60	—	—	—	60
	104,137	76,210	172,058	75,562	40,329	73,995	108,460	7,140	657,891
Total loans	\$ 476,637	\$ 575,342	\$1,105,140	\$ 981,620	\$ 674,126	\$1,167,457	\$1,082,758	\$ 78,679	\$6,141,759

Gross charge-offs by portfolio and vintage were as follows:

<i>(dollars in thousands)</i>	2025	2024	2023	2022	2021	Prior	Total
<u>December 31, 2025</u>							
Residential mortgage	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—
Commercial real estate	—	—	—	—	—	—	—
Home equity line of credit	—	—	15	—	—	—	15
Residential land	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—
Residential construction	—	—	—	—	—	—	—
Commercial & industrial	—	38	181	95	61	396	771
Consumer	1,683	1,294	2,018	3,508	305	201	9,009
Total	\$ 1,683	\$ 1,332	\$ 2,214	\$ 3,603	\$ 366	\$ 597	\$ 9,795

<i>(dollars in thousands)</i>	2024	2023	2022	2021	2020	Prior	Total
<u>December 31, 2024</u>							
Residential mortgage	\$ —	\$ —	\$ 361	\$ 277	\$ —	\$ 212	\$ 850
Commercial real estate	—	—	—	—	—	—	—
Home equity line of credit	—	—	—	—	—	—	—
Residential land	—	—	—	—	—	—	—
Commercial construction	—	—	—	—	—	—	—
Residential construction	—	—	—	—	—	—	—
Commercial & industrial	9	—	58	64	—	304	435
Consumer	1,426	3,672	5,894	613	147	265	12,017
Total	\$ 1,435	\$ 3,672	\$ 6,313	\$ 954	\$ 147	\$ 781	\$ 13,302

Revolving loans converted to term loans during 2025 in the commercial & industrial, home equity line of credit and consumer portfolios were \$5.5 million, \$19.9 million, and \$2.0 million, respectively.

Revolving loans converted to term loans during 2024 in the commercial & industrial, home equity line of credit and consumer portfolios were \$3.1 million, \$21.9 million, and \$0.7 million, respectively.

The credit risk profile based on payment activity for loans was as follows:

<i>(dollars in thousands)</i>	30-59 days past due	60-89 days past due	90 days or more past due	Total past due	Current	Total financing receivables	Recorded investment > 90 days and accruing
December 31, 2025							
Real estate							
Residential mortgage	\$ 9,999	\$ 691	\$ 3,933	\$ 14,623	\$ 2,724,643	\$ 2,739,266	\$ 2,481
Commercial real estate	110	—	—	110	1,484,425	1,484,535	—
Home equity line of credit	1,535	1,350	2,679	5,564	928,426	933,990	—
Residential land	—	—	—	—	14,609	14,609	—
Commercial construction	—	—	—	—	195,600	195,600	—
Residential construction	—	—	—	—	17,312	17,312	—
Commercial & industrial	59	10	25	94	591,222	591,316	—
Consumer	1,035	634	674	2,343	113,399	115,742	—
Total loans	\$ 12,738	\$ 2,685	\$ 7,311	\$ 22,734	\$ 6,069,636	\$ 6,092,370	\$ 2,481
December 31, 2024							
Real estate							
Residential mortgage	\$ 2,206	\$ 1,228	\$ 4,561	\$ 7,995	\$ 2,614,862	\$ 2,622,857	\$ —
Commercial real estate	—	—	10,487	10,487	1,444,239	1,454,726	—
Home equity line of credit	1,543	1,124	1,658	4,325	946,081	950,406	—
Residential land	101	—	—	101	17,517	17,618	—
Commercial construction	—	—	—	—	184,918	184,918	—
Residential construction	—	—	—	—	18,902	18,902	—
Commercial & industrial	97	35	132	264	657,627	657,891	—
Consumer	2,800	1,426	1,308	5,534	228,907	234,441	—
Total loans	\$ 6,747	\$ 3,813	\$ 18,146	\$ 28,706	\$ 6,113,053	\$ 6,141,759	\$ —

The credit risk profile based on nonaccrual loans were as follows:

<i>(dollars in thousands)</i>	December 31, 2025			December 31, 2024		
	With a related ACL	Without a related ACL	Total	With a related ACL	Without a related ACL	Total
Real estate						
Residential mortgage	\$ 3,965	\$ 1,453	\$ 5,418	\$ 4,045	\$ 4,246	\$ 8,291
Commercial real estate	—	—	—	10,487	—	10,487
Home equity line of credit	2,715	1,928	4,643	2,931	825	3,756
Residential land	—	—	—	—	—	—
Commercial construction	14,962	—	14,962	—	—	—
Residential construction	—	—	—	—	—	—
Commercial & industrial	120	—	120	131	73	204
Consumer	1,107	—	1,107	2,075	—	2,075
Total	\$ 22,869	\$ 3,381	\$ 26,250	\$ 19,669	\$ 5,144	\$ 24,813

ASB did not recognize interest on nonaccrual loans for 2025 and 2024.

Modifications Made to Borrowers Experiencing Financial Difficulty.

The allowance for credit losses incorporates an estimate of lifetime expected credit losses and is recorded on each asset upon origination. The starting point for the estimate of the allowance for credit losses is historical loan information, which includes losses from modifications of receivables to borrowers experiencing financial difficulty. ASB uses a probability of default/loss given default model to determine the allowance for credit losses. An assessment of whether a borrower is experiencing financial difficulty is made at the time of the modification.

Because the effect of most modifications made to borrowers experiencing financial difficulty is already included in the allowance for credit losses, a change to the allowance for credit losses is generally not recorded upon modification.

Modifications may include interest rate reductions, interest only payments for an extended period of time, protracted terms such as amortization and maturity beyond the customary length of time found in the normal marketplace, and other actions intended to minimize economic loss and to provide alternatives to foreclosure or repossession of collateral.

Loan modifications made to borrowers experiencing financial difficulty during 2025 and 2024 were as follows:

<i>(dollars in thousands)</i>	Term extension	Interest rate reduction	Payment delay	Combination term extension & rate reduction	Combination payment delay & term extension	Total	% of total class of loans
<u>Year ended December 31, 2025</u>							
Real estate loans							
Residential mortgage	\$ 2,900	\$ —	\$ 2,508	\$ —	\$ —	\$ 5,408	0.20 %
Commercial real estate	17,500	—	—	—	—	17,500	1.18
Home equity line of credit	374	—	—	—	—	374	0.04
Residential land	—	—	—	—	—	—	—
Commercial construction	14,962	—	—	—	—	14,962	7.65
Residential construction	—	—	—	—	—	—	—
Commercial & industrial	—	—	1,289	—	—	1,289	0.22
Consumer	—	—	—	—	—	—	—
Total*	\$ 35,736	\$ —	\$ 3,797	\$ —	\$ —	\$ 39,533	0.65 %
<u>Year ended December 31, 2024</u>							
Real estate loans							
Residential mortgage	\$ 715	\$ —	\$ 6,722	\$ 299	\$ —	\$ 7,736	0.29 %
Commercial real estate	—	—	—	—	1,208	1,208	0.08
Home equity line of credit	—	152	446	—	—	598	0.06
Residential land	—	—	674	—	—	674	3.83
Commercial construction	—	—	—	—	—	—	—
Residential construction	—	—	—	—	—	—	—
Commercial & industrial	—	—	—	—	—	—	—
Consumer	—	—	—	—	—	—	—
Total*	\$ 715	\$ 152	\$ 7,842	\$ 299	\$ 1,208	\$ 10,216	0.17 %

* The period end balances reflect all paydowns and charge-offs since the modification. Loans fully paid off, charged off or foreclosed upon by period end are not included.

Financial effect of loan modifications during 2025 and 2024 for borrowers experiencing financial difficulty were as follows:

	Weighted average		
	Term extension (in months)	Interest rate reduction (in percent)	Payment delay (in months)
<u>Year ended December 31, 2025</u>			
Real estate loans			
Residential mortgage	185	—	255
Commercial real estate	23	—	—
Home equity line of credit	229	—	—
Residential land	—	—	—
Commercial construction	2	—	—
Residential construction	—	—	—
Commercial & industrial	—	—	14
Consumer	—	—	—
<u>Year ended December 31, 2024</u>			
Real estate loans			
Residential mortgage	250	2.00 %	11
Commercial real estate	9	—	9
Home equity line of credit	—	3.00 %	14
Residential land	—	—	9
Commercial construction	—	—	—
Residential construction	—	—	—
Commercial & industrial	—	—	—
Consumer	—	—	—

Credit risk profile based on payment activity for loans modified during 2025 were as follows:

<i>(dollars in thousands)</i>	Current	30-59 days past due	60-89 days past due	90 days or more past due	Total
<u>December 31, 2025</u>					
Real estate loans					
Residential mortgage	\$ 4,282	\$ 1,126	\$ —	\$ —	5,408
Commercial real estate	17,500	—	—	—	17,500
Home equity line of credit	143	231	—	—	374
Residential land	—	—	—	—	—
Commercial construction	14,962	—	—	—	14,962
Residential construction	—	—	—	—	—
Commercial & industrial	1,289	—	—	—	1,289
Consumer	—	—	—	—	—
Total	\$ 38,176	\$ 1,357	\$ —	\$ —	39,533

During 2025 and 2024, there were no loan modifications made to borrowers experiencing financial difficulty that defaulted.

Collateral-dependent loans. A loan is considered collateral-dependent when the borrower is experiencing financial difficulty and repayment of the loan is expected to be provided substantially through the operation or sale of the collateral.

Loans considered collateral-dependent were as follows:

<i>(dollars in thousands)</i>	December 31, 2025		December 31, 2024	
	Amortized Cost	Collateral Type	Amortized Cost	Collateral Type
Real estate loans				
Residential mortgage	\$ 3,438	Residential real estate property	\$ 4,654	Residential real estate property
Commercial real estate	—		10,487	Commercial real estate property
Home equity line of credit	1,928	Residential real estate property	934	Residential real estate property
Commercial construction	14,962	Commercial real estate property	—	
Total real estate	20,328		16,075	
Commercial & industrial	—		132	Business assets
Total	\$ 20,328		\$ 16,207	

The Bank had \$2.6 million and \$2.9 million of consumer mortgage loans collateralized by residential real estate property that were in the process of foreclosure as of December 31, 2025 and 2024, respectively.

6 • Premises and Equipment

Premises and equipment were summarized as follows:

December 31	2025	2024
<i>(dollars in thousands)</i>		
Land	\$ 38,126	\$ 38,126
Buildings	156,315	155,851
Furniture and equipment	42,447	43,367
Leasehold improvements	17,874	22,631
Construction in progress	2,370	1,327
	257,132	261,302
Accumulated depreciation and amortization	(82,176)	(81,921)
	\$ 174,956	\$ 179,381

For the years ended December 31, 2025 and 2024, depreciation expense was \$9.9 million and \$10.6 million, respectively, and is presented in the statements of income (loss) in occupancy and equipment expense.

7 • Other Assets

Low-Income Housing Tax Credit Investments

As of December 31, 2025 and 2024, the carrying amount of LIHTC investments was \$95.8 million and \$96.6 million, respectively, and included in other assets in the balance sheets.

The Bank's unfunded commitments to fund its LIHTC investment partnerships were \$31.0 million and \$53.9 million as of December 31, 2025 and 2024, respectively. These unfunded commitments are unconditional and legally binding and are recorded in other liabilities with a corresponding increase in other assets in the balance sheets.

The table below summarizes the amounts in income tax expense related to the Bank's LIHTC investments:

Years ended December 31,	2025	2024
<i>(dollars in millions)</i>		
Amounts in income taxes related to low-income housing tax credit investments		
Amortization recognized in the provision for income taxes	\$ (16.6)	\$ (14.8)
Tax credits and other tax benefits recognized in the provision for income taxes	20.7	19.7
Net benefit to income tax expense	\$ 4.1	\$ 4.9

Mortgage Servicing Rights (MSRs)

In its mortgage banking business, the Bank sells residential mortgage loans to government-sponsored entities and other parties, who may issue securities backed by pools of such loans. The Bank retains no beneficial interests in these loans other than the servicing rights of certain loans sold.

The Bank received \$58.2 million and \$105.0 million of proceeds from the sale of residential mortgages in 2025 and 2024, respectively, and recognized gains on such sales of \$0.7 million and \$1.4 million in 2025 and 2024, respectively.

There were no repurchased mortgage loans in 2025 and 2024. The Bank believes that the current unpaid principal balance of loans sold to date represents the maximum exposure to repurchase and has established a repurchase reserve of \$0.1 million as of December 31, 2025 and 2024, to estimate its probable exposure to repurchases.

The Bank services real estate loans for investors (principal balance of \$1.3 billion and \$1.4 billion as of December 31, 2025 and 2024, respectively), which are not included in the accompanying balance sheets. The Bank reports fees earned for servicing such loans as income when the related mortgage loan payments are collected and charges loan servicing cost to expense as incurred. Mortgage servicing fees, a component of other income, net, were \$3.4 million and \$3.5 million for the years ended December 31, 2025 and 2024, respectively.

Changes in the carrying value of MSRs were as follows:

<i>(dollars in thousands)</i>	Gross carrying amount	Accumulated amortization	Valuation allowance	Net carrying amount
December 31, 2025	\$ 18,220	(11,641)	—	\$ 6,579
December 31, 2024	\$ 18,421	(10,886)	—	\$ 7,535

Changes related to MSRs were as follows:

	2025	2024
<i>(dollars in thousands)</i>		
Mortgage servicing rights		
Balance, January 1	\$ 7,535	\$ 8,169
Amount capitalized	376	685
Amortization	(1,332)	(1,319)
Other-than-temporary impairment	—	—
Carrying amount before valuation allowance, December 31	6,579	7,535
Valuation allowance for mortgage servicing rights		
Balance, January 1	—	—
Provision	—	—
Other-than-temporary impairment	—	—
Balance, December 31	—	—
Net carrying value of mortgage servicing rights	\$ 6,579	\$ 7,535

The estimated aggregate amortization expenses of MSRs for 2026, 2027, 2028, 2029 and 2030 are \$1.0 million, \$0.9 million, \$0.8 million, \$0.7 million and \$0.6 million, respectively.

The Bank capitalizes MSRs acquired upon the sale of mortgage loans with servicing rights retained. On a monthly basis, the Bank compares the net carrying value of the MSRs to its fair value to determine if there are any changes to the valuation allowance and/or other-than-temporary impairment for the MSRs.

Key assumptions used in estimating the fair value of the Bank's MSRs used in the impairment analysis were as follows:

December 31	2025	2024
<i>(dollars in thousands)</i>		
Unpaid principal balance	\$ 1,335,360	\$ 1,391,217
Weighted-average note rate	3.72%	3.65%
Weighted-average discount rate	10.00%	10.00%
Weighted-average prepayment speed	8.02%	8.23%

The sensitivity analysis of fair value of MSRs to hypothetical adverse changes of 25 and 50 basis points in certain key assumptions was as follows:

December 31	2025	2024
<i>(dollars in thousands)</i>		
Prepayment rate:		
25 basis points adverse rate change	\$ (372)	\$ (267)
50 basis points adverse rate change	(768)	(558)
Discount rate:		
25 basis points adverse rate change	(154)	(164)
50 basis points adverse rate change	(306)	(325)

The effect of a variation in certain assumptions on fair value is calculated without changing any other assumptions. This analysis typically cannot be extrapolated because the relationship of a change in one key assumption to the changes in the fair value of MSRs typically is not linear.

8 • Deposits

The components of deposits were summarized as follows:

December 31	2025		2024	
	Weighted- average stated rate %	Amount	Weighted- average stated rate %	Amount
<i>(dollars in thousands)</i>				
Noninterest-bearing checking	—	\$ 2,498,000	—	\$ 2,470,694
Interest-bearing checking	0.77	1,664,668	0.85	1,495,564
Savings	0.52	2,775,842	0.37	2,651,575
Money market	2.46	523,870	3.14	448,170
Time certificates	2.40	674,642	3.62	966,404
	0.69	\$ 8,137,022	0.89	\$ 8,032,407

As of December 31, 2025 and 2024, time certificates of \$250,000 or more totaled \$187.3 million and \$227.8 million, respectively.

The approximate scheduled maturities of time certificates outstanding as of December 31, 2025 were as follows:

<i>(dollars in thousands)</i>	
2026	\$ 630,834
2027	17,050
2028	8,508
2029	8,072
2030	8,465
Thereafter	1,713
	\$ 674,642

Overdrawn deposit accounts are classified as loans and totaled \$1.9 million as of December 31, 2025 and 2024.

Interest expense on deposits by type of deposit was as follows:

Years ended December 31,	2025	2024
<i>(dollars in thousands)</i>		
Time certificates	\$ 22,851	\$ 39,780
Savings	13,251	6,709
Money market	15,691	14,372
Interest-bearing checking	11,421	11,866
	\$ 63,214	\$ 72,727

9 • Other Borrowings

Advances from Federal Home Loan Bank

Outstanding FHLB advances as of December 31, 2025 and 2024 were nil and \$520.0 million, respectively. The Bank and the FHLB are parties to an Advances, Pledge and Security Agreement (“Advances Agreement”), which applies to currently outstanding and future advances, and governs the terms and conditions under which the Bank borrows and the FHLB makes loans or advances from time to time. Under the Advances Agreement, the Bank agrees to abide by the FHLB’s credit policies, and makes certain warranties and representations to the FHLB. Upon the occurrence of and during the continuation of an “Event of Default” (which term includes any event of nonpayment of interest or principal of any advance when due or failure to perform any promise or obligation under the Advances Agreement or other credit arrangements between the parties), the FHLB may, at its option, declare all indebtedness and accrued interest thereon, including any prepayment fees or charges, to be immediately due and payable. The Bank was in compliance with all Advances Agreement requirements as of December 31, 2025 and 2024.

Advances from the FHLB are collateralized by loans, investment securities and FHLB stock. As of December 31, 2025 and 2024, the Bank’s available FHLB borrowing capacity was \$2.5 billion and \$1.5 billion, respectively.

At December 31, 2024, the Bank had \$520 million in FHLB advances at a weighted average fixed rate of 4.82% which matured in 2025.

Borrowings from Federal Reserve Bank

In March 2023, the Federal Reserve Bank created the Bank Term Funding Program (BTFP) to provide an additional source of liquidity to eligible depository institutions. The BTFP offered loans up to one year in length that could be prepaid without penalty. The amount that could have been borrowed under the BTFP was based upon the par value of securities pledged as collateral to the program. Advances could have been requested under the BTFP until March 11, 2024. At December 31, 2023, the Bank had \$550.0 million of BTFP borrowings at a weighted average fixed rate of 4.37%, collateralized by investment securities with a book value of \$804.3 million, that matured in March 2024. There are no outstanding BTFP borrowings at December 31, 2025 and 2024.

Note 10 • Leases

The Bank leases certain real estate and equipment for various terms under long-term lease agreements. The agreements expire at various dates through 2040 and provide for renewal options up to 10 years. The periods associated with the renewal options are excluded for the purpose of determining the lease term unless the exercise of the renewal option is reasonably certain. In the normal course of business, it is expected that many of these agreements will be replaced by similar agreements. Certain real estate leases require the Bank to pay for operating expenses such as common area maintenance, real estate taxes and insurance, which are recognized as variable lease expense when incurred and are not included in the measurement of the lease liability.

The Bank’s lease payments for each operating lease agreement were discounted using FHLB fixed rate advance rates, which are collateralized, for the appropriate term. The FHLB is the bank’s primary wholesale funding source and can provide collateralized borrowing rates for various terms starting at overnight borrowings to 30-year borrowing terms.

Amounts related to the Bank’s total lease cost and cash flows arising from lease transactions are as follows:

Years ended December 31,	2025	2024
<i>(dollars in thousands)</i>		
Operating lease cost	\$ 4,684	\$ 5,063
Variable lease cost	2,354	2,507
Total lease cost	\$ 7,038	\$ 7,570
Other information		
Cash paid for amounts included in the measurement of lease liabilities—Operating cash flows from operating leases	\$ 4,032	\$ 4,503
Weighted-average remaining lease term—operating leases (in years)	5.9	6.5
Weighted-average discount rate—operating leases	3.89%	3.67%

The following table summarizes the maturity of our operating lease liabilities as of December 31, 2025:

<i>(dollars in thousands)</i>	Total
2026	\$ 4,358
2027	4,144
2028	3,435
2029	2,628
2030	1,348
Thereafter	3,191
Total lease payments	19,104
Less: Imputed interest	2,046
Total present value of lease payments	\$ 17,058

11 · Revenues

Revenue from contracts with customers. The revenues subject to ASC Topic 606 include the Bank's transaction fees, as further described below.

Bank fees. Bank fees are primarily transaction-based and are recognized when the transaction has occurred and the performance obligation satisfied. From time to time, customers will request a fee waiver and the Bank may grant reversals of fees. Revenues are not recorded for the estimated amount of fee reversals for each period.

Other service charges and fees - These fees primarily include debit card interchange income and fees, automated teller machine fees, credit card interchange income and fees, check ordering fees, wire fees, safe deposit rental fees, corporate/business fees, merchant income, online banking fees and international banking fees. Amounts paid to third parties for payment network expenses are presented net against debit card interchange income and fees.

Service charges on deposit accounts - These fees primarily include overdraft fees, monthly deposit account service charge fees, commercial account analysis fees and other deposit fees.

Income from investment services - These fees primarily include commission income from the sales of annuity, mutual fund, and life insurance products. ASB also offers a fee-based, managed account product in which income is based on a percentage of assets under management.

Revenues from other sources. Revenues from other sources not subject to ASC Topic 606 are accounted for as follows:

Interest income. Interest and fees on loans are recognized in accordance with ASC Topic 310, “Receivables,” including the related allowance for credit losses. Interest and dividends on investment securities are recognized in accordance with ASC Topic 320, “Investments-Debt and Equity Securities.” See Notes 3 and 4 of the financial statements.

Other noninterest income. Other noninterest income primarily consists of mortgage banking income, bank-owned life insurance income, gain on sale of assets and gain on sale of investments.

Mortgage banking income - Mortgage banking income consists primarily of realized and unrealized gains on sale of loans accounted for pursuant to ASC Topic 860, “Transfers and Servicing.” Interest rate lock commitments and forward loan sales are considered derivatives and are accounted pursuant to ASC Topic 815, “Derivatives and Hedging.”

Bank-Owned Life Insurance (“BOLI”) - The recognition of BOLI cash surrender value does not represent a contract with a customer and is accounted for in accordance with ASC 325-30, “Investments-Other - Investments in Insurance Contracts.”

Gain on sale of assets. The gain on sale of assets represents the sale of real estate and is accounted for in accordance with ASC Topic 610-20, “Other Income - Gains and Losses from the Derecognition of Nonfinancial Assets.”

Gain of sale of investments. The gain on sale of investments represents the sale of investment securities and is accounted for in accordance with ASC Topic 320, “Investments - Debt and Equity Securities.”

Revenue disaggregation. The following tables disaggregate revenues by major source and timing of revenue recognition.

Year ended December 31,	2025	2024
<i>(dollars in thousands)</i>		
Revenues from contracts with customers		
Bank fees	\$ 66,534	\$ 52,495
Total revenues from contracts with customers	66,534	52,495
Revenues from other sources		
Bank interest income	353,033	349,044
Other noninterest income	(154,513)	17,033
Total revenues from other sources	198,520	366,077
Total revenues	\$ 265,054	\$ 418,572
Timing of revenue recognition		
Services/goods transferred at a point in time	\$ 66,534	\$ 52,495
Services/goods transferred over time	—	—
Total revenues from contracts with customers	\$ 66,534	\$ 52,495

There are no material contract assets or liabilities associated with revenues from contracts with customers existing as of December 31, 2025 and 2024.

As of December 31, 2025, the Bank had no material remaining performance obligations due to the nature of the Bank's contracts with its customers, as fees are recognized when a transaction is completed.

12 · Retirement Benefits

Defined Benefit Plans

Substantially all of the employees of the Bank participated in the American Savings Bank Retirement Plan ("Plan") until it was frozen on December 31, 2007. The Plan is a qualified, noncontributory defined benefit pension plan. The Plan is subject to the provisions of ERISA. In addition, certain current and former executives of the Bank participate in noncontributory, nonqualified plans (collectively, "Supplemental Plans"). In general, benefits are based on the employees' years of service and compensation. The Supplemental Plans were frozen as of December 31, 2008.

The Bank terminated the Plan and the Supplemental Plans effective September 30, 2025. The Bank notified participants of the Plan of its intent to terminate the Plan and received a favorable determination letter from the IRS in January 2026. During 2025, the Plan's obligations were settled through a combination of lump-sum payments to eligible participants and the purchase of a group annuity contract. These lump-sum payments and the annuity purchase resulted in pre-tax settlement charges of \$20.2 million. The remaining surplus assets, estimated at \$15.8 million as of December 31, 2025, are expected to be transferred to fund employer contributions to the Bank's 401(k) Plan. The Supplemental Plans' obligations were settled through lump-sum payments to eligible participants and resulted in a pre-tax settlement charge of \$1.1 million.

Defined Benefit Pension Plan Information

The changes in the obligations and assets of the Bank's defined benefit pension plans and the changes in AOCI (gross) for 2025 and 2024 and the funded status of these plans and amounts related to these plans reflected in the Bank's balance sheets as of December 31, 2025 and 2024 were as follows:

<i>(dollars in thousands)</i>	2025		2024	
Benefit obligation, January 1	\$	78,525	\$	81,591
Service cost		632		350
Interest cost		3,634		4,268
Actuarial loss (gain)		7,783		(2,147)
Benefits paid and expenses		(6,527)		(5,537)
Settlement charges		(84,047)		—
Benefit obligation, December 31	\$	—	\$	78,525
Fair value of plan assets, January 1	\$	97,260	\$	101,667
Actual return on plan assets		6,434		877
Benefits paid and expenses		(6,337)		(5,284)
Settlement charges		(81,355)		—
Fair value of plan assets, December 31	\$	16,002	\$	97,260
Accrued benefit asset, December 31	\$	16,002	\$	18,735
Other assets	\$	16,002	\$	21,615
Defined benefit pension plan liability		—		(2,880)
Accrued benefit asset, December 31	\$	16,002	\$	18,735
AOCI debit, January 1	\$	11,543	\$	12,717
Recognized during year – net gain (loss)		1,991		(211)
Recognized during year – net actuarial gain		—		—
Occurring during year – net (gain) loss		6,142		(963)
Settlement charges		(19,676)		—
AOCI debit, December 31	\$	—	\$	11,543
Net actuarial loss	\$	—	\$	11,543
Prior service gain		—		—
AOCI debit, December 31		—		11,543
Income tax benefit		—		(3,094)
AOCI debit, net of taxes, December 31	\$	—	\$	8,449

In 2024, investment returns were lower than assumed, which deteriorated the funded position. This deterioration was partially offset by assumption changes, primarily driven by the increase in the discount rate from prior year.

The Plan assets have been invested in a liability driven investment (“LDI”) strategy to limit funded status volatility with the aim to achieve returns that match or exceed the growth of pension plan liabilities. All of the Plan's assets are managed by a single LDI manager. As of December 31, 2024, nearly all of the Plan's assets were invested in fixed income securities.

The following weighted-average assumptions were used in the accounting for the defined benefit plans:

	2025	2024
Benefit obligation		
Discount rate	N/A	5.71%
Rate of compensation increase	N/A	N/A
Net periodic benefit cost (years ended)		
Discount rate	5.71%	5.39%
Expected return on plan assets	5.91%	5.59%
Rate of compensation increase	N/A	N/A

N/A Not applicable

The Bank based its selection of an assumed discount rate for 2025 NPPC and December 31, 2024 disclosure on a cash flow matching analysis that utilized bond information provided by Bloomberg for high quality bonds as of December 31, 2024. With the Plan's asset allocation invested in a LDI strategy, the expected rate of return on plan assets of 5.91% for 2025 NPPC is consistent with the assumed discount rate as of December 31, 2024 with a 20 basis point active manager premium. For 2025, the Bank's defined benefit pension plan assets had a net return of 8.0%.

The components of NPPC were as follows:

<i>(dollars in thousands)</i>		2025		2024
Interest cost	\$	3,634	\$	4,268
Service cost		632		350
Amortization of net prior service gain		—		—
Amortization of net actuarial (gains) losses		527		211
Expected return on plan assets		(4,793)		(5,542)
Pension settlement		19,676		—
Net periodic pension (benefit) cost	\$	19,676	\$	(713)

The components of NPPC other than the service cost component are included in other expense in the statements of income (loss).

The defined benefit pension plan had an accumulated benefit obligation of \$75.6 million as of December 31, 2024. The unfunded frozen Supplemental Plans had accumulated benefit obligation and PBO in excess of plan assets of \$2.9 million as of December 31, 2024.

Assets held in trust are measured at fair value on a recurring basis and were as follows:

	Fair value measurements using			
<i>(dollars in millions)</i>	Level 1	Level 2	Level 3	Balances
<u>December 31, 2025</u>				
Cash equivalent fund	\$ 16	\$ —	\$ —	16
<u>December 31, 2024</u>				
Fixed income securities	\$ 13	\$ 67	\$ —	80
Cash equivalent fund	16	—	—	16
Subtotal	\$ 29	\$ 67	\$ —	96
Cash, receivables and payables, net				1
Fair value of plan assets				\$ 97

The fair values of investments shown in the table above represent the Bank's best estimates of the amounts that would be received upon sale of those assets in an orderly transaction between market participants at that date. Those

fair value measurements maximize the use of observable inputs. However, in situations where there is little, if any, market activity for the asset at the measurement date, the fair value measurement reflects the Bank’s judgments about the assumptions that market participants would use in pricing the asset. Those judgments are developed by the Bank based on the best information available in the circumstances.

The Bank used the following valuation methodologies for assets measured at fair value. There have been no changes in the methodologies used as of December 31, 2025 and 2024.

U.S. Treasury Fixed Income Securities (Level 1)

U.S. Treasury fixed income securities are valued at the closing price reported on the active market on which the individual securities are traded.

Fixed Income Securities (Level 2)

Fixed income securities, other than those issued by the U.S. Treasury, are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

Defined Contribution Plan Information

The ASB 401(k) Plan is a defined contribution plan, which includes a discretionary employer profit sharing contribution (“AmeriShare”) and a matching contribution on the first 5% of employee deferrals (“AmeriMatch”) by the Bank for 2025 and 2024.

For 2025 and 2024 total expense for its employees participating in the ASB 401(k) Plan was \$4.6 million and \$4.2 million, respectively, and cash contributions were \$4.2 million and \$4.0 million, respectively.

13 • Income Taxes

Income tax expense (benefit) includes the following components:

Years ended December 31,	2025		2024	
(dollars in thousands)				
Current				
Federal	\$	18,962	\$	13,906
State		6,736		5,081
Total current tax expense		25,698		18,987
Deferred				
Federal		(33,962)		(12,955)
State		(12,414)		(4,992)
Total deferred tax benefit		(46,376)		(17,947)
Total tax expense (benefit)	\$	(20,678)	\$	1,040

The reconciliation between the income tax expense and the amount computed by applying the statutory federal tax rate of 21% for income before income taxes is as follows:

Years ended December 31,	2025	2024
<i>(dollars in thousands)</i>		
Statutory federal income tax expense (benefit)	\$ (10,683)	\$ 2,805
Hawaii franchise tax, net of federal income tax benefit	(3,287)	1,102
Tax-exempt income from bank-owned life insurance policies and securities	(3,112)	(3,592)
Low-income housing investments	(4,414)	(4,667)
Goodwill	—	4,675
Other, net	818	717
Income tax expense (benefit)	\$ (20,678)	\$ 1,040
Effective income tax rate	40.6%	7.8%

Deferred income taxes result from differences between the carrying value of assets and liabilities measured for financial reporting and the tax basis of assets and liabilities for income tax return purposes. The significant components of deferred tax assets and liabilities were as follows:

December 31	2025	2024
<i>(dollars in thousands)</i>		
Deferred tax assets		
Net unrealized losses on investment securities available-for-sale	\$ 49,795	\$ 102,934
Net operating losses	42,315	—
Allowance for credit losses	16,817	18,338
Deferred compensation	9,610	8,692
Lease liabilities	4,571	4,534
Accrued expenses	4,514	4,765
Other ⁽¹⁾	5,240	5,424
Total deferred tax assets	132,862	144,687
Deferred tax liabilities		
Deferred loan costs	(5,901)	(5,683)
Premises and equipment	(4,829)	(5,100)
Lease right-of-use assets	(4,404)	(4,317)
Pension	(4,227)	(5,695)
Mortgage servicing rights	(1,763)	(2,019)
Other	(323)	(602)
Total deferred tax liabilities	(21,447)	(23,416)
Net deferred tax asset	\$ 111,415	\$ 121,271

⁽¹⁾ As of December 31, 2025 and 2024, there were state tax credit carryforwards of \$4.1 million and \$4.3 million, respectively, which do not expire.

As of December 31, 2025, the Bank has \$42.3 million of federal and state net operating loss carryforwards subject to the annual limitations under Internal Revenue Code Section 382 with indefinite carryforward periods. The realization of deferred tax assets is dependent upon the generation of taxable income during the periods in which those temporary differences are deductible. Based upon historical taxable income and projections for future taxable income, management believes it is more likely than not the Bank will realize substantially all of the benefits of the deferred tax assets. There is no valuation allowance provided for deferred tax assets as of December 31, 2025 and 2024.

As of December 31, 2024, current federal and state income tax receivable of \$0.8 million was included in other assets in the balance sheet.

As of December 31, 2025 and 2024, there were no accrued tax liabilities or accrued interest for uncertain tax positions on the financial statements.

As of December 31, 2025, the disclosures above present the Bank's accruals for potential tax liabilities. Based on information currently available, the Bank believes these accruals have adequately provided for potential income tax issues with federal and state tax authorities, and that the ultimate resolution of tax issues for all open tax periods will not have a material adverse effect on its results of operations, financial condition or liquidity.

The tax years ended December 31, 2022, and later remain subject to examination by the Internal Revenue Service and state tax authority.

See Note 16, "Transactions with Affiliates" for information on income taxes paid to HEI.

14 • Derivative Financial Instruments

The Bank enters into IRLCs with borrowers, and forward commitments to sell loans or TBA mortgage-backed securities to investors to hedge against the inherent interest rate and pricing risks associated with selling loans.

The Bank enters into IRLCs for residential mortgage loans, which commit the Bank to lend funds to a potential borrower at a specific interest rate and within a specified period of time. IRLCs that relate to the origination of mortgage loans that will be held for sale are considered derivative financial instruments under applicable accounting guidance. Outstanding IRLCs expose the Bank to the risk that the price of the mortgage loans underlying the commitments may decline due to increases in mortgage interest rates from inception of the rate lock to the funding of the loan. The IRLCs are free-standing derivatives which are carried at fair value with changes recorded in mortgage banking income.

The Bank enters into forward commitments to hedge the interest rate risk for rate locked mortgage applications in process and closed mortgage loans held for sale. These commitments are primarily forward sales of TBA mortgage-backed securities. Generally, when mortgage loans are closed, the forward commitment is liquidated and replaced with a mandatory delivery forward sale of the mortgage to a secondary market investor. In some cases, a best-efforts forward sale agreement is utilized as the forward commitment. These commitments are free-standing derivatives which are carried at fair value with changes recorded in mortgage banking income.

Changes in the fair value of IRLCs and forward commitments subsequent to inception are based on changes in the fair value of the underlying loan resulting from the fulfillment of the commitment and changes in the probability that the loan will fund within the terms of the commitment, which is affected primarily by changes in interest rates and the passage of time.

The notional amount and fair value of the Bank's derivative financial instruments were as follows:

December 31	2025		2024	
(dollars in thousands)	Notional	Fair value	Notional	Fair value
Interest rate lock commitments	\$ 1,651	\$ 21	\$ 1,159	\$ 15
Forward commitments	1,500	(1)	1,000	(2)

The Bank's derivative financial instruments, their fair values, and balance sheet location were as follows:

Derivative Financial Instruments Not Designated as Hedging Instruments ¹

December 31	2025		2024	
<i>(dollars in thousands)</i>	Asset derivatives	Liability derivatives	Asset derivatives	Liability derivatives
Interest rate lock commitments	\$ 21	\$ —	\$ 15	\$ —
Forward commitments	2	3	—	2
	\$ 23	\$ 3	\$ 15	\$ 2

(1) Asset derivatives are included in other assets and liability derivatives are included in other liabilities in the balance sheets.

The following table presents the Bank's derivative financial instruments and the amount and location of the net gains or losses recognized in the statements of income (loss):

Derivative Financial Instruments Not Designated as Hedging Instruments (dollars in thousands)	Location of net gains (losses) recognized in the Statements of Income (Loss)	2025	2024
Interest rate lock commitments	Mortgage banking income	\$ 6	\$ (71)
Forward commitments	Mortgage banking income	1	16
		\$ 7	\$ (55)

15 · Commitments and Contingencies

Commitments

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the commitments. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since certain commitments are expected to expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. The Bank minimizes its exposure to loss under these commitments by requiring that customers meet certain conditions prior to disbursing funds. The amount of collateral, if any, is based on a credit evaluation of the borrower and may include residential real estate, accounts receivable, inventory and property, plant and equipment.

Letters of credit are conditional commitments issued by the Bank to guarantee payment and performance of a customer to a third party. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers. The Bank holds collateral supporting those commitments for which collateral is deemed necessary.

The following is a summary of outstanding off-balance sheet arrangements:

December 31	2025	2024
<i>(dollars in thousands)</i>		
Unfunded commitments to extend credit		
Home equity line of credit	\$ 1,027,777	\$ 1,069,858
Commercial & industrial and commercial real estate	686,016	620,945
Consumer	46,933	63,915
Residential mortgage	21,236	12,966
Commercial and financial standby letters of credit	14,030	24,918
Total	\$ 1,795,992	\$ 1,792,602

Contingencies

The Bank is subject in the normal course of business to pending and threatened legal proceedings. Management does not anticipate that the aggregate ultimate liability arising out of these pending or threatened legal proceedings will be material to its financial position. However, the Bank cannot rule out the possibility that such outcomes could have a material adverse effect on the results of operations or liquidity for a particular reporting period in the future.

16 · Transactions with Affiliates

Prior to the sale of the Bank by HEI on December 31, 2024, the Bank engaged in certain transactions with ASB Hawaii for the periods indicated as follows:

<i>(dollars in thousands)</i>	2024
Income taxes paid to ASB Hawaii, net	\$ 1,896
Management and other fees to ASB Hawaii	\$ 1,637

Management and other fees were recorded in the statements of income (loss) as a component of services expense. Due to regulatory rules governing transactions with affiliates (Section 23B of the Federal Reserve Act), the Management Agreement (approved by Office of Thrift Supervision) provides for the conversion of a portion of the management and other fees (initially recorded as a liability in the balance sheets) to additional paid-in capital. Approximately \$1.6 million of fees were converted to additional paid-in capital for the year ended December 31, 2024. There were no amounts due to ASB Hawaii at both December 31, 2025 and 2024.

As of December 31, 2025 and 2024, the aggregate amount of loans to directors and executive officers of the Bank and its affiliates and any related interests (as defined in the Federal Reserve's Regulation O) of such individuals, was nil and \$0.4 million, respectively. As of December 31, 2025 and 2024, there were no loans to a related interest of a director.

17 • Fair Value of Financial Assets and Financial Liabilities

The following table presents the carrying or notional amount, fair value, and placement in the fair value hierarchy of the Bank's financial instruments.

		Estimated Fair Value				
	Carrying or notional amount	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)		Total
<i>(dollars in thousands)</i>						
December 31, 2025						
Financial assets						
Available-for-sale investment securities	\$ 755,884	\$ —	\$ 742,678	\$ 13,206	\$	755,884
Held-to-maturity investment securities	1,101,853	—	1,030,890	—		1,030,890
Loans, net	6,030,413	—	4,723	5,757,755		5,762,478
Derivative assets	2,401	2	21	—		23
Mortgage servicing rights	6,579	—	—	15,681		15,681
Financial liabilities						
Deposits	674,642	—	667,991	—		667,991
Other borrowings	—	—	—	—		—
Derivative liabilities	750	3	—	—		3
December 31, 2024						
Financial assets						
Available-for-sale investment securities	\$ 1,013,250	\$ —	\$ 999,456	\$ 13,794	\$	1,013,250
Held-to-maturity investment securities	1,147,707	—	1,024,283	—		1,024,283
Loans, net	6,056,555	—	6,057	5,619,818		5,625,875
Derivative assets	1,159	—	15	—		15
Mortgage servicing rights	7,535	—	—	16,651		16,651
Financial liabilities						
Deposits	966,404	—	958,984	—		958,984
Other borrowings	520,000	—	520,313	—		520,313
Derivative liabilities	1,000	2	—	—		2

Fair Value Measurements on a Recurring Basis

Assets and liabilities measured at fair value on a recurring basis were as follows:

<i>(dollars in thousands)</i>	December 31, 2025			December 31, 2024		
	Fair value measurements using			Fair value measurements using		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Available-for-sale investment securities						
U.S. Treasury and federal agency obligations	\$ —	\$ 153,773	\$ —	\$ —	\$ 6,930	\$ —
Residential mortgage-backed securities*	—	467,837	—	—	884,890	—
Commercial mortgage-backed securities*	—	86,448	—	—	73,977	—
Corporate bonds	—	34,620	—	—	33,659	—
Mortgage revenue bonds	—	—	13,206	—	—	13,794
	\$ —	\$ 742,678	\$ 13,206	\$ —	\$ 999,456	\$ 13,794
Derivative assets ¹						
Interest rate lock commitments	\$ —	\$ 21	\$ —	\$ —	\$ 15	\$ —
Forward commitments	2	—	—	—	—	—
	\$ 2	\$ 21	\$ —	\$ —	\$ 15	\$ —
Derivative liabilities ¹						
Interest rate lock commitments	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Forward commitments	3	—	—	2	—	—
	\$ 3	\$ —	\$ —	\$ 2	\$ —	\$ —

* Issued or guaranteed by U.S. Government agencies or sponsored enterprises

¹ Derivatives are carried at fair value in other assets and other liabilities in the balance sheets with changes in value included in mortgage banking income in the statements of income (loss).

There were no transfers of financial assets and liabilities between Level 1 and Level 2 of the fair value hierarchy during the years ended December 31, 2025 and 2024.

The changes in Level 3 assets and liabilities measured at fair value on a recurring basis were as follows:

Mortgage revenue bonds		
<i>(dollars in thousands)</i>	2025	2024
Balance, January 1	\$ 13,794	\$ 14,358
Principal payments received	(588)	(564)
Purchases	—	—
Unrealized gain (loss) included in other comprehensive income	—	—
Balance, December 31	\$ 13,206	\$ 13,794

The Bank holds a mortgage revenue bond issued by the Hawaii Department of Budget and Finance. The Bank estimates the fair value by using a discounted cash flow model to calculate the present value of estimated future principal and interest payments. The unobservable input used in the fair value measurement is the weighted-average discount rate. As of December 31, 2025 the weighted average discount rate was 4.59% which was derived by incorporating a credit spread over the one month term secured overnight financing rate. Significant increases (decreases) in the weighted average discount rate could result in a significantly lower (higher) fair value measurement.

Fair Value Measurements on a Nonrecurring Basis

Certain assets and liabilities are measured at fair value on a nonrecurring basis and therefore are not included in the tables above. These measurements primarily result from assets carried at the lower of cost or fair value or from impairment of individual assets. As of December 31, 2025 and 2024, there were no financial instruments measured at fair value on a nonrecurring basis.

For 2025 and 2024, there were no adjustments to fair value for ASB's loans held for sale.

Fair Value Measurement and Disclosure Valuation Methodology

The following are descriptions of the valuation methodologies used for assets and liabilities recorded at fair value and for estimating fair value for financial instruments not carried at fair value:

Investment Securities

The fair value of the Bank's investment securities is determined quarterly through pricing obtained from independent third-party pricing services or from brokers not affiliated with the trade. Non-binding broker quotes are infrequent and generally occur for new securities that are settled close to the month-end pricing date. The third-party pricing vendors the Bank uses for pricing its securities are reputable firms that provide pricing services on a global basis and have processes in place to ensure quality and control. The third-party pricing services use a variety of methods to determine the fair value of securities that fall under Level 2 of the Bank's fair value measurement hierarchy. Among the considerations are quoted prices for similar securities in an active market, yield spreads for similar trades, adjustments for liquidity, size, collateral characteristics, historic and generic prepayment speeds, and other observable market factors.

To enhance the robustness of the pricing process, the Bank will on a quarterly basis compare its standard third-party vendor's price with that of another third-party vendor. If the prices are within an acceptable tolerance range, the price of the standard vendor will be accepted. If the variance is beyond the tolerance range, an evaluation will be conducted by the Bank and a challenge to the price may be made. Fair value in such cases will be based on the value that best reflects the data and observable characteristics of the security. In all cases, the fair value used will have been independently determined by a third-party pricing vendor or non-affiliated broker.

The fair value of the mortgage revenue bonds is estimated using a discounted cash flow model to calculate a present value of future principal and interest payments and, therefore, is classified within Level 3 of the valuation hierarchy.

Loans Held for Sale

Residential and commercial loans are carried at the lower of cost or market and are valued using market observable pricing inputs, which are derived from third party loan sales and, therefore, are classified within Level 2 of the valuation hierarchy.

Loans Held for Investment

Fair value of loans held for investment is derived using a discounted cash flow approach which includes an evaluation of the underlying loan characteristics. The valuation model uses loan characteristics which includes product type, maturity dates, and the underlying interest rate of the portfolio. This information is input into the valuation models along with various forecast valuation assumptions including prepayment forecasts, to determine the discount rate. These assumptions are derived from internal and third party sources. Since the valuation is derived from model-based techniques, the Bank includes loans held for investment within Level 3 of the valuation hierarchy.

Collateral Dependent Loans

Collateral dependent loans have been adjusted to fair value. When a loan is identified as collateral dependent, the Bank measures the impairment using the current fair value of the collateral, less selling costs. Depending on the characteristics of a loan, the fair value of collateral is generally estimated by obtaining external appraisals, but in some cases, the value of the collateral may be estimated as having little or no value. Non-real estate collateral may be valued using an appraisal, net book value per the borrower's financial statements, or aging reports, adjusted or discounted based on management's historical knowledge, changes in market conditions from the time of the valuation, and management's expertise and knowledge of the customer and customer's business, resulting in a Level 3 fair value classification. If it is determined that the value of the collateral dependent loan is less than its recorded investment, the Bank recognizes this impairment and adjusts the carrying value of the loan to fair value through the allowance for credit losses.

Real Estate Acquired in Settlement of Loans

Foreclosed assets are initially measured at fair value (less estimated costs to sell) and subsequently measured at the lower of the carrying value or fair value less selling costs. Fair values are generally based upon appraisals or independent market prices that are periodically updated subsequent to classification as real estate owned. Such adjustments typically result in a Level 3 classification of the inputs for determining fair value. The Bank estimates the fair value of collateral-dependent loans and real estate owned using the sales comparison approach.

Mortgage Servicing Rights

MSRs are capitalized at fair value based on market data at the time of sale and accounted for in subsequent periods at the lower of amortized cost or fair value. MSRs are evaluated for impairment at each reporting date. The Bank's MSRs are stratified based on predominant risk characteristics of the underlying loans including loan type and note rate. For each stratum, fair value is calculated by discounting expected net income streams using discount rates that reflect industry pricing for similar assets. Expected net income streams are estimated based on industry assumptions regarding prepayment expectations and income and expenses associated with servicing residential mortgage loans for others. Impairment is recognized through a valuation allowance for each stratum when the carrying amount exceeds fair value, with any associated provision recorded as a component of loan servicing fees included in other income, net in the statements of income (loss). A direct write-down is recorded when the recoverability of the valuation allowance is deemed to be unrecoverable. The Bank compares the fair value of MSRs to an estimated value calculated by an independent third-party. The third-party relies on both published and unpublished sources of market related assumptions and its own experience and expertise to arrive at a value. The Bank uses the third-party value only to assess the reasonableness of its own estimate. The Bank includes MSRs within Level 3 of the valuation hierarchy.

Deposits

The fair value of fixed-maturity certificates of deposit is estimated by discounting the future cash flows using the rates currently offered for FHLB advances of similar remaining maturities. Deposits are classified in Level 2 of the valuation hierarchy.

Other Borrowings

For advances, repurchase agreements and other bank borrowings, fair value is estimated using quantitative discounted cash flow models that require the use of interest rate inputs that are currently offered for advances, repurchase agreements and other bank borrowings of similar remaining maturities. The majority of market inputs are actively quoted and can be validated through external sources, including broker market transactions and third party pricing services.

Interest Rate Lock Commitments

The estimated fair value of commitments to originate residential mortgage loans for sale is based on quoted prices for similar loans in active markets. IRLCs are classified as Level 2 measurements.

Forward Sales Commitments

TBA mortgage-backed securities forward commitments are classified as Level 1, and consist of publicly traded debt securities for which identical fair values can be obtained through quoted market prices in active exchange markets. The fair values of the Bank's best efforts and mandatory delivery loan sale commitments are determined using quoted prices in the market place that are observable and are classified as Level 2 measurements.

18 · Regulatory Compliance and Stockholders' Equity

The Bank is regulated and supervised by the Office of the Comptroller of the Currency ("OCC"). Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Bank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital guidelines that involve quantitative measures of the Bank's assets, liabilities, and certain off-balance-sheet items as calculated under regulatory accounting practices. The capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

The ability of the Bank to make capital distributions is restricted under federal law. Subject to a limited exception for stock redemptions that do not result in any decrease in the Bank's capital and would improve the Bank's financial condition, the Bank is prohibited from declaring any dividends or making any other capital distributions if, following the distribution or payment, the Bank would be deemed to be undercapitalized, significantly undercapitalized or critically undercapitalized. The Bank is required to notify the OCC prior to making any capital distribution and must receive notification from the OCC communicating the agencies' non-objection to the payment of any dividends the Bank proposes to declare and pay to stockholders of the Bank.

The prompt corrective action provisions impose certain restrictions on institutions that are undercapitalized. The restrictions imposed become increasingly more severe as an institution's capital category declines from "undercapitalized" to "critically undercapitalized." The regulators have substantial discretion in the corrective actions they might direct and could include restrictions on dividends and other distributions that the Bank may have made to ASB Hawaii and the requirement that the Bank develop and implement a plan to restore its capital. In 1988, HEI agreed with the OTS, predecessor regulatory agency at the time, to contribute additional capital to ASB up to a maximum aggregate amount of approximately \$65.1 million (Capital Maintenance Agreement). As a result of capital contributions in prior years, HEI's maximum obligation to contribute additional capital under the Capital Maintenance Agreement had been reduced to approximately \$28.3 million prior to the Separation from HEI. Effective December 31, 2024, HEI is no longer required to contribute capital to ASB under the Capital Maintenance Agreement.

To be categorized as "well capitalized," the Bank must maintain minimum total capital, Tier 1 capital, and Tier 1 leverage ratios as set forth in the table below.

As of December 31, 2025 and 2024, the Bank was in compliance with the minimum capital requirements under OCC regulations and was categorized as "well capitalized" under the regulatory framework for prompt corrective action. There are no conditions or events that management believes have changed the institution's category under the capital guidelines.

The tables below set forth actual, minimum required and well capitalized capital amounts and ratios:

<i>(dollars in thousands)</i>	Actual		Minimum Required		Required to be well capitalized	
	Capital	Ratio	Capital	Ratio	Capital	Ratio
<u>December 31, 2025</u>						
Tier 1 leverage	\$ 801,828	9.00%	\$ 356,543	4.00%	\$ 445,678	5.00%
Common equity tier 1	801,823	13.46%	268,026	4.50%	387,148	6.50%
Tier 1 capital	801,828	13.46%	357,368	6.00%	476,490	8.00%
Total capital	864,585	14.52%	476,490	8.00%	595,613	10.00%
<u>December 31, 2024</u>						
Tier 1 leverage	\$ 835,670	8.86%	\$ 377,375	4.00%	\$ 471,719	5.00%
Common equity tier 1	835,670	13.68%	274,913	4.50%	397,097	6.50%
Tier 1 capital	835,670	13.68%	366,551	6.00%	488,735	8.00%
Total capital	898,855	14.71%	488,735	8.00%	610,919	10.00%

Accumulated other comprehensive income/(loss).

Components of other comprehensive income for the years ended December 31, 2025 and 2024 were as follows:

<i>(dollars in thousands)</i>	Before Tax	Tax Effect	Net of Tax
Year ended December 31, 2025			
Net unrealized gains (losses) on available-for-sale investment securities:			
Net unrealized gain (losses) on available-for-sale investment securities arising during the period	\$ 31,941	\$ 8,560	\$ 23,381
Reclassification adjustment for net realized losses included in net income	149,869	40,161	109,708
Amortization of unrealized holding losses on held-to-maturity investment securities	16,487	4,418	12,069
Retirement benefit plans:			
Pension plan settlement charge	19,676	5,273	14,403
Adjustment for amortization of prior service credit and net losses (benefits) recognized during the period in net periodic benefit cost	(8,134)	(2,180)	(5,954)
Other Comprehensive Income	\$ 209,839	\$ 56,232	\$ 153,607
Year ended December 31, 2024			
Net unrealized gains (losses) on available-for-sale investment securities:			
Net unrealized gain (losses) on available-for-sale investment securities arising during the period	\$ (15,337)	\$ (4,110)	\$ (11,227)
Reclassification adjustment for net realized losses included in net income	—	—	—
Amortization of unrealized holding losses on held-to-maturity investment securities	17,776	4,764	13,012
Retirement benefit plans:			
Adjustment for amortization of prior service credit and net losses (benefits) recognized during the period in net periodic benefit cost	1,174	314	860
Other Comprehensive Income	\$ 3,613	\$ 968	\$ 2,645

Changes in the balances of each component of accumulated other comprehensive income/(loss) (AOCI) were as follows:

<i>(dollars in thousands)</i>	Net unrealized gains (losses) on securities	Retirement benefits plans	Total AOCI
Balance, December 31, 2023	(282,963)	(9,309)	(292,272)
Current period other comprehensive income (loss)	1,785	860	2,645
Balance, December 31, 2024	(281,178)	(8,449)	(289,627)
Current period other comprehensive income (loss)	145,158	8,449	153,607
Balance, December 31, 2025	\$ (136,020)	\$ —	\$ (136,020)

Reclassifications out of AOCI were as follows:

	<u>Amount reclassified from AOCI</u>		
Years ended December 31,	2025	2024	Affected line item in the Statements of Income
<i>(dollars in thousands)</i>			
Available-for sale investment securities:			
Net realized losses on securities included in net income	\$ 109,708	\$ —	Loss on sale of investment securities, net
Amortization of unrealized holding losses on held-to-maturity securities	12,069	13,012	Interest and dividends on investment securities
Retirement benefit plan:			
Pension plan settlement charge	14,403	—	Other expense, see Note 12 for additional details
Amortization of prior service credit and net losses (benefits) recognized during the period in net periodic benefit cost	(5,954)	860	Other expense, see Note 12 for additional details
Total reclassifications	\$ 130,226	\$ 13,872	

19 · Earnings per Common Share

Presented below are the computations of basic earnings per common share. There are no potentially dilutive common stock equivalents as of December 31, 2025 and 2024.

Years ended December 31, (dollars and shares in thousands)	2025	2024
Net income (loss)	\$ (30,194)	\$ 12,317
Weighted average common shares outstanding	9.000	1.022
Basic earnings (loss) per common share	\$ (3,355)	\$ 12,052

20 · Segment Reporting

The Bank has considered ASC 280, “Segment Reporting” and determined it operates as one operating and reportable segment, community banking. The Bank provides a comprehensive range of financial services, such as residential lending, construction and real estate lending, commercial lending, consumer lending, and investment services. There is no material difference in the products and services offered based on customer type or geographic location. All activities are closely aligned with the core business of providing financial services and are subject to similar risks and rewards. No single customer accounts for more than 10% of total revenue. All operations are domestic and located in Hawaii.

The Bank’s Chief Executive Officer, who is the designated CODM, evaluates performance and makes decisions considering bank-wide financial metrics such as total revenues, profit, and risk management of the Bank, and resources are allocated to support the Bank’s overall business plan.

Loans, investments, and deposits provide the revenues in community banking and are presented in the Bank’s balance sheets. Interest expense, provisions for credit losses, and salaries and employee benefits provide the significant expenses in community banking and are presented in the Bank’s statements of income. Performance is evaluated based on net income with the majority of the Bank’s net income derived from net interest income. Accordingly, the CODM focuses primarily on net interest income, rather than gross interest income and expense amounts, in evaluating segment profitability.

Refer to the balance sheets and statements of income for net income and all significant expenses regularly provided to and reviewed by the CODM.

21 · Subsequent Events

On January 28, 2026, the Bank’s Board of Directors declared a common stock cash dividend of \$1,945 per share, totaling \$17.505 million. The dividend was paid on February 27, 2026 to stockholders of record as of January 28, 2026.

The Bank has evaluated subsequent events from the balance sheet date through March 13, 2026, the date at which the financial statements were available to be issued, and determined there are no other items to disclose.

**8,057,240 Shares
Common Stock**



PROSPECTUS

Sole Book-Running Manager

Piper Sandler

Lead Manager

Keefe, Bruyette & Woods

A Stifel Company

Co-Managers

D.A. Davidson & Co.

Stephens Inc.

September 15, 2026